

## **EDP Renováveis, S.A.**

Audit Report, Annual Accounts and  
Management Report at 31 December 2019



## Independent auditor's report on the annual accounts

To the shareholders of EDP Renováveis, S.A.:

### Report on the annual accounts

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#### Opinion

We have audited the annual accounts of EDP Renováveis, S.A. (the Company), which comprise the statement of financial position as at December 31, 2019, and the income statement, statement of changes in equity, statement of cash flows and related notes for the year then ended.

In our opinion, the accompanying annual accounts present fairly, in all material respects, the equity and financial position of the Company as at December 31, 2019, as well as its financial performance and cash flows for the year then ended, in accordance with the applicable financial reporting framework (as identified in note 4 of the notes to the annual accounts), and, in particular, with the accounting principles and criteria included therein.

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#### Basis for opinion

We conducted our audit in accordance with legislation governing the audit practice in Spain. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the annual accounts* section of our report.

We are independent of the Company in accordance with the ethical requirements, including those relating to independence, that are relevant to our audit of the annual accounts in Spain, in accordance with legislation governing the audit practice. In this regard, we have not rendered services other than those relating to the audit of the accounts, and situations or circumstances have not arisen that, in accordance with the provisions of the aforementioned legislation, have affected our necessary independence such that it has been compromised.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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#### Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the annual accounts of the current period. These matters were addressed in the context of our audit of the annual accounts as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	How our audit addressed the key audit matter
<p data-bbox="252 450 837 548">Assessment of the recovery of the carrying amount of long-term investments in group companies and associates</p> <p data-bbox="252 571 837 705">The accompanying annual accounts present long-term investments in group companies and associates, as detailed in note 8, amounting to €7,548,533 thousand.</p> <p data-bbox="252 728 837 974">The Company analyses these assets annually for impairment in accordance with the criteria described in note 8, and determines their recoverable amount based on the present value of future cash flows, considering the business plans approved by management. The key assumptions considered are detailed in note 8 to the accompanying annual accounts.</p> <p data-bbox="252 996 837 1153">Furthermore, management carried out a sensitivity analysis on the most significant assumptions which, based on earlier experience, may reasonably show variations, as detailed in note 8.</p> <p data-bbox="252 1176 837 1310">As a result of the previous analyses, Company's management has concluded that for assets tested for impairment, there is no need to recognise or reverse impairment in 2019.</p> <p data-bbox="252 1332 837 1579">This area is key because it entails the application of critical judgements and significant estimates by management concerning the key assumptions used in the calculations performed, which are subject to uncertainty, and the fact that significant future changes in them could have a significant impact on the Company's annual accounts.</p>	<p data-bbox="837 571 1477 728">We started our analysis by gaining an understanding of the process and relevant controls that the Company has in place to analyse the recovery of long-term investments in group companies and associates.</p> <p data-bbox="837 750 1477 952">In addition, we assessed the adequacy of the measurement models employed, the assumptions and estimates used in the calculations, including, among others, estimated performance of electricity prices, consistency with the applicable regulatory framework and the evolution of discount rates.</p> <p data-bbox="837 974 1477 1108">We also verified whether the electricity prices included in the cash flow projections prepared by the Company in the past were consistently in keeping with real data.</p> <p data-bbox="837 1131 1477 1265">Specifically, with respect to discount rates, in collaboration with our valuation experts, we verified the methodology used in their estimation and that their value is within a reasonable range.</p> <p data-bbox="837 1288 1477 1601">Also, we checked the mathematical accuracy of the calculations and models prepared by management and assessed the sensitivity calculations carried out and the estimates of the magnitude of the change required in the key assumptions to trigger asset impairment, or the reversal of the impairment allowance. And we have compared the recoverable value calculated by the Company with long-term investments in group companies and associates carrying amount.</p> <p data-bbox="837 1624 1477 1758">Finally, we also assessed the sufficiency of the information disclosed in the annual accounts with respect to the assessment of the recoverable amount of these assets.</p> <p data-bbox="837 1780 1477 1917">Based on the procedures carried out, we consider that management's approach and conclusions and the information disclosed in the accompanying annual accounts are reasonable and consistent with the evidence obtained.</p>



Key audit matter	How our audit addressed the key audit matter
<p><b>Recognition and measurement of derivative financial instruments</b></p> <p>As indicated in note 7 to the accompanying annual accounts, the Company is exposed to certain financial risks, namely, exchange rate risk and interest rate risk due to the activities performed and the countries where it operates.</p> <p>In order to manage these risks, management has contracted several derivatives amounting to €3,352 thousand and €151.916 thousand, in assets and liabilities, respectively (note 11) at 31 December 2019.</p> <p>The fair value of the derivatives is estimated through complex valuation techniques that require the application of judgement and the use of significant assumptions by management.</p> <p>The derivatives designated as accounting hedges have to meet some criteria in relation to the documentation of the hedge.</p> <p>Due to the uncertainty associated with the estimation of the fair value of these instruments and the complexity of complying with accounting legislation on the application of hedge accounting, we consider this a key audit matter.</p>	<p>We started our analysis by understanding the procedure established by management to identify and measure the derivatives and the relevant controls on this area.</p> <p>For a sample of derivatives selected, we checked their main characteristics with their respective contracts.</p> <p>Similarly, and with the involvement of our experts in the valuation of derivatives, we assessed the valuation methodology used and for a sample of instruments, we performed a contrast assessment over the management's valuation.</p> <p>Moreover, for a sample of the instruments designated as accounting hedges, we assessed the documentation is according to requirements established in prevailing accounting regulations.</p> <p>Finally, we analysed the sufficiency of the disclosures included in the accompanying annual accounts regarding financial derivatives.</p> <p>As a result of our tests, we consider that the measurement of financial derivatives and the information disclosed in the accompanying annual accounts are reasonable and consistent with the information available.</p>

#### Other information: Management report

Other information comprises only the management report for the 2019 financial year, the formulation of which is the responsibility of the Company's directors and does not form an integral part of the annual accounts.

Our opinion on the annual accounts does not cover the management report. Our responsibility for the information contained in the management report is defined in prevailing audit regulations, which distinguish two levels of responsibility:

- A specific level which is applicable to the statement of non-financial information and certain information included in the Annual Corporate Governance Report (ACGR) prepared according to the applicable portuguese regulation, as defined in article 35.2 b) of Audit Law 22/2015, that consists of verifying solely that said information was provided in the management report or, if appropriate, that the management report includes the pertinent reference in the manner provided and if not, reporting the fact.



- b) A general level applicable to other information included in the management report that consists of assessing and reporting on the consistency of that information with the annual accounts, on the basis of the understanding of the company obtained in the performance of the audit of those accounts and without including information other than that obtained as evidence during the audit and assessing and reporting on whether the content and presentation of that part of the management report are in conformity with applicable legislation. If, based on the work we have performed, we conclude that there are material misstatements, we are required to report this fact.

Based on the work performed, as described above, we verified that the management report includes a reference to the fact that the non-financial information mentioned in paragraph a) above is included in the consolidated management report of the EDP Renováveis group of which the Company is the Parent company, that the mentioned information of the ACGR is included in the management report and the other information contained in the management report is consistent with that provided in the 2019 annual accounts and its content and presentation comply with applicable regulations.

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**Responsibility of the directors and the audit, control and related party transactions committee for the annual accounts**

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The Company's directors are responsible for the preparation of the accompanying annual accounts, such that they fairly present the equity, financial position and financial performance of the Company, in accordance with the financial reporting framework applicable to the entity in Spain, and for such internal control as the directors determine is necessary to enable the preparation of annual accounts that are free from material misstatement, whether due to fraud or error.

In preparing the annual accounts, the Company's directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

The audit, control and related party transactions committee is responsible for overseeing the process of preparation and presentation of the annual accounts.

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**Auditor's responsibilities for the audit of the annual accounts**

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Our objectives are to obtain reasonable assurance about whether the annual accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with legislation governing the audit practice in Spain will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual accounts.

As part of an audit in accordance with legislation governing the audit practice in Spain, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the annual accounts, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Company's directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the annual accounts or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the annual accounts, including the disclosures, and whether the annual accounts represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Company's audit, control and related party transactions committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Company's audit, control and related party transactions committee with a statement that we have complied with relevant ethical requirements, including those relating to independence, and we communicate with the audit, control and related party transactions committee those matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Company's audit, control and related party transactions committee, we determine those matters that were of most significance in the audit of the annual accounts of the current period and are therefore the key audit matters.

We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter.



## Report on other legal and regulatory requirements

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### Report to the audit, control and related party transactions committee

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The opinion expressed in this report is consistent with the content of our additional report to the Parent company's audit, control and related party transactions committee dated 20 February 2020.

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### Appointment period

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The General Ordinary Shareholders' Meeting held on 3 April 2018 appointed us as auditors for a period of 3 years, as from the year ended 31 December 2018.

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### Services provided

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Services provided to the Company for services other than the audit of the accounts, are indicated in the note 24 to the annual accounts.

For the non-audit services, provided to the Company's subsidiaries, please see the audit report of 20 February 2020 on the consolidated annual accounts of EDP Renováveis, S.A. and subsidiaries in which they are included.

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PricewaterhouseCoopers Auditores, S.L. (S0242)

  
Iñaki Goiriena Basualdu (16198)

20 February, 2020



*edp* renováveis

INDIVIDUAL  
ACCOUNTS AND  
INDIVIDUAL  
MANAGEMENT REPORT  
2019

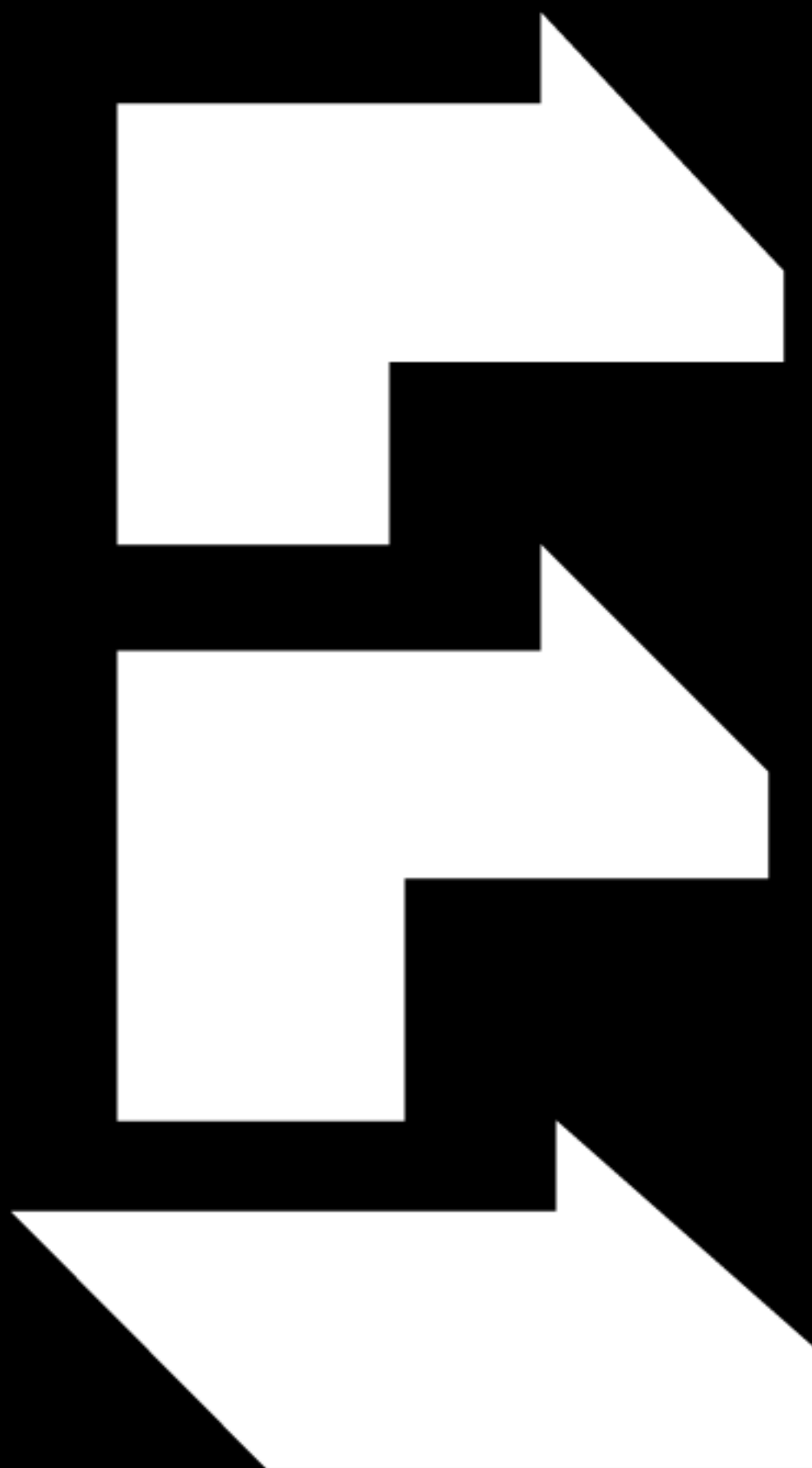


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**energy**





**EDPR 2019**  
**INDIVIDUAL ANNUAL ACCOUNTS**

## Balance sheet at 31 December 2019

THOUSAND EUROS	NOTE	2019	2018
<b>ASSETS</b>			
<b>Intangible assets</b>	<b>5</b>	<b>7,257</b>	<b>2,653</b>
<b>Property, plant and equipment</b>	<b>6</b>	<b>2,125</b>	<b>2,186</b>
<b>Non-current investments in Group companies and associates:</b>		<b>7,561,609</b>	<b>7,150,868</b>
Equity instruments	8	7,548,533	7,148,016
Derivatives	11	3,352	2,481
Other financial assets	9	9,724	371
<b>Non-current investments:</b>		<b>8,157</b>	<b>313</b>
Equity instruments	9	7,628	-
Other financial assets	9	529	313
<b>Deferred tax assets</b>	<b>18</b>	<b>33,317</b>	<b>40,439</b>
<b>TOTAL NON-CURRENT ASSETS</b>		<b>7,612,465</b>	<b>7,196,459</b>
<b>Non-current assets held for sale</b>	<b>12</b>	<b>18,185</b>	<b>-</b>
<b>Trade and other receivables:</b>	<b>9</b>	<b>74,690</b>	<b>56,086</b>
Customers, Group companies and associates - current		21,325	27,927
Receivables, Group companies and associates		53,351	28,100
Other receivables		13	58
Public entities, other		1	1
<b>Current investments in Group companies and associates:</b>	<b>10.a</b>	<b>-</b>	<b>12,665</b>
Derivatives	11	-	3,085
Other financial assets	9	-	9,580
<b>Current investments</b>	<b>9</b>	<b>491</b>	<b>15</b>
<b>Prepayments for current assets</b>		<b>421</b>	<b>233</b>
<b>Cash and cash equivalents</b>	<b>13</b>	<b>175,852</b>	<b>183,528</b>
Cash		175,852	183,528
<b>TOTAL CURRENT ASSETS</b>		<b>269,639</b>	<b>252,527</b>
<b>TOTAL ASSETS</b>		<b>7,882,104</b>	<b>7,448,986</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Capital and reserves:</b>			
Share capital	14.a	4,361,541	4,361,541
Share premium		1,228,451	1,228,451
Reserves		419,875	451,678
Profit/(loss) for the year		- 8,789	29,258
<b>TOTAL EQUITY</b>		<b>6,001,078</b>	<b>6,070,928</b>
<b>LIABILITIES</b>			
<b>Non-current provisions:</b>		<b>836</b>	<b>606</b>
Long-term employee benefits	15	836	606
<b>Non-current debt:</b>		<b>145,496</b>	<b>88,740</b>
Derivatives arranged with Group companies	11	120,920	88,740
Other financial liabilities	8	24,576	-
<b>Non-current debt with Group companies and associates</b>	<b>17.a</b>	<b>1,241,257</b>	<b>1,093,341</b>
<b>Deferred tax liabilities</b>	<b>19</b>	<b>58,426</b>	<b>51,135</b>
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>1,446,015</b>	<b>1,233,822</b>
<b>Current debt:</b>		<b>31,228</b>	<b>393</b>
Derivatives arranged with Group companies	11	30,996	-
Other financial liabilities		232	393
<b>Current debt with Group companies and associates</b>	<b>17.a</b>	<b>390,439</b>	<b>129,148</b>
<b>Trade and other payables:</b>		<b>13,344</b>	<b>14,695</b>
Payables, Group companies and associates - current	17.c	5,849	6,141
Other payables	17.c	2,041	4,004
Personnel (salaries payable)	17.c	4,775	4,043
Public entities, other	19	679	507
<b>TOTAL CURRENT LIABILITIES</b>		<b>435,011</b>	<b>144,236</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>7,882,104</b>	<b>7,448,986</b>

The accompanying notes form an integral part of the annual accounts for 2019.



## Income Statement for the year ended 31 December 2019

THOUSAND EUROS	NOTE	2019	2018
<b>CONTINUING OPERATIONS</b>			
Revenues	22	161,347	155,694
Self-constructed assets		6	55
Other operating income:		1,644	5,849
Non-trading and other operating income		1,644	5,849
Personnel costs:		- 22,972	-17,909
Salaries, wages and similar compensation		-18,082	-14,501
Employee benefits expense	22.c	- 4,890	-3,408
Other operating expenses		-21,102	-21,945
External services	22.d	- 20,741	-21,626
Tax		- 8	-8
Other general expenses		- 353	-311
Amortisation and depreciation	5 and 6	- 860	-629
Impairment and gains/(losses) on disposal		1	-177
Property, plant and equipment		- 2	-177
Investments	8	3	-
Operating profit/(loss)		118,064	120,938
Finance income:	9	1	12
From marketable securities and other financial instruments:		1	12
Other		1	12
Finance cost:	16	- 156,847	-128,937
Group companies and associates		-156,809	-128,925
Other		- 38	-12
Exchange gains and losses	10.d and 17.e	- 4,499	3,148
Change in fair value of financial instruments	11	904	-
Impairment and gains/(losses) on disposal of financial instruments	11	171	-
Net finance cost/income		- 160,270	-125,777
Profit/(loss) before tax		- 42,206	-4,839
Income tax	19	33,417	34,097
Profit/(loss) for the year from continuing operations		- 8,789	29,258
Profit/(loss) for the year		- 8,789	29,258

## Statement of changes in equity for the year ended 31 December 2019

### a) Statement of recognised income and expense for the year ended 31 December 2019

THOUSAND EUROS	NOTE	2019	2018
<b>Net profit/(loss) for the year</b>		<b>- 8,789</b>	<b>29,258</b>
<b>Total income and expense recognised directly in equity</b>		-	-
Grants, donations and bequests		-	-
Tax effect		-	-
<b>Total amounts transferred to the income statement</b>		-	-
Grants, donations and bequests		-	-
Tax effect		-	-
<b>Total recognised income and expense</b>		<b>- 8,789</b>	<b>29,258</b>

### b) Statement of total changes in equity for the year ended 31 December 2019

THOUSAND EUROS						2019
ENTITY	SHARE CAPITAL	SHARE PREMIUM	RESERVES	PROFIT/(LOSS) FOR THE YEAR		TOTAL
<b>Balance at 31 December 2018</b>	<b>4,361,541</b>	<b>1,228,451</b>	<b>451,678</b>	<b>29,258</b>		<b>6,070,928</b>
<b>Recognised income and expense</b>	-	-	-	<b>- 8,789</b>		<b>-8,789</b>
<b>Allocation of profit or loss (note 3):</b>						
Reserves			2,926	- 2,926		-
Dividends			-34,729	- 26,332		-61,061
<b>Balance at 31 December 2019</b>	<b>4,361,541</b>	<b>1,228,451</b>	<b>419,875</b>	<b>- 8,789</b>		<b>6,001,078</b>

THOUSAND EUROS						2018
ENTITY	SHARE CAPITAL	SHARE PREMIUM	RESERVES	PROFIT/(LOSS) FOR THE YEAR		TOTAL
<b>Balance at 31 December 2017</b>	<b>4,361,541</b>	<b>1,228,451</b>	<b>390,634</b>	<b>113,383</b>		<b>6,094,009</b>
<b>Recognised income and expense</b>	-	-	-	<b>29,258</b>		<b>29,258</b>
<b>Allocation of profit or loss (note 3):</b>						
Reserves	-	-	11,338	-11,338		-
Dividends	-	-	49,706	-102,044		-52,338
<b>Balance at 31 December 2018</b>	<b>4,361,541</b>	<b>1,228,451</b>	<b>451,678</b>	<b>29,258</b>		<b>6,070,928</b>

## Cash flow statement for the year ended 31 December 2019

THOUSAND EUROS	NOTE	2019	2018
<b>CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES</b>			
<b>Profit/(loss) for the year before tax</b>		<b>-42,206</b>	<b>-4,839</b>
<b>Adjusted profit/(loss):</b>		<b>161,359</b>	<b>125,987</b>
Amortisation and depreciation (+)	5 and 6	860	629
Change in provisions (+/-)	15	230	-596
Proceeds from disposals of fixed assets		-1	177
Finance income (-)		-1	-12
Finance cost (+)		156,847	128,937
Exchange differences (+/-)		4,499	-3,148
Change in fair value of financial instruments	10.d and 17.f	-904	-
Impairment and proceeds from disposal of financial instruments (+/-)	11	-171	-
<b>Changes in operating assets and liabilities:</b>	8 and 11	<b>-4,141</b>	<b>-3,191</b>
Trade and other receivables (+/-)		-3,375	-2,522
Other current assets		-188	-132
Trade and other payables (+/-)		-578	-537
<b>Other cash flows from (used in) operating activities:</b>		<b>-107,821</b>	<b>-497,503</b>
Interest paid (-)		-145,807	-124,594
Interest received (+)		1	12
Derivative financial instruments received (paid) (+/-)		3,504	-402,990
Income tax received (paid) (+/-)	19	34,481	30,069
Cash flows from (used in) operating activities		7,191	-379,546
<b>CASH FLOWS FROM (USED IN) INVESTING ACTIVITIES:</b>			
<b>Payments for investments: (-)</b>		<b>-1,067,018</b>	<b>-523,278</b>
Group companies and associates		-1,045,016	-520,561
Intangible assets		-4,473	-1,249
Property, plant and equipment		-339	-1,468
Other financial assets		-17,190	-
<b>Proceeds from sale of investments: (+)</b>		<b>731,834</b>	<b>542,415</b>
Group companies and associates		722,254	542,401
Other financial assets		9,580	14
Cash flows from (used in) investing activities		-335,184	19,137
<b>CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES:</b>			
<b>Payments made and received for financial liability instruments:</b>		<b>381,431</b>	<b>600,156</b>
Debt issues, Group companies (+)		915,374	1,388,350
Redemption and repayment of debts with Group companies (-)		-533,943	-788,194
<b>Dividends and interest on other equity instruments paid:</b>		<b>-61,061</b>	<b>-52,338</b>
Dividends (-)		-61,061	-52,338
Cash flows from (used in) financing activities		320,370	547,818
<b>Effect of exchange rate fluctuations</b>		<b>-53</b>	<b>-13,487</b>
Net increase/decrease in cash and cash equivalents		-7,676	173,922
<b>Cash and cash equivalents at beginning of year</b>	<b>13</b>	<b>183,528</b>	<b>9,606</b>
<b>Cash and cash equivalents at year end</b>	<b>13</b>	<b>175,852</b>	<b>183,528</b>

The accompanying notes form an integral part of the annual accounts for 2019.



## NOTES TO THE ANNUAL ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2019

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## 01. NATURE AND ACTIVITIES OF THE COMPANY

EDP Renováveis, S.A. (hereinafter, "the Company") was incorporated by public deed under Spanish law on 4 December 2007 for an indefinite period of time and commenced operations on the same date. Its registered office is in Oviedo at Plaza del Fresno 2.

According to the Company's articles of association, the statutory activity of EDP Renováveis, S.A. comprises activities related to the electricity sector, specifically the planning, construction, maintenance and management of electricity production facilities, in particular those eligible for the special regime for electricity generation. The Company promotes and develops projects relating to energy resources and electricity production activities as well as managing and administering other companies' equity securities.

The Company can engage in its statutory activities directly or indirectly through ownership of shares or investments in companies or entities with identical or similar statutory activities.

On 28 January 2008, EDP-Energias de Portugal, S.A. informed the market and the general public that its directors had decided to launch a public share offering in EDP Renováveis, S.L. The Company completed its initial flotation in June 2008, with 22.5% of its shares quoted on the Lisbon stock exchange.

During 2017, EDP - Energias de Portugal, S.A. carried out a buyback process to buy back quoted shares. After this process was completed, only 17.44% of the Company's shares remain quoted on the Lisbon Stock Exchange.

As explained in note 8, the Company holds investments in subsidiaries. Consequently, in accordance with prevailing legislation, the Company is the parent of a group of companies. In accordance with generally accepted accounting principles in Spain, consolidated annual accounts must be prepared to give a true and fair view of the financial position of the Group, the results of operations and changes in its equity and cash flows. Details of investments in Group companies are provided in Appendix I.

On 19 February 2020 the Directors authorised for issue the consolidated annual accounts of EDP Renováveis, S.A. and subsidiaries for 2019 under International Financial Reporting Standards adopted by the European Union (IFRS-EU), which show consolidated profit of Euros 622,667 thousand and consolidated equity of Euros 8,334,700 thousand (Euros 472,169 thousand and Euros 8,122,404 thousand in 2018). The consolidated annual accounts will be filed at the Asturias Mercantile Registry.

The operating activity of the Group headed by the Company is carried out in Europe, the USA and Brazil through three subgroups headed by EDP Renewables Europe, S.L.U. (EDPR EU) in Europe, EDP Renewables North America, LLC (EDPR NA) in the USA and EDP Renováveis Brasil in Brazil. In addition, in 2010 the Group incorporated the subsidiary EDP Renewables Canada, Ltd. to provide a base for carrying out projects in Canada.

The Company belongs to the EDP Group, of which the parent is EDP - Energias de Portugal, S.A., with registered office at Avenida 24 de Julho, n.º 12 in Lisbon.

In December 2011, China Three Gorges Corporation (CTG) signed an agreement to acquire 780,633,782 ordinary shares in EDP from Parpública - Participações Públicas SGPS, S.A., representing 21.35% of the share capital and voting rights of EDP Energias de Portugal S.A., the majority shareholder of the Company. This transaction took place in May 2012.

The terms of the agreements under which CTG became a shareholder of the EDP Group stipulate minority investments by CTG totalling Euros 2,000 million in renewable energy products underway and ready for construction (including co-funding capex (capital expenditure)).

Within the context of the foregoing agreement, the following transactions have taken place:

- In June 2013, EDPR sold its 49% interest in the equity of EDPR Portugal to CTG through CITIC CWEI Renewables S.C.A.

- In May 2015, EDPR closed the sale of its 49% interest in the following EDPR Brazil subsidiaries to CTG through CWEL Brasil participações LTDA: Elebrás Projetos S.A, Central Nacional de Energia Eólica S.A, Central Eólica Baixa do Feijão I S.A, Central Eólica Baixa do Feijão II S.A, Central Eólica Baixa do Feijão III S.A, Central Eólica Baixa do Feijão IV S.A, Central Eólica Jau S.A. and Central Eólica Aventura S.A.
- In October 2016, EDPR sold its 49% interest in the capital of EDP Renewables Polska SP.Zo.o. to CTG through ACE Poland S.Á.R.L. and sold its 49% interest in the capital of EDP Renewables Italia S.R.L. to CTG through ACE Italy S.Á.R.L.
- In June 2017, the EDPR Group closed the sale of its 49% interest in the capital of EDPR PT – Parques Eólicos, S.A. to CTG through ACE Portugal S.Á.R.L.
- In December 2018, EDPR closed the sale of 10% of the share capital of the associate Moray East Holdings Limited to CTG through China Three Gorges (UK) Limited.

## 02. BASIS OF PRESENTATION

### a) True and fair view

The annual accounts for 2019 have been prepared on the basis of the accounting records of EDP Renováveis, S.A., in accordance with prevailing legislation and the Spanish General Chart of Accounts to give a true and fair view of the equity and financial position at 31 December 2019 and results of operations, changes in equity, and cash flows for the year then ended.

The directors consider that the accompanying individual annual accounts for 2019, authorised for issue on 19 February 2020, will be approved with no changes by the shareholders at their annual general meeting.

### b) Comparative information

The balance sheet, income statement, statement of changes in equity, cash flow statement and the notes thereto for 2019 include comparative figures for 2018, which formed part of the 2018 annual accounts approved by shareholders at the annual general meeting held on 11 April 2019.

### c) Functional and presentation currency

The figures disclosed in the annual accounts are expressed in thousands of Euros, the Company's functional and presentation currency.

### d) Critical issues regarding the valuation and estimation of relevant uncertainties and judgements used when applying accounting principles

Relevant accounting estimates and judgements and other estimates and assumptions have to be made when applying the Company's accounting principles to prepare the annual accounts. A summary of the items requiring a greater degree of judgement or which are more complex, or where the assumptions and estimates made are significant to the preparation of the annual accounts, is as follows:

#### Relevant accounting estimates and assumptions

The Company tests investments in Group companies for impairment on an annual basis. Impairment is calculated by comparing the carrying amount of the investment with its recoverable amount. The recoverable amount is the higher of value in use and fair value less costs to sell. The Company generally uses cash flow discounting methods to calculate these values. Cash flow discounting calculations are based on projections in the budgets approved by management. The cash flows take into consideration past experience and represent management's best estimate of future market performance. The key assumptions employed when determining fair value less costs to sell and value in use include growth rates in accordance with best estimates of rises in electricity prices in each country, the weighted average cost of capital and tax rates. The estimates, including the methodology used, could have a significant impact on values and impairment loss. In certain cases, when estimating impairment of such investments, the investee's equity is taken into consideration, corrected for any net unrealised gains existing at the measurement date.

The fair value of financial instruments is based on market quotations when available. Otherwise, fair value is based on prices applied in recent, similar transactions in market conditions or on evaluation methodologies using discounted future cash flow techniques, considering market conditions, time value, the profitability curve and volatility factors. These methods may require assumptions or judgements in estimating fair value.

### Recording and recovery of deferred tax assets.

The recording and recoverability of deferred tax assets is assessed when they are generated and subsequently at each statement of financial position reporting date in accordance with expected taxable income/tax loss. The Company also takes into account future tax obligations constituting the recovery of such assets.

### Changes in accounting estimates

Although estimates are calculated by the Company's directors based on the best information available at 31 December 2019, future events may require changes to these estimates in subsequent years. Any effect on the annual accounts of adjustments to be made in subsequent years would be recognised prospectively.

## 03. ALLOCATION OF PROFIT OR LOSS

The proposed allocation of the 2019 profit and loss to be submitted to the shareholders for approval at their annual general meeting is as follows:

	EUROS
<b>BASIS OF ALLOCATION:</b>	
Losses for the year	-8,788,570.89
Voluntary reserves	69,784,652.96
<b>DISTRIBUTION:</b>	
Prior years' losses	-8,788,570.89
Dividends	69,784,652.96
<b>TOTAL</b>	<b>60,996,082.07</b>

The distribution of profit and reserves of the Company for the year ended 31 December 2018, approved by the shareholders at their annual general meeting held on 11 April 2019, was as follows:

	EUROS
<b>BASIS OF ALLOCATION:</b>	
Profit for the year	29,258,492.74
Voluntary reserves	34,728,927.87
<b>DISTRIBUTION:</b>	
Legal reserve	2,925,849.27
Dividends	61,061,571.34
<b>TOTAL</b>	<b>63,987,420.61</b>

At 31 December, non-distributable reserves are as follows:

	THOUSAND EUROS	
	2019	2018
<b>NON-DISTRIBUTABLE RESERVES:</b>		
Legal reserve	75,971	73,045
	<b>75,971</b>	<b>73,045</b>

Profit recognised directly in equity cannot be distributed, either directly or indirectly.



## 04. SIGNIFICANT ACCOUNTING POLICIES

### a) Foreign currency transactions, balances and cash flows

Foreign currency transactions have been translated into Euros using the spot exchange rate prevailing at the transaction date.

Monetary assets and liabilities denominated in foreign currencies have been translated into Euros at the closing rate, while non-monetary assets and liabilities measured at historical cost have been translated at the exchange rate prevailing at the transaction date.

In the cash flow statement, cash flows from foreign currency transactions have been translated into Euros at the exchange rates at the dates the cash flows occur.

The effect of exchange rate fluctuations on cash and cash equivalents denominated in foreign currencies is recognised separately in the cash flows statement as Effect of exchange rate fluctuations.

Exchange gains and losses arising on the settlement of foreign currency transactions and the translation into Euros of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

### b) Intangible assets

Computer software is measured at purchase price and carried at cost, less any accumulated amortisation and impairment. Computer software is amortised by allocating the depreciable amount on a systematic basis over its useful life, which has been estimated at five years from the asset entering normal use.

Capitalised personnel expenses of employees who install computer software are recognised as Self-constructed assets in the income statement.

Computer software acquired and produced by the Company, including website costs, is recognised when it meets the following conditions:

- Payments attributable to the performance of the project can be measured reliably.
- The allocation, assignment and timing of costs for each project are clearly defined.
- There is evidence of the project's technical success, in terms of direct operation or sale to a third party of the results thereof once completed and if a market exists.
- The economic and commercial feasibility of the project is reasonably assured.
- Financing to develop the project, the availability of adequate technical and other resources to complete the development and to use or sell the resulting intangible asset are reasonably assured.
- There is an intention to complete the intangible asset for its use or sale.

Computer software maintenance costs are charged as expenses when incurred.

### c) Property, plant and equipment

Property, plant and equipment are measured at cost of acquisition. Property, plant and equipment are carried at cost less any accumulated depreciation and impairment.

Property, plant and equipment are depreciated by allocating the depreciable amount of an asset on a systematic basis over its useful life. The depreciable amount is the cost of an asset, less its residual value. The Company determines the depreciation charge separately for each component of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the asset and with a useful life that differs from the remainder of the asset.

Property, plant and equipment are depreciated using the following criteria:

	DEPRECIATION METHOD	ESTIMATED YEARS OF USEFUL LIFE
Other equipment	Straight-line	10
Furniture	Straight-line	10
Information technology equipment	Straight-line	4

#### d) Financial instruments

##### Financial assets and liabilities at fair value through changes in profit and loss

This category includes the derivative financial instruments described in note 11, which are initially recognised at fair value. Transaction costs directly attributable to the acquisition or issue are recognised as an expense when incurred.

After initial recognition, they are recognised at fair value through profit or loss. Fair value is reduced by transaction costs incurred on sale or disposal. Accrual interest and dividends are recognised separately.

##### Loans and receivables

Loans and receivables comprise trade and non-trade receivables with fixed or determinable payments that are not quoted in an active market other than those classified in other financial asset categories. These assets are initially recognised at fair value, including transaction costs, and are subsequently measured at amortised cost using the effective interest method.

##### Investments in Group companies

Investments in Group companies are initially recognised at cost, which is equivalent to the fair value of the consideration given, excluding transaction costs, and are subsequently measured at cost net of any accumulated impairment. The cost of investments in Group companies acquired before 1 January 2010 includes any transaction costs incurred.

Investments in Group companies denominated in foreign currencies covered by hedges of net investments in foreign operations are updated to reflect exchange rate fluctuations (see note 4 L).

Investments in Group companies acquired through a non-monetary contribution from another Group company are measured at the pre-transaction value in the consolidated accounts.

##### Non-monetary contributions in exchange for investments in the equity of other companies

In non-monetary contributions of businesses (including investments in Group companies) to other Group companies, equity investments received are measured on the transaction date at the carrying amount of the company in the consolidated accounts. Gains or losses deferred in recognised income and expense associated with the assets and liabilities conveyed continue to be recognised in equity but are linked to the investment received.

##### Interest and dividends

Interest is recognised using the effective interest method.

Dividends from investments in equity instruments are recognised when the Company is entitled to receive them. If the dividends are clearly derived from profits generated prior to the acquisition date because amounts higher than the profits generated by the investment since acquisition have been distributed, the carrying amount of the investment is reduced.

Pursuant to request ruling number 2 issued by the Spanish Accounting and Auditing Institute, published in its Official Gazette number 78, for entities whose ordinary activity is the holding of shares in group companies and the financing of investees, the dividends and other income - coupons, interest - earned on financing extended to investees, as well as gains obtained from the disposal of investments, except those deriving from the disposal of subsidiaries, jointly controlled entities and associates, constitute revenue in the income statement.

## Derecognition of financial assets

Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire or have been transferred and the Company has transferred substantially all the risks and rewards of ownership.

## Impairment of financial assets

### ▪ Impairment of financial assets carried at amortised cost

The amount of the impairment loss of financial assets carried at amortised cost is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate.

The impairment loss is recognised in profit and loss and may be reversed in subsequent periods if the decrease can be objectively related to an event occurring after the impairment has been recognised. The loss can only be reversed to the limit of the amortised cost of the assets had the impairment loss not been recognised.

### ▪ Investments in Group companies

Impairment is calculated by comparing the carrying amount of the investment with its recoverable amount. The recoverable amount is the higher of value in use and fair value less costs to sell.

Value in use is calculated based on the Company's share of the present value of future cash flows expected to be derived from ordinary activities and from the final disposal of the asset.

The carrying amount of the investment includes any monetary item that is receivable or payable for which settlement is neither planned nor likely to occur in the foreseeable future, excluding trade receivables or trade payables.

In subsequent years, reversals of impairment losses in the form of increases in the recoverable amount are recognised, up to the limit of the carrying amount that would have been determined for the investment if no impairment loss had been recognised.

The recognition or reversal of an impairment loss is recorded in the income statement.

Impairment of an investment is limited to the amount of the investment, except when contractual, legal or constructive obligations have been assumed by the Company or payments have been made on behalf of the companies.

## Financial liabilities

Financial liabilities, including trade and other payables, that are not classified as held for trading or as financial liabilities at fair value through profit or loss are initially recognised at fair value less any transaction costs directly attributable to the issue of the financial liability. After initial recognition, liabilities classified under this category are measured at amortised cost using the effective interest method.

## Derecognition of financial liabilities

The Company derecognises all or part of a financial liability when it either discharges the liability by paying the creditor, or is legally released from primary responsibility for the liability either by process of law or by the creditor.

## Fair value

The fair value is the amount for which an asset can be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction. If available, quoted prices in an active market are used to determine fair value. Otherwise, the Company calculates fair value using recent transaction prices or, if insufficient information is available, generally accepted valuation techniques such as discounting expected cash flows.

**e) Cash and cash equivalents**

Cash and cash equivalents include cash on hand and demand deposits in financial institutions. They also include other short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. An investment normally qualifies as a cash equivalent when it has a maturity of less than three months from the date of acquisition.

The Company classifies current accounts with Group companies under this heading if they are considered to be cash-pooling accounts when there is a debit balance. If not, they are recorded under current payables with Group companies and associates.

The Company recognises cash payments and receipts for financial assets and financial liabilities in which turnover is quick on a net basis in the statement of cash flows. Turnover is considered to be quick when the period between the date of acquisition and maturity does not exceed six months.

**f) Provisions**

Provisions are recognised when the Company has a present obligation (legal, contractual, constructive or tacit) as a result of a past event; it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the expenditure required to settle the present obligation at the end of the reporting period, taking into account all risks and uncertainties surrounding the amount to be recognised as a provision and, where the time value of money is material, the financial effect of discounting provided that the expenditure to be made each period can be reliably estimated. The discount rate is determined before taxes, taking into consideration the time value of money, as well as the specific risks that have not been included in the future cash flows relating to the provision at each closing date.

The financial effect of the provisions is recognised as a financial expense in the income statement.

If it is not probable that an outflow of resources will be required to settle an obligation, the provision is reversed.

**g) Revenue from sales and services rendered**

Revenue from the sale of goods and the rendering of services is measured at the fair value of the consideration received or receivable. Discounts, as well as the interest added to the nominal amount of the consideration, are recognised as a reduction in the consideration.

Revenues associated with the rendering of services are recognised in the income statement by reference to the stage of completion at the reporting date when revenues, the stage of completion, the costs incurred and the costs to complete the transaction can be estimated reliably and it is probable that the economic benefits derived from the transaction will flow to the Company.

**h) Income tax**

The income tax expense or tax income for the year comprises current tax and deferred tax.

Current tax assets or liabilities are measured at the amount expected to be paid to or recovered from the taxation authorities, using the tax rates and tax laws that have been enacted or substantially enacted at the reporting date.

Current and deferred tax are recognised as income or an expense and included in profit or loss for the year, except to the extent that the tax arises from a transaction or event which is recognised, in the same or a different year, directly in equity, or from a business combination.

The Company files consolidated tax returns as part of the 385/08 group headed by EDP Energias de Portugal, S.A. Sucursal en España.

In addition to the factors to be considered for individual taxation, set out previously, the following factors are taken into account when determining the accrued income tax expense for the companies forming the consolidated tax group:

- Temporary and permanent differences arising from the elimination of profits and losses on transactions between Group companies, derived from the process of determining consolidated taxable income.



- Deductions and credits corresponding to each company forming the consolidated tax group. For these purposes, deductions and credits are allocated to the company that carried out the activity or obtained the profit necessary to obtain the right to the deduction or tax credit.

Temporary differences arising from the elimination of profits and losses on transactions between tax group companies are allocated to the company which recognised the profit/loss and are valued using the tax rate of that company.

A reciprocal credit and debit arises between the companies that contribute tax losses to the consolidated Group and the rest of the companies that offset those losses. Where a tax loss cannot be offset by the other consolidated Group companies, these tax credits for loss carryforwards are recognised as deferred tax assets using the applicable recognition criteria, considering the tax group as a taxable entity.

The Parent of the Group records the total consolidated income tax payable (recoverable) with a debit (credit) to receivables (payables) from/to Group companies and associates.

The amount of the debt (credit) relating to the subsidiaries is recognised with a credit (debit) to payables (receivables) to/from Group companies and associates (see notes 10 and 17 (c)).

### **Taxable temporary differences**

Taxable temporary differences are recognised in all cases except where they arise from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither accounting profit nor taxable income.

### **Deductible temporary differences**

Deductible temporary differences are recognised provided that it is probable that sufficient taxable income will be available against which the deductible temporary difference can be utilised, or when tax legislation envisages the possibility of converting deferred tax assets into a receivable from public entities in the future.

The Company recognises the conversion of a deferred tax asset into a receivable from public entities when it becomes enforceable in accordance with prevailing tax legislation. For this purpose, the deferred tax asset is derecognised with a charge to the deferred tax expense and the receivable is recognised with a credit to current tax. Likewise, the Company recognises the exchange of a deferred tax asset for government debt securities when it acquires ownership thereof.

The Company recognises the payment obligation deriving from financial contributions as an operating expense with a credit to payables to public entities when it is accrued in accordance with the Spanish Income Tax Law.

Nonetheless, assets arising from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither accounting profit nor taxable income, are not recognised.

In the absence of evidence to the contrary, it is not considered probable that the Company will have future taxable profit when the deferred tax assets are expected to be recovered in a period of more than ten years from the end of the reporting period, irrespective of the nature of the deferred tax asset; or, in the case of tax credits for deductions and other tax relief that are unused due to an insufficient amount of total tax, when there is reasonable doubt - after the activity or the income giving rise to entitlement to the deduction or tax credit has been rendered or received, respectively - as to whether the requirements for their offset will be met.

The Company only recognises deferred tax assets arising from tax loss carryforwards when it is probable that future taxable profit will be generated against which they may be offset within the period stipulated in applicable tax legislation, up to a maximum period of ten years, unless there is evidence that their recovery in a longer period of time is probable and tax legislation provides for their utilisation in a longer period or stipulates no time limit for their utilisation.

Conversely, it is considered probable that the Company will generate sufficient taxable profit to recover deferred tax assets when there are sufficient taxable temporary differences relating to the same taxation authority and the same taxable entity, which are expected to reverse in the same tax period as the expected reversal of the deductible temporary differences or in periods into which a tax loss arising from a deductible temporary difference can be carried back or forward.

The Company recognises deferred tax assets not previously recognised because they were not expected to be utilised within the ten-year recovery period, inasmuch as the future reversal period does not exceed ten years from the end of the reporting period or when there are sufficient taxable temporary differences.

Tax planning opportunities are only considered when assessing the recoverability of deferred tax assets and if the Company intends to use these opportunities or it is probable that they will be utilised.

### Measurement

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the years when the asset is realised or the liability is settled, based on tax rates and tax laws that have been enacted or substantially enacted. The tax consequences that would follow from the manner in which the Company expects to recover or settle the carrying amount of its assets or liabilities are also reflected in the measurement of deferred tax assets and liabilities. For these purposes, the Company has considered the deduction for reversal of the temporary measures provided in transitional provision thirty-seven of Income Tax Law 27/2014 of 27 November 2014 as an adjustment to the tax rate applicable to the deductible temporary difference associated with the non-deductibility of amortisation and depreciation charges in 2013 and 2014.

### Classification

Deferred tax assets and liabilities are recognised in the statement of financial position under non-current assets or liabilities, irrespective of the expected date of recovery or settlement.

#### i) Classification of assets and liabilities as current and non-current

The Company classifies assets and liabilities in the statement of financial position as current and non-current. Current assets and liabilities are determined as follows:

- Assets are classified as current when they are expected to be realised or are intended for sale or consumption in the Company's normal operating cycle, they are held primarily for the purpose of trading, they are expected to be realised within 12 months after the reporting date or are cash or a cash equivalent, unless the assets may not be exchanged or used to settle a liability for at least 12 months after the reporting date.
- Liabilities are classified as current when they are expected to be settled in the Company's normal operating cycle, they are held primarily for the purpose of trading, they are due to be settled within 12 months after the reporting date or the Company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.
- Financial liabilities are classified as current when they are due to be settled within 12 months after the reporting date, even if the original term was for a period longer than 12 months, and an agreement to refinance or to reschedule payments on a long-term basis is completed after the reporting date and before the annual accounts are authorised for issue.

#### j) Environmental issues

##### Environmental assets

Non-current assets acquired by the Company to minimise the environmental impact of its activity and to protect and improve the environment, including the reduction and elimination of future pollution from the Company's activities, are recognised as property, plant and equipment in the balance sheet at purchase price or cost of production and depreciated over their estimated useful lives.

## **Environmental expenses**

Environmental expenses are the costs derived from managing the environmental effects of the Company's operations and existing environmental commitments. These include expenses relating to the prevention of pollution caused by ordinary activities, waste treatment and disposal, decontamination, restoration, environmental management or environmental audit.

Expenses derived from environmental activities are recognised as operating expenses in the period in which they are incurred.

## **Environmental provisions**

The Company makes an environmental provision when expenses are probable or certain to arise but the amount or timing is unknown. Where necessary, provision is also made for environmental actions arising from any legal or contractual commitments and for those commitments acquired for the prevention and repair of environmental damage.

## **k) Related party transactions**

Transactions between Group companies are recognised at the fair value of the consideration given or received. The difference between this value and the amount agreed is recognised in line with the underlying economic substance of the transaction.

## **l) Hedge accounting**

Derivative financial instruments which qualify for hedge accounting are initially measured at fair value, plus any transaction costs that are directly attributable to the acquisition, or less any transaction costs directly attributable to the issue of the financial instruments.

The Company undertakes fair value hedges and hedges of net investments in foreign operations.

At the inception of the hedge the Company formally designates and documents the hedging relationships and the objective and strategy for undertaking the hedges. Hedge accounting is only applicable when the hedge is expected to be highly effective at the inception of the hedge and in subsequent years in achieving offsetting changes in fair value or cash flows attributable to the hedged risk, throughout the period for which the hedge was designated (prospective analysis), and the actual effectiveness is within a range of 80%-125% (retrospective analysis) and can be reliably measured.

The Company hedges net investments in foreign operations in relation to its investment in the Group companies EDP Renewables North America, LLC., EDP Renováveis Brasil S.A. and EDP Renewables Canada, Ltd.

## **m) Hedges of a net investment in a foreign operation**

The Company hedges the foreign currency risk arising from investments in Group companies denominated in foreign currency. The portion of gains or losses on the hedging instrument or on the exchange rate of the monetary item used as the hedging instrument is recognised as exchange gains or losses in the income statement. Gains or losses on investments related to the underlying foreign currency amount in the annual accounts are recognised as exchange gains or losses in profit and loss with a valuation adjustment for the effective part of the hedge.

## **n) Grants, donations and bequests**

Grants, donations and bequests are recorded in recognised income and expense when, where applicable, they have been officially awarded, the conditions attached to them have been met or there is reasonable assurance that they will be received.

Monetary grants, donations and bequests are measured at the fair value of the sum received, whilst non-monetary grants, donations and bequests received are accounted for at fair value.

In subsequent years, grants, donations and bequests are recognised as income as they are applied.

## **o) Long- and short-term employee benefits**

The Company recognises the expected cost of profit-sharing and bonus plans when it has a present legal or constructive obligation to make such payments as a result of past events and a reliable estimate of the obligation can be made.

### p) Non-current assets held for sale

Non-current assets or disposal groups whose carrying amount will be largely recovered through a sale transaction instead of recognised at the value in use are recognised under this heading. In order for non-current assets or disposal groups to be classified as held for sale, they must be available for disposal in their current condition, exclusively subject to the usual terms and conditions of sale transactions, and the disposal must also be deemed to be highly probable.

Non-current assets and disposal groups classified as held for sale are not amortised or depreciated and are recorded at their carrying amount or fair value, whichever is lower, less costs to sell.

The Company recognises initial and subsequent impairment losses on assets classified in this category in the income statement under results of continuing operations.

## 05. INTANGIBLE ASSETS

Details of intangible assets and movement are as follows:

THOUSAND EUROS	BALANCE AT 31/12/2017	ADDITIONS	BALANCE AT 31/12/2018	ADDITIONS	TRANSFERS	BALANCE AT 31/12/2019
<b>COST:</b>						
Computer software	5,185	1,543	6,728	-	4,320	11,048
Computer software under development	994	369	1,363	5,078	-4,320	2,121
	6,174	1,912	8,091	5,078	-	13,169
<b>AMORTISATION:</b>						
Computer software	-5,009	-429	-5,438	-474	-	-5,912
	-5,009	-429	-5,438	-474	-	-5,912
<b>CARRYING AMOUNT</b>	<b>1,170</b>	<b>1,483</b>	<b>2,653</b>	<b>4,604</b>	<b>-</b>	<b>7,257</b>

Additions in 2019 and 2018 reflect information management applications purchased or developed during the year.

At the 2019 reporting date, the Company had fully amortised intangible assets in use amounting to Euros 5,197 thousand (Euros 4,967 thousand in 2018)

At 31 December 2019 and 2018 the Company has no commitments to purchase intangible assets.

## 06. PROPERTY, PLANT AND EQUIPMENT

Details of property, plant and equipment and movement are as follows:

THOUSAND EUROS	BALANCE AT 31/12/2017	ADDITIONS	BALANCE AT 31/12/2018	ADDITIONS	DISPOSALS	BALANCE AT 31/12/2019
<b>COST:</b>						
Other fixtures	1,681	1,188	2,869	180	-	3,049
Furniture	116	623	739	115	-	854
Information technology equipment	596	50	646	44	-	690
Vehicles	21	-	21	-	-21	-
	2,414	1,861	4,275	339	-21	4,593
<b>DEPRECIATION:</b>						
Other fixtures	-1,242	-179	-1,421	-280	-	-1,701
Furniture	-47	-17	-64	-82	-	-146
Information technology equipment	-596	-2	-598	-23	-	-621
Vehicles	-4	-2	-6	-1	7	-
	-1,889	-200	-2,089	-386		-2,468
<b>CARRYING AMOUNT</b>	<b>525</b>	<b>1,661</b>	<b>2,186</b>	<b>-47</b>	<b>-14</b>	<b>2,125</b>

Additions in 2019 and 2018 mainly reflect the work to improve and modernise the Company's headquarters carried out during the year.



The Company has taken out insurance policies to cover the risk of damage to its property, plant and equipment. The coverage of these policies is considered sufficient.

Fully depreciated property, plant and equipment amount to Euros 852 thousand at the 2019 reporting date (Euros 596 thousand in 2018) and comprise information technology equipment.

At 31 December 2019 and 2018 the Company has no commitments to purchase property, plant and equipment.

## **07. RISK MANAGEMENT POLICY**

### **a) Financial risk factors**

The Company's activities are exposed to various financial risks: market risk (including currency risk and fair value interest rate risk), credit risk, liquidity risk, and cash flow interest rate risk. The Company's global risk management programme focuses on uncertainty in the financial markets and aims to minimise potential adverse effects on the Company's profits. The Company uses derivatives to mitigate certain risks.

The directors of the Company are responsible for defining general risk management principles and establishing exposure limits. The Company's financial risk management is subcontracted to the Finance Department of EDP - Energias de Portugal, S.A. in accordance with the policies approved by the Board of Directors. The subcontracted service includes the identification and evaluation of hedging instruments.

All operations involving derivative financial instruments are subject to prior approval from the board of directors, which sets the parameters of each operation and approves the formal documents describing the objectives of the operation.

### **Currency risk**

The Company operates internationally and is therefore exposed to currency risk when operating with foreign currencies, especially with regard to the US Dollar, the Brazilian Real, the Canadian Dollar and the Polish Zloty. Currency risk is associated with recognised assets and liabilities, and net investments in foreign operations.

The Company holds investments in Group companies denominated in a foreign currency, which are exposed to currency risk. Currency risk affecting these investments is mitigated primarily through derivative financial instruments and borrowings in the corresponding foreign currencies.

Details of hedged financial assets and the derivative financial instruments obtained to hedge them are provided in notes 8 and 11.

Details of financial assets and liabilities in foreign currencies and transactions in foreign currencies are provided in notes 8, 10, 17 and 22.

### **Credit Risk**

The Company is not significantly exposed to credit risk as the majority of its balances and transactions are with Group companies. As the counterparties of derivative financial instruments are Group companies, and the counterparties of their derivative financial instruments are highly solvent banks, the Company is not subject to significant counterparty default risk. Guarantees or other derivatives are therefore not requested in this type of operation.

The Company has documented its financial operations in accordance with international standards. The majority of its operations with derivative financial instruments are therefore contracted under "ISDA Master Agreements", which facilitate the transfer of instruments in the market.

The total amount of financial assets subject to credit risk is shown in note 10.

## Liquidity Risk

Liquidity risk is the risk that the Company will be unable to comply with its financial commitments on maturity. The Company's approach in managing liquidity risk is to guarantee as far as possible that liquidity will always be available to pay its debts before they mature, in normal conditions and during financial difficulties, without incurring unacceptable losses or compromising the Company's reputation.

The directors have estimated cash flows which show that the Company will meet existing commitments at 2019 year end and those expected for 2020.

Compliance with the liquidity policy ensures that contracted commitments are paid, maintaining sufficient credit facilities. The EDP Renováveis Group manages liquidity risk by arranging and maintaining credit facilities with its majority shareholder, or directly with domestic and international entities in the market, under optimal conditions, to ensure access to the financing required to continue its activities.

Details of financial assets and financial liabilities by contractual maturity date are provided in notes 10 and 17.

## Cash flow and fair value interest rate risks

In 2019 and 2018 the Company does not have a considerable amount of interest-bearing assets and as a result, income and cash flows from operating activities are not significantly affected by fluctuations in market interest rates.

Interest rate risk arises from non-current borrowings, which are extended by Group companies. The loans have fixed interest rates, exposing the Company to fair value risks.

Details of hedged financial assets and the derivative financial instruments obtained to hedge them are provided in notes 8 and 11.

## 08. INVESTMENTS IN EQUITY INSTRUMENTS OF GROUP COMPANIES AND ASSOCIATES

Details of direct investments in equity instruments of Group companies and associates are as follows:

THOUSAND EUROS	2019	2018
<b>GROUP COMPANIES</b>		
EDP Renováveis Brasil S.A.	233,113	218,553
EDP Renewables Europe, S.L.U.	3,079,340	3,079,340
EDP Renewables North America, LLC	3,875,792	3,538,271
EDP Renewables Canada, Ltd.	46,597	33,476
EDP Renováveis Serviços Financeiros S.A.	274,892	274,892
EDP Renewables Offshore France S.A.S.	-	500
EDPR PRO V S.L.R.	25	25
EDPR Offshore España S.L.	-	725
Eolos Energias S.A.S. E.S.P	27,256	-
Vientos del Norte S.A.S. E.S.P	9,281	-
Other (See Appendix I)	10	7
Total	7,546,306	7,145,789
<b>ASSOCIATES</b>		
Solar Works BV	2,227	2,227
Total	2,227	2,227
Total	7,548,533 (Note 10A)	7,148,016 (Note 10A)

Movement in Group and associate equity instruments during 2019 and 2018 was as follows:

THOUSAND EUROS					2019
	31/12/2018	ADDITIONS	DISPOSALS	CHANGES IN EXCHANGE RATES	31/12/2019
<b>GROUP COMPANIES</b>					
EDP Renováveis Brasil S.A.	218,553	15,002	-	-442	233,113
EDP Renewables Europe, S.L	3,079,340	-	-	-	3,079,340
EDP Renewables North America, LLC	3,538,271	969,212	-701,917	70,226	3,875,792
EDP Renewables Canada, Ltd	33,476	31,529	-20,327	1,919	46,597
EDP Renewables Offshore France S.A.S	500	2,160	-2,660	-	-
EDP Renováveis Serviços Financieros S.A	274,892	-	-	-	274,892
EDPR PRO V S.L.R	25	-	-	-	25
EDPR Offshore España S.L	725	14,800	-15,525	-	-
Eolos Energía, S.A.S E.S.P	-	27,256	-	-	27,256
Vientos del Norte S.A.S E.S.P	-	9,281	-	-	9,281
Other (See Appendix I)	7	10	-7	-	10
Total	7,145,789	1,069,250	-740,436	71,703	7,546,306
<b>ASSOCIATES</b>					
Solar Works BV	2,227	-	-	-	2,227
Total	2,227	-	-	-	2,227
<b>TOTAL</b>	<b>7,148,016</b>	<b>1,069,250</b>	<b>-740,436</b>	<b>71,703</b>	<b>7,548,533</b>

THOUSAND EUROS					2018
	31/12/2017	ADDITIONS	DISPOSALS	CHANGES IN EXCHANGE RATES	31/12/2018
<b>GROUP COMPANIES</b>					
EDP Renováveis Brasil S.A.	167,315	55,941	-	-4,703	218,553
EDP Renewables Europe, S.L	3,079,340	-	-	-	3,079,340
EDP Renewables North America, LLC	3,461,782	441,734	-542,400	177,155	3,538,271
EDP Renewables Canada, Ltd	23,745	10,621	-	-890	33,476
EDP Renewables Offshore France S.A.S	-	500	-	-	500
EDP Renováveis Serviços Financieros S.A	274,892	-	-	-	274,892
EDPR PRO V S.L.R	25	-	-	-	25
EDPR Offshore España S.L	725	-	-	-	725
Other (See Appendix I)	7	-	-	-	7
Total	7,007,831	508,796	-542,400	171,562	7,145,789
<b>ASSOCIATES</b>					
Solar Works BV	-	2,227	-	-	2,227
Total	-	2,227	-	-	-
<b>TOTAL EQUITY INSTRUMENTS</b>	<b>7,007,831</b>	<b>511,023</b>	<b>-542,400</b>	<b>171,562</b>	<b>7,148,016</b>

#### a) Investments in Group companies and associates

Details of direct and indirect investments in Group companies are provided in Appendix I.

In 2019 and 2018 the Company financed its subsidiary EDP Renewables North America, LLC (EDPR NA) by subscribing successive capital increases/reductions for a net amount of Euros 267,295 thousand and Euros 100,666 thousand (US Dollars 303,895 thousand and US Dollars 98,900 thousand) representing increases in both years.

In 2019 and 2018, the Company has signed capital increases in EDP Renováveis Brasil S.A. for Euros 15,002 and Euros 55,941 thousand (Brazilian Reals 65,036 and Brazilian Reals 246,361 thousand), respectively.

In 2019 and 2018, the Company signed capital increases in EDP Renewables Canada for Euros 31,529 and Euros 10,621 thousand (Canadian Dollars 46,797 and 16,400 thousand), respectively. In addition, a capital reduction was signed in January 2019 for Euros 20,327 thousand (Canadian Dollars 30.950).

In 2019 and 2018 the Company made capital increases in EDPR Offshore France, S.A.S. for Euros 2,160 thousand and Euros 500 thousand. At 31 December 2019, the Company has recognised this investment non-current assets held for sale (see note 12).

In 2019 the Company signed a capital increase in EDPR Offshore España, S.L. for Euros 14,800 thousand. At 31 December 2019, the Company has recognised this investment in non-current assets held for sale (see note 12).

During 2019 the Company entered into the purchase of the Colombian companies Eolos Energía, S.A.S E.S.P. and Vientos de Norte, S.A.S E.S.P. for Euros 27,256 thousand and Euros 9,281 thousand. This acquisition entails a success fee of Euros 18,342 thousand and Euros 6,227 thousand, respectively, which the Company has recognised in other non-current financial liabilities (see note 17a).

In 2019, the Company entered into the purchase of 0.1% of the Greek company Aeolico Parko Fthiotidos Erimia, E.P.E. for Euros 9 thousand. This acquisition entails a success fee of Euros 7 thousand, which the Company has recognised in other non-current financial liabilities (see note 17a).

In 2018, the Company entered into the purchase of 20.19% of the share capital of the Dutch company Solar Works, B.V. for Euros 2,227 thousand.

### Testing for impairment in investments in equity instruments

Testing for impairment in investments in equity instruments is carried out annually. For operational wind farms, the recoverable amount is determined using the value in use.

Shareholder discounted cash flows were used to carry out this analysis. This method is based on the principle that the estimated value of an entity or business is defined by its capacity to generate future financial resources, assuming that these resources can be withdrawn from the business and distributed among the Company's shareholders, without compromising the continuation of the activity. The amount was therefore based on free cash flows generated by each company's business, less appropriate discount rates and net debt.

The projection period for future cash flows is the useful life of the assets (30 years), which is in line with the current amortisation method. Cash flows also include long-term operating contracts and long-term estimates of energy prices, provided that the asset carries market prices risk.

The following main assumptions are used for testing impairment:

- Energy produced: the wind studies carried out are used to determine the net capacity factors used for each farm, which take into account the long-term predictability of wind production and that wind energy production is supported in almost all countries by regulations that allow priority production and supply whenever weather conditions allow.
- Electricity remuneration: approved or contracted remuneration has been applied when available with regards the companies that benefit from regulated remuneration or that have signed agreements to sell their predetermined production over the entire useful life of the asset or a part of it; when this option was not available, prices were calculated using price curves projected by the company using its experience, internal models and external information sources.
- New capacity: tests were based on the best information available about the wind farms expected to be built in the coming years, adjusted by the likelihood that the planned projects will be completed successfully and by the company's growth prospects based on the objectives in the business plan, historical growth and projections of market size. Tests took into account the contracted and expected prices for acquiring turbines from several suppliers.
- Operating costs: contracts entered into for land leases and maintenance agreements were used; other operating costs were projected in a manner consistent with the company's internal models and experience.
- Residual value: residual value is taken as 15% of the initial investment in each wind farm, taking inflation into consideration.
- Discount rate: the following discount rates used are after taxes and they reflect the EDPR Group's best estimate of the specific risks:

	2019	2018
Europe (EUR)	3.1%-5.8%	3.3%-6.4%
North America (USD)	4.9%-6.3%	5.12%-6.37%
Brazil (USD)	8.8%-10.4%	9.9%-11.7%

EDPR has performed the following sensitivity analyses on the results of the affected impairment tests.

- 5% reduction in the market prices used in the reference scenario. This sensitivity analysis performed independently for such an assumption does not assume any impairment.
- Increase in the discount rate used in the reference scenario of 100 base points. This sensitivity analysis performed independently for such an assumption does not assume any impairment.

No impairment has been recognised as a result of the tests performed during 2019 and 2018.

### Foreign currency

The functional currencies of foreign operations are the currencies of the countries in which they are domiciled. These are primarily the US Dollar, the Canadian Dollar and the Brazilian Real.

### Hedged investments

Details of investments, the fair value of which is hedged against currency risk, at 31 December 2019 and 2018 are as follows:

THOUSAND EUROS	INTEREST COVERED	INTEREST NOT COVERED	TOTAL 2019
EDP Renováveis Brasil S.A.	26,468	206,645	233,113
EDP Renewables North America, LLC. (EDPR NA)	3,822,555	53,237	3,875,792
EDP Renewables Canada, Ltd	46,597	-	46,597
	<b>3,895,620</b>	<b>259,882</b>	<b>4,155,502</b>

THOUSAND EUROS	INTEREST COVERED	INTEREST NOT COVERED	TOTAL 2018
EDP Renováveis Brasil S.A.	27,845	190,708	218,553
EDP Renewables North America, LLC. (EDPR NA)	3,485,034	53,237	3,538,271
EDP Renewables Canada, Ltd	33,476	-	33,476
	<b>3,546,355</b>	<b>243,945</b>	<b>3,790,300</b>

Management hedges foreign currency risk arising from the Company's investments in EDP Renewables North America, LLC., denominated in foreign currency.

The changes in value due to exchange rate fluctuations of equity instruments and the changes in fair value of hedging instruments are recognised in exchange gains/losses in the income statement. Details for 2019 and 2018 are as follows:

THOUSAND EUROS	GAINS/(LOSSES)			
	EDPR NA	EDPR BR	EDPR CA	2019 TOTAL
<b>Investments in Group companies (note 11)</b>	<b>70,226</b>	<b>-442</b>	<b>1,919</b>	<b>71,703</b>
<b>Hedging instruments</b>				
Foreign currency derivatives (note 11)	-60,874	474	-2,563	-62,963
Current account in foreign currency (note 11)	-53	-	-	-53
Fixed rate debt in foreign currency (note 11)	-13,365	-	-	-13,365
	<b>-4,066</b>	<b>32</b>	<b>-644</b>	<b>-4,678</b>

THOUSAND EUROS	GAINS/(LOSSES)			
	EDPR NA	EDPR BR	EDPR CA	2018 TOTAL
<b>Investments in Group companies (note 11)</b>	<b>177,155</b>	<b>-4,703</b>	<b>-890</b>	<b>171,562</b>
<b>Hedging instruments</b>				
Foreign currency derivatives (note 11)	-140,463	4,374	828	-135,261
Current account in foreign currency (note 11)	-13,514	-	-	-13,514
Fixed rate debt in foreign currency (note 11)	-19,575	-	-	-19,575
	<b>3,603</b>	<b>-329</b>	<b>-62</b>	<b>3,212</b>



The hedging instruments used by the Company to hedge foreign currency risk arising from the investments in EDP Renewables North America, LLC. comprise:

- Hedging instrument consisting of three EUR/USD swaps with EDP Finance, B.V. with a notional amount of US Dollars 2,398 thousand. The fair value of the hedging instrument at 31 December 2019 totals Euros 129,001 thousand (Euros 88,731 thousand at 31 December 2018), which has been recognised in non-current and current debt under non-current and current liabilities, respectively (see note 11). At 31 December 2019 the net finance cost incurred on hedging instruments on net investments totalled Euros 67,003 thousand (net cost of Euros 43,662 thousand in 2018) and has been recognised in finance costs on debts with Group companies in the accompanying income statement.
- A hedging instrument comprising a EUR/USD cross interest rate swap arranged with EDPR Servicios Financieros, S.A. for a notional amount of US Dollars 1,025,380 thousand. The fair value of the hedging instrument at 31 December 2019 is Euros 20,604 thousand (fair value of zero at 31 December 2018 as it was arranged on this date, replacing another instrument with the same notional amount) and it is recognised in non-current debt under non-current liabilities (see note 11). At 31 December 2019 the net finance cost incurred on hedging instruments on net investments totalled Euros 26,996 thousand (net cost of Euros 26,320 thousand in 2018) and has been recognised in finance costs on debt with Group companies in the accompanying income statement (see note 21).
- Current account with EDPR Servicios Financieros, S.A. for an amount of US Dollars 197,450 thousand at 31 December 2019 (US Dollars 210,069 thousand at 31 December 2018). On 31 December 2019, the fair value of the current account amounts to Euros 175,761 thousand (Euros 183,467 thousand at 31 December 2018) and is recorded in the caption cash and cash equivalents of the attached balance sheet (see note 13). At 31 December 2018 the net finance cost associated with the current account totalled Euros 2,750 thousand (net cost of Euros 5,855 thousand in 2018) and has been recognised in finance costs on debt with Group companies in the accompanying income statement. Furthermore, the current account has generated losses on exchange differences of Euros 53 thousand.
- Loans received from EDP Finance BV in US Dollars with a notional amount of US Dollars 668,588 thousand. These loans have generated losses on exchange differences in 2019 of Euros 11,227 thousand (losses of Euros 17,692 thousand in 2018).
- Loans received from EDP Renováveis Serviços Financieros, S.A. in US Dollars with a notional amount of US Dollars 450,000 thousand (US Dollars 150,000 in 2018). These loans have generated net losses on exchange differences in 2019 of Euros 2,138 thousand (losses of Euros 1,883 thousand in 2018).

To hedge the currency risk arising from the exposure of the investment in EDP Renováveis Brasil S.A., denominated in Brazilian Reals, the Company has arranged a hedging instrument comprising two swaps for a total notional amount of Brazilian Reals 120,500 thousand in 2019 and 2018. The net fair value of the hedging instrument amounts to Euros 2,191 thousand at 31 December 2019 (Euros 5,095 thousand at 31 December 2018) and has been recognised in non-current investments in Group companies and associates in non-current assets (Euros 2,385 thousand) and in non-current debt in liabilities (Euros 194 thousand) (see note 11). During 2019 an agreement of this kind has been settled generating revenue of Euros 3,378 thousand, which is recognised in the exchange differences account. This hedging instrument incurred a net finance cost of Euros 1,660 thousand (cost of Euros 2,061 thousand in 2018), which has been recognised in finance costs on debt with Group companies in the income statement.

To hedge the currency risk arising from the exposure of the investment in EDP Renewables Canada, Ltd, denominated in Canadian Dollars, the Company has arranged a hedging instrument comprising six swaps for a total notional amount of Canadian Dollars 67,247 thousand (five swaps for a total notional amount of Canadian Dollars 51,450 thousand in 2018). At 31 December 2019 the fair value of the hedging instrument amounts to Euros 2,054 thousand (debit balance of Euros 462 thousand at 31 December 2018) and has been recognised in Investments in Group companies and associates in non-current assets (Euros 63 thousand) and in non-current debt in non-current liabilities (Euros 1,482 thousand) and current debt in current liabilities (Euros 635 thousand) (see note 11). During 2019 an agreement of this kind has been settled generating expenses of Euros 47 thousand, which is recognised in the exchange differences account. This hedging instrument incurred a net finance cost of Euros 1,001 thousand (cost of Euros 669 thousand in 2018), which has been recognised under finance costs on debt with Group companies in the accompanying income statement.

## 09. FINANCIAL ASSETS BY CATEGORY

The classification of financial assets by category and class, as well as a comparison of the fair value and the carrying amount is as follows:

THOUSAND EUROS								2019
	CARRYING AMOUNT	NON-CURRENT			CARRYING AMOUNT	CURRENT		
		AT AMORTISED COST OR COST		TOTAL		AT AMORTISED COST OR COST		TOTAL
		FAIR VALUE	AT FAIR VALUE			FAIR VALUE	AT FAIR VALUE	
Loans and receivables								
Loans	-	-	-	-	486	486	-	486
Other financial assets	10,253	10,253	-	10,253	5	5	-	5
Trade and other receivables	-	-	-	-	74,689	74,689	-	74,689
<b>Total</b>	<b>10,253</b>	<b>10,253</b>	<b>-</b>	<b>10,253</b>	<b>75,180</b>	<b>75,180</b>	<b>-</b>	<b>75,180</b>
Available for sale assets								
Equity instruments	7,628	7,628	-	7,628	-	-	-	-
<b>Total</b>	<b>7,628</b>	<b>7,628</b>	<b>-</b>	<b>7,628</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Hedging derivatives	-	-						
Traded on OTC markets	-	-	3,352	3,352	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>3,352</b>	<b>3,352</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>TOTAL FINANCIAL ASSETS</b>	<b>17,881</b>	<b>17,881</b>	<b>3,352</b>	<b>21,233</b>	<b>75,180</b>	<b>75,180</b>	<b>-</b>	<b>75,180</b>

THOUSAND EUROS								2018
	CARRYING AMOUNT	NON-CURRENT			CARRYING AMOUNT	CURRENT		
		AT AMORTISED COST OR COST		TOTAL		AT AMORTISED COST OR COST		TOTAL
		FAIR VALUE	AT FAIR VALUE			FAIR VALUE	AT FAIR VALUE	
Loans and receivables								
Other financial assets	684	684	-	684	9,595	9,595	-	9,595
Trade and other receivables	-	-	-	-	55,589	55,589	-	55,589
<b>Total</b>	<b>684</b>	<b>684</b>	<b>-</b>	<b>684</b>	<b>65,184</b>	<b>65,184</b>	<b>-</b>	<b>65,184</b>
Hedging derivatives								
Traded on OTC markets	-	-	2,481	2,481	-	-	3,085	3,085
<b>Total</b>	<b>684</b>	<b>684</b>	<b>2,481</b>	<b>2,481</b>	<b>-</b>	<b>-</b>	<b>3,085</b>	<b>3,085</b>
<b>TOTAL FINANCIAL ASSETS</b>	<b>684</b>	<b>684</b>	<b>2,481</b>	<b>3,165</b>	<b>65,184</b>	<b>65,184</b>	<b>3,085</b>	<b>68,269</b>

During 2019 the Company has purchased 10.69% and 7.47% of the share capital of the US companies Principal Power, Inc. and Rensource Holding, Inc for US Dollars 5,619 and US Dollars 2,950 thousand, respectively (equal to Euros 5,008 thousand and Euros 2,654 thousand), which it has recognised as available for sale assets in non-current investments.

Net losses and gains by category of financial asset are as follows:

THOUSAND EUROS					2019
	LOANS AND RECEIVABLES, GROUP COMPANIES	LOANS AND RECEIVABLES, OTHER	ASSETS HELD FOR TRADING		TOTAL
Finance income	-	1	-		1
Dividends (note 21b)	111,736	-	-		111,736
Change in fair value of financial instruments	-	-	904		904
Impairment and gains/(losses) on disposal of financial instruments	-	-	171		171
<b>NET GAINS/(LOSSES) IN PROFIT AND LOSS</b>	<b>111,736</b>	<b>1</b>	<b>1,075</b>		<b>112,812</b>

THOUSAND EUROS					2018
	LOANS AND RECEIVABLES, GROUP COMPANIES	LOANS AND RECEIVABLES, OTHER	ASSETS HELD FOR TRADING		TOTAL
Finance income	-	12	-		12
Dividends	128,675	-	-		128,675
<b>NET GAINS/(LOSSES) IN PROFIT AND LOSS</b>	<b>128,675</b>	<b>12</b>	<b>-</b>		<b>128,687</b>

## 10. INVESTMENTS AND TRADE RECEIVABLES

### a) Investments in Group companies

Details of investments in Group companies are as follows:

THOUSAND EUROS	2019		2018	
	NON-CURRENT	CURRENT	NON-CURRENT	CURRENT
<b>GROUP</b>				
Equity instruments (note 8)	7,548,533	-	7,148,016	-
Derivative financial instruments (note 11)	3,352	-	2,481	3,085
Other financial assets	9,724	-	371	9,580
Trade and other receivables	-	74,676	-	56,027
<b>TOTAL</b>	<b>7,561,609</b>	<b>74,676</b>	<b>7,150,868</b>	<b>68,692</b>

The non-current financial assets balance at 31 December 2019 includes the Company's collection right over the Group company EDPR, UK, which, together with non-controlling interests, is undertaking an offshore project through its subsidiary Moray West Holding Limited. This amount relates to the difference in return received by the offshore project partners who chose to finance the project via loans (5.5% return) and those, such as the EDPR Group, who chose a bridge loan (EBL) through banks, where the return is 1%.

The other current financial assets balance at 31 December 2018 mainly comprises the current account balance in Canadian Dollars with EDPR Canada L.L.C. for Euros 9,580 thousand.

### b) Classification by maturity

The classification of financial assets by maturity is as follows:

THOUSAND EUROS							2019
	2020	2021	2022	2023	SUBSEQUENT YEARS	LESS CURRENT PORTION	TOTAL NON-CURRENT
Loans to companies	486	-	-	-	-	-486	-
Derivative financial instruments	-	967	2,385	-	-	-	3,352
Other financial assets	5	-	9,724	-	529	-5	10,253
Trade and other receivables	74,689	-	-	-	-	-74,689	-
<b>TOTAL</b>	<b>75,180</b>	<b>967</b>	<b>12,109</b>	<b>-</b>	<b>529</b>	<b>-75,180</b>	<b>13,605</b>

THOUSAND EUROS							2018
	2019	2020	2021	2022	SUBSEQUENT YEARS	LESS CURRENT PORTION	TOTAL NON-CURRENT
Loans to companies	9,595	-	-	371	-	-9,595	371
Derivative financial instruments	3,085	107	323	2,051	-	-3,085	2,481
Trade and other receivables	56,085	-	-	-	-	-56,085	-
<b>TOTAL</b>	<b>68,765</b>	<b>107</b>	<b>323</b>	<b>2,422</b>	<b>-</b>	<b>-68,765</b>	<b>2,852</b>

### c) Trade and other receivables

Details of trade and other receivables are as follows:

THOUSAND EUROS		CURRENT	
		2019	2018
<b>Group (See note 21)</b>		<b>74,676</b>	<b>56,027</b>
Customers		21,325	27,927
Other receivables		53,351	28,100
<b>Unrelated parties:</b>		<b>14</b>	<b>59</b>
Other receivables		13	58
Public entities, other		1	1
<b>TOTAL</b>		<b>74,690</b>	<b>56,086</b>

Customers, Group companies in 2019 and 2018 essentially reflects the balance receivable under management support contracts arranged with EDP Renewables Europe, S.L.U and EDP Renewables North America, LLC in 2013. (See note 21 b.).

Other receivables from Group companies mainly include the income tax balance receivable for Euros 42,619 thousand (Euros 27,377 thousand in 2018) and, also in 2019, the dividend receivable from EDP Renovaveis Brasil, S.A. for Euros 10,732 thousand (in 2018, the additional VAT receivable for Euros 496 thousand with the Parent, EDP Energias de Portugal, S.A., Sucursal en España, as the Company files consolidated tax returns) (see note 19).

#### d) Exchange differences recognised in profit or loss in relation to financial assets

Details of exchange differences recognised in profit or loss in relation to financial instruments, distinguishing between settled and outstanding transactions, are as follows:

THOUSAND EUROS	2019		2018	
	SETTLED	OUTSTANDING	SETTLED	OUTSTANDING
Hedged investments in Group companies (note 8)	-	71,703	-	171,562
Hedging derivatives of net investments in foreign operations	3,331	-2,904	2,797	2,414
Other financial assets	564	237	165	-302
Trade and other receivables	35	-	37	-
Cash and cash equivalents	-	-53	-	-13,514
<b>TOTAL FINANCIAL ASSETS</b>	<b>3,930</b>	<b>68,983</b>	<b>2,999</b>	<b>160,160</b>

## II. DERIVATIVE FINANCIAL INSTRUMENTS

Details of derivative financial instruments are as follows:

THOUSAND EUROS				2019
	NON-CURRENT	ASSETS CURRENT	NON-CURRENT	LIABILITIES CURRENT
HEDGING DERIVATIVES				
a) Fair value hedges				
Net investment hedging swaps (note 8)	2,448	-	120,920	30,996
TOTAL	2,448	-	120,920	30,996
DERIVATIVES HELD FOR TRADING AND AT FAIR VALUE THROUGH CHANGES IN PROFIT AND LOSS				
b) Foreign currency derivatives				
FX forward	904	-	-	-
TOTAL				
TOTAL DERIVATIVES	3,352	-	120,920	30,996

THOUSAND EUROS		ASSETS		2018
	NON-CURRENT	CURRENT	NON-CURRENT	LIABILITIES CURRENT
HEDGING DERIVATIVES				
a) Fair value hedges				
Net investment hedging swaps (note 8)	2,481	3,085	88,740	-
TOTAL				
TOTAL DERIVATIVES	2.481	3.085	88.740	-

### a) Fair value hedges

The total amount of gains and losses on hedging instruments and on items hedged under fair value hedges of net investments in Group companies is as follows:

THOUSAND EUROS	GAINS/(LOSSES)	
	2019	2018
<b>FORWARD EXCHANGE CONTRACTS:</b>		
Net investment hedging swaps (note 8)	-62,963	-135,261
Fixed rate debt (note 8)	-13,365	-19,575
Investments in Group companies (note 8)	71,703	171,562
Current account in foreign currency (note 8)	-53	-13,514
	<b>-4,678</b>	<b>3,212</b>

### B) FOREIGN CURRENCY DERIVATIVES

In order to eliminate the exchange rate risk on the success fee recognised as a result of the acquisition of two Colombian companies (see note 8), in 2019 the Company has arranged several futures contracts on the US Dollar exchange rate for a notional amount of Euros 22,887 thousand (US Dollars 27,601 thousand). The fair value of these instruments is recognised in non-current investments in Group companies and associates for Euros 904 thousand. During 2019 contracts of this type have been settled and a profit generated, which is recognised in the income statement under impairment and proceeds on disposals of equity instruments for Euros 171 thousand.

## 12. NON-CURRENT ASSETS HELD FOR SALE

At 31 December 2019, the Company has recognised its investments in EDPR Offshore España, S.L. and EDP Renewables Offshore France, S.A.S in non-current assets held for sale for an amount of Euros 15,525 thousand and Euros 2,660 thousand, respectively, as a result of the agreement reached in May 2019 between the EDPR Group and Engie to create a fixed and floating marine energy joint venture. This agreement was signed on 23 January 2020 and is subject to certain terms (see note 26). The joint venture is expected to be operational in the first quarter of 2020.

## 13. CASH AND CASH EQUIVALENTS

Details of cash and cash equivalents are as follows:

THOUSAND EUROS	2019	2018
Cash in hand and at banks	91	61
Other cash equivalents	175,761	183,468
	<b>175,852</b>	<b>183,528</b>

In accordance with the terms of the contract signed by the parties on 1 June 2015, cash and cash equivalents at 31 December 2019 and 2018 include the balance of the US Dollar current account with EDPR Servicios Financieros S.A. of Euros 175,761 thousand and Euros 183,468 thousand, respectively.

## 14. CAPITAL AND RESERVES

Details of equity and movement during 2019 and 2018 are shown in the statement of changes in equity.

### a) Subscribed capital

At 31 December 2019 and 2018, the share capital of the Company is represented by 872,308,162 ordinary bearer shares of Euros 5 par value each, all fully paid. These shares have the same voting and profit-sharing rights. These shares are freely transferable.



Companies that hold a direct or indirect interest of at least 10% in the share capital of the Company at 31 December 2019 and 2018 are as follows:

			2019
COMPANY	NUMBER OF SHARES	PERCENTAGE OF OWNERSHIP	
EDP - Energías de Portugal, S.A. Sucursal en España	720,177,619	82.56%	
Others (shares quoted on the Lisbon stock exchange)	152,130,543	17.44%	
	<b>872,308,162</b>	<b>100.00%</b>	

			2018
COMPANY	NUMBER OF SHARES	PERCENTAGE OF OWNERSHIP	
EDP - Energías de Portugal, S.A. Sucursal en España	720,177,619	82.56%	
Others (shares quoted on the Lisbon stock exchange)	152,130,543	17.44%	
	<b>872,308,162</b>	<b>100.00%</b>	

In 2015 Hidroeléctrica del Cantábrico S.A. sold its shares in the Company (135,256,700 ordinary shares amounting to 15.51% of total shares), to EDP - Energías de Portugal S.A., Sucursal en España.

During 2017, EDP - Energías de Portugal, S.A. carried out a buyback process to buy back quoted shares. After this process was completed, only 17.44% of the Company's shares remain quoted on the Lisbon Stock Exchange.

## b) Share premium

This reserve is freely distributable

## c) Reserves

Details of reserves and movement during the year reflect the proposed distribution of profit approved by the shareholders at their annual general meeting (see note 3).

### Legal reserve

Pursuant to the Revised Spanish Companies Act, in force since 1 September 2010, companies are required to transfer 10% of profits for the year to a legal reserve until this reserve reaches an amount equal to 20% of share capital. The legal reserve may be used to increase capital. Except for this purpose, until the reserve exceeds 20% of share capital it may only be used to offset losses if no other reserves are available. At 31 December 2019 the amount of this reserve is Euros 75,971 thousand (Euros 73,045 thousand in 2018). This reserve has still not been appropriated with the minimum amount required by the Spanish Companies Act.

### Voluntary reserve

These reserves are freely distributable.

### Negative reserve for costs of the public share offering

As a result of the public share offering, the Company incurred a number of expenses associated with the capital increase, which have been recognised in this item net of the tax effect.

## 15. PROVISIONS

Movement in provisions during 2019 and 2018 is as follows:

THOUSAND EUROS	BALANCE AT 31/12/2017	ADDITIONS	APPLICATIONS	BALANCE AT 31/12/18	ADDITIONS	APPLICATIONS	BALANCE AT 31/12/2019
Personnel expense	1,202	300	-896	606	536	-306	836
<b>TOTAL</b>	<b>1,202</b>	<b>30</b>	<b>-896</b>	<b>606</b>	<b>536</b>	<b>-306</b>	<b>836</b>

Additions are recorded under the personnel expense as multi-year remuneration obligations. Provisions applied mainly reflect the reclassification of salaries payable to current liabilities.

In 2019 and 2018, the amount recognised as a provision is the directors' best estimate at the reporting date of the expenditure required to settle the present obligation.

## 16. FINANCIAL LIABILITIES BY CATEGORY

The classification of financial liabilities by category and class and a comparison of the fair value with the carrying amount are as follows:

THOUSAND EUROS	2019 CURRENT				2019 NON-CURRENT			
	CARRYING AMOUNT	FAIR VALUE	AT AMORTISED COST OR COST	AT FAIR VALUE	TOTAL	CARRYING AMOUNT	FAIR VALUE	AT AMORTISED COST OR COST
<b>DEBTS AND PAYABLES:</b>								
Group companies:								
Fixed rate	1,241,257	1,293,989	-	1,241,257	132,877	132,877	-	132,877
Variable rate	-	-	-	-	233,331	233,331	-	233,331
Other financial liabilities (note 8)	24,576	24,576	-	24,576	24,231	24,231	-	24,231
<b>Trade and other payables</b>	-	-	-	-	12,665	12,665	-	12,665
<b>TOTAL</b>	<b>1,265,833</b>	<b>1,318,565</b>		<b>1,265,833</b>	<b>403,104</b>	<b>403,104</b>	-	<b>403,104</b>
<b>Hedging derivatives:</b>								
<b>Traded on OTC markets</b>	-	-	120,920	120,920	-	-	30,996	30,996
<b>TOTAL</b>	-	-	120,920	120,920	-	-	30,996	30,996
<b>TOTAL FINANCIAL LIABILITIES</b>	<b>1,265,833</b>	<b>1,318,565</b>	<b>120,920</b>	<b>1,386,753</b>	<b>403,104</b>	<b>403,104</b>	<b>30,996</b>	<b>434,100</b>

THOUSAND EUROS	2018 CURRENT				2018 NON-CURRENT			
	CARRYING AMOUNT	FAIR VALUE	AT AMORTISED COST OR COST	AT FAIR VALUE	TOTAL	CARRYING AMOUNT	FAIR VALUE	AT AMORTISED COST OR COST
<b>DEBTS AND PAYABLES:</b>								
Debts with Group companies:								
Fixed rate	1,093,341	1,177,699	-	1,093,341	116,883	116,883	-	116,883
Variable rate	-	-	-	-	-	-	-	-
Other financial liabilities	-	-	-	-	12,658	12,658	-	12,658
<b>Trade and other payables</b>	-	-	-	-	14,188	14,188	-	14,188
<b>TOTAL</b>	<b>1,093,341</b>	<b>1,177,699</b>		<b>1,093,341</b>	<b>143,729</b>	<b>143,729</b>	-	<b>143,729</b>
<b>Hedging derivatives:</b>								
<b>Traded on OTC markets</b>	-	-	88,740	88,740	-	-	-	-
<b>TOTAL</b>	-	-	88,740	88,740	-	-	-	-
<b>TOTAL FINANCIAL LIABILITIES</b>	<b>1,093,341</b>	<b>1,177,699</b>	<b>88,740</b>	<b>1,182,081</b>	<b>143,729</b>	<b>143,729</b>	-	<b>143,729</b>

Net losses and gains by financial liability category are as follows:

THOUSAND EUROS				2019
	DEBTS AND PAYABLES, GROUP COMPANIES	DEBTS AND PAYABLES, THIRD PARTIES	LIABILITIES HELD FOR TRADING	TOTAL
Finance cost	156,809	38	-	156,847
<b>TOTAL</b>	<b>156,809</b>	<b>38</b>	<b>-</b>	<b>156,847</b>

THOUSAND EUROS				2018
	DEBTS AND PAYABLES, GROUP COMPANIES	DEBTS AND PAYABLES, THIRD PARTIES	LIABILITIES HELD FOR TRADING	TOTAL
Finance cost	128,925	12	-	128,937
<b>TOTAL</b>	<b>128,925</b>	<b>12</b>	<b>-</b>	<b>128,937</b>

## 17. DEBT AND TRADE PAYABLES

### a) Debt with Group companies

Details of debt with Group companies are as follows:

THOUSAND EUROS	2019		2018	
	NON-CURRENT	CURRENT	NON-CURRENT	CURRENT
<b>GROUP (NOTE 20)</b>				
Debt with Group Companies (note 17b)	1,241,257	252,205	1,093,341	116,883
Interest	-	22,253	-	11,213
Derivative financial instruments (note 11)	120,920	30,996	88,740	-
Suppliers of fixed assets	-	1,978	-	1,052
Other financial liabilities	24,576	114,003	-	-
<b>TOTAL</b>	<b>1,386,753</b>	<b>421,435</b>	<b>1,182,081</b>	<b>129,148</b>

At 31 December 2019, other financial liabilities relates mainly to the success fee arising from the acquisition of the Colombian companies Eolos Energias SAS and Vientos del Norte SAS, which amounts to US Dollars 27,601 thousand, equal to Euros 24,569 thousand at 31 December 2019. Furthermore, the company has recognised the success fee linked to the acquisition of the Greek company Aeoliko Parko Fthiotidos Erimia, E.P.E. for Euros 7 thousand (see note 8).

Other current financial liabilities at 31 December 2019 comprise current accounts with the Group, which accrue daily interest that is settled on a monthly basis. The rate applicable to interest receivable is one-month Euribor plus a spread of between 0% and 0.1%, whilst the rate applicable to interest payable is one-month Euribor, plus a spread of between 0.9% and 1%.

### b) Main characteristics of debt

The terms and conditions of loans and debt are as follows:

THOUSAND EUROS						2019	
						CARRYING AMOUNT	
TYPE	CURRENCY	EFFECTIVE RATE	NOMINAL RATE	MATURITY	NOMINAL AMOUNT	CURRENT	NON-CURRENT
EDP Finance	USD	4.99%	4.42%	2023	395,176	132,877	262,299
EDP Finance	USD	4.75%	4.75%	2024	196,888	-	196,888
EDPR Servicios Financieros	USD	5.18%	5.18%	2023	133,523	-	133,523
EDPR Servicios Financieros	USD	4.41%	4.41%	2024	267,047	-	267,047
EDPR Servicios Financieros	EUR	2.02%	2.02%	2023	170,000	-	170,000
EDPR Servicios Financieros	EUR	1.74%	1.74%	2022	115,000	-	115,000
EDPR Servicios Financieros	EUR	1.74%	1.74%	2022	96,500	-	96,500
EDPR Servicios Financieros	EUR	0.46%	0.46%	2020	119,328	119,328	-
<b>TOTAL</b>					<b>1,493,462</b>	<b>252,205</b>	<b>1,241,257</b>

THOUSAND EUROS						2018	
						CARRYING AMOUNT	
TYPE	CURRENCY	EFFECTIVE RATE	NOMINAL RATE	MATURITY	NOMINAL AMOUNT	CURRENT	NON-CURRENT
EDP Finance	USD	4.99%	4.42%	2023	390,745	-2,445	387,663
EDP Finance	USD	4.75%	4.75%	2024	193,174	-	193,174
EDPR Servicios Financieros	USD	5.18%	5.18%	2023	131,004	-	131,004
EDPR Servicios Financieros	EUR	2.02%	2.02%	2023	170,000	-	170,000
EDPR Servicios Financieros	EUR	1.74%	1.74%	2022	115,000	-	115,000
EDPR Servicios Financieros	EUR	1.74%	1.74%	2022	96,500	-	96,500
EDPR Servicios Financieros	EUR	0.53%	0.53%	2019	119,328	119,328	-
<b>TOTAL</b>					<b>1,215,751</b>	<b>116,883</b>	<b>1,093,341</b>

During 2017, the Company and EDP Finance BV agreed to modify certain clauses of the debt contract they had arranged for US Dollars 447,403 thousand. From an accounting perspective, these modifications did not give rise to significant changes in the existing terms and conditions. At 31 December 2019 an amount of Euros 3,083 thousand (Euros 5,528 thousand at 31 December 2018) is recognised in debt with Group companies and associates on account of commissions for the aforementioned modification, of which Euros 1,730 thousand is recorded as current and will be taken to the income statement in 2020.

During 2018, new fixed rate loans in US Dollars were arranged with EDP Finance, B.V. and EDPR Renovaveis Servicios Financieros, S.A. for US Dollars 221,184 and 150,000, respectively, equal to Euros 196,888 and Euros 133,523 thousand at 31 December 2019 (Euros 193,174 and 131,004 thousand, respectively at 31 December 2018) and fixed and variable rate loans in Euro with EDP Renovaveis Servicios Financieros, S.A. for a total amount of Euros 500,828 thousand.

During 2019, a new fixed rate loan in US Dollars has been arranged with EDPR Renovaveis Servicios Financieros, S.A. for US Dollars 300,000 thousand (Euros 267,047 thousand at 31 December 2019).

### c) Trade and other payables

Details of trade and other payables are as follows:

THOUSAND EUROS		CURRENT	
GROUP	2019	2018	
Payables	5,849	6,141	
<b>TOTAL</b>	<b>5,849</b>	<b>6,141</b>	
UNRELATED PARTIES			
Trade payables	2,041	4,004	
Salaries payable	4,775	4,043	
Public entities, other (note 18)	679	507	
<b>TOTAL</b>	<b>7,495</b>	<b>8,554</b>	
<b>TOTAL</b>	<b>13,344</b>	<b>14,695</b>	

The payables, Group companies balance in 2019 and 2018 mainly comprises expenses invoiced by EDP - Energías de Portugal, S.A. and EDP - Energías de Portugal, S.A. (Sucursal en España) for management services.

### d) Classification by maturity

The classification of financial liabilities by maturity is as follows:

THOUSAND EUROS							2019
	2020	2021	2022	2023	SUBSEQUENT YEARS	LESS CURRENT PORTION	TOTAL NON-CURRENT
Derivative financial instruments	30,996	14,805	84,723	21,043	349	-30,996	120,920
Debt with Group Companies and associates	390,439	127,518	311,261	338,543	463,935	-390,439	1,241,257
Other financial liabilities	232	24,576	-	-	-	-232	24,576
Trade and other payables	12,665	-	-	-	-	-12,665	-
<b>TOTAL FINANCIAL LIABILITIES</b>	<b>434,332</b>	<b>166,899</b>	<b>395,984</b>	<b>359,586</b>	<b>464,284</b>	<b>-434,332</b>	<b>1,386,753</b>

THOUSAND EUROS							2018
	2019	2020	2021	2022	SUBSEQUENT YEARS	LESS CURRENT PORTION	TOTAL NON-CURRENT
Derivative financial instruments	-	19,962	838	67,931	9	-	88,740
Debt with Group Companies and associates	129,148	-1,729	-927	211,208	884,789	-129,148	1,093,341
Other financial liabilities	393	-	-	-	-	-393	-
Trade and other payables	14,188	-	-	-	-	-14,188	-
<b>TOTAL FINANCIAL LIABILITIES</b>	<b>143,729</b>	<b>18,233</b>	<b>-89</b>	<b>279,139</b>	<b>884,798</b>	<b>-143,729</b>	<b>1,182,081</b>

### e) Exchange differences recognised in profit or loss in relation to financial liabilities

Details of exchange differences recognised in profit or loss in relation to financial instruments, distinguishing between settled and outstanding transactions, are as follows:

THOUSAND EUROS	2019		2018	
	SETTLED	OUTSTANDING	SETTLED	OUTSTANDING
Non-current debt with Group companies and associates	-	-13,365	-	-19,575
Hedging derivatives of net investments in foreign operations	-	-63,390	-405,787	266,893
Other financial liabilities	-162	-508	-	-
Trade and other payables	13	-	35	-
<b>TOTAL FINANCIAL LIABILITIES</b>	<b>-149</b>	<b>-77,263</b>	<b>-405,752</b>	<b>247,318</b>

## 18. LATE PAYMENTS TO SUPPLIERS

Final provision two of Law 31/2014 of 3 December 2014, amending the Spanish Companies Act to introduce improvements to corporate governance, amends additional provision three of Law 15/2010 of 5 July 2010, amending Law 3/2004 of 29 December 2004 establishing measures to combat late payment, to require that all commercial companies expressly disclose average supplier payment periods in the notes to the annual accounts. The following table shows the average supplier payment period, transactions paid ratio, transactions payable ratio, total payments made and total payments outstanding at the reporting date:

	2019	2018
	DAYS	DAYS
Average supplier payment period	38	30
Transactions paid ratio	41	34
Transactions payable ratio	18	3
<b>TOTAL PAYMENTS MADE</b>	<b>34,639</b>	<b>26,943</b>
<b>TOTAL PAYMENTS OUTSTANDING</b>	<b>4,331</b>	<b>4,480</b>

## 19. TAXATION

Details of balances with public entities are as follows:

THOUSAND EUROS	2019		2018	
	NON-CURRENT	CURRENT	NON-CURRENT	CURRENT
<b>ASSETS</b>				
Deferred tax assets	33,317	-	40,439	-
Public entities, other	-	1	-	1
<b>TOTAL</b>	<b>33,317</b>	<b>1</b>	<b>40,439</b>	<b>1</b>
<b>LIABILITIES</b>				
Deferred tax liabilities	58,426	-	51,135	-
Social Security	-	267	-	286
Withholdings	-	412	-	221
<b>TOTAL</b>	<b>58,426</b>	<b>679</b>	<b>51,135</b>	<b>507</b>

The Company files consolidated income tax and value added tax returns. The parent of this consolidated tax group is EDP-Energías de Portugal, S.A. Sucursal en España and at 31 December 2019 the Company has recognised income tax receivable of Euros 42,619 thousand (Euros 27,377 thousand in 2018) and VAT payable of Euros 2,221 thousand (Euros 496 thousand receivable in 2018). These balances have been included in receivables, Group companies and associates and payables, Group companies and associates in the balance sheet (see notes 10d and 17d).

On the date on which these annual accounts were prepared, corporate tax for the 2013 to 2016 period relating to this consolidated tax group is being inspected by the taxation authorities. The Company also has open to inspection returns for the period from July 2014 to December 2014 and October 2015 to December 2016 relating to VAT, capital gains tax, personal income tax and non-resident income tax. Based on the information available, the Company's Directors do not believe that there are any tax contingencies that could have a significant impact on the prepared annual accounts as a result of the periods open to inspection.

In accordance with prevailing legislation, taxes cannot be considered definitive until they have been inspected by the taxation authorities or the inspection period has elapsed. Taking into account the aforementioned inspection period, at 31 December 2019 the Company has the following main applicable taxes open to inspection:

TAX	YEARS OPEN TO INSPECTION
Corporate income tax	2013-2018
Value added tax	2014-2019
Personal income tax	2014-2019
Capital gains tax	2014-2019
Tax on economic activities	2015-2019
Social Security	2015-2019
Non-residents	2014-2019

Due to the treatment permitted by fiscal legislation of certain transactions, additional tax liabilities could arise in the event of an inspection. In any case, the Company's Directors do not consider that any such liabilities that could arise would have a significant effect on the annual accounts.

#### a) Income tax

The Company files consolidated tax returns as part of the Group headed by EDP Energías de Portugal, S.A. Sucursal en España.

A reconciliation of net income and expenses for the year with taxable income is as follows:

THOUSAND EUROS						2019
INCOME STATEMENT			INCOME AND EXPENSE RECOGNISED IN EQUITY			TOTAL
INCREASES	DECREASES	NET	INCREASES	DECREASES	NET	
<b>Profit/(loss) for the year</b>		<b>-8,789</b>				<b>-8,789</b>
<b>Corporate income tax</b>		<b>-33,417</b>				<b>-33,417</b>
<b>Profit before tax</b>		<b>-42,206</b>				<b>-42,206</b>
<b>Permanent differences</b>						
Company individual	73	-	-	-	-	73
Adjustments for consolidation	-	-99,111	-99,111	-	-	-99,111
<b>Temporary differences:</b>						
arising in the current year						
arising in prior years		-29,232	-29,232	-	-	-29,232
<b>TAXABLE INCOME</b>		<b>-170,686</b>				<b>-170,476</b>

THOUSAND EUROS						2018
INCOME STATEMENT			INCOME AND EXPENSE RECOGNISED IN EQUITY			TOTAL
INCREASES	DECREASES	NET	INCREASES	DECREASES	NET	
<b>Profit/(loss) for the year</b>		<b>29,258</b>				<b>29,258</b>
<b>Corporate income tax</b>		<b>-34,097</b>				<b>-34,097</b>
<b>Profit before tax</b>		<b>-4,839</b>				<b>-4,839</b>
<b>Permanent differences</b>						
Company individual	61	-	61	-	-	61
Adjustments for consolidation	-	-128,675	-128,675	-	-	-128,675
<b>Temporary differences:</b>						
arising in the current year						
arising in prior years		-29,233	-29,233	-	-	-29,233
<b>TAXABLE INCOME</b>		<b>-162,686</b>				<b>-162,686</b>

Decreases due to permanent differences in 2019 mainly reflect dividends of Euros 94,154 thousand (Euros 123,841 thousand in 2018) received from EDP Renewables Europe S.L.U., and Euros 4,957 thousand from EDP Renováveis Serviços Financieros S.A. (Euros 4,834 thousand in 2018).

Decreases due to temporary differences in 2019 and 2018 mainly reflect the tax amortisation of the financial goodwill of EDPR NA (Euros 29,163 thousand) and the reversal of the amortisation limit (Euros 69 thousand).

The relationship between tax income and accounting profit for the year is as follows:

THOUSAND EUROS			2019
	GAINS AND LOSSES	EQUITY NET	TOTAL
Profit/(loss) for the year before tax	-42,206	-	-42,206
Tax at 25%	-10,551	-	-10,551
Non-deductible expenses			
Provisions	18	-	18
Non-taxable income			
Dividends	-24,778	-	-24,778
Withholdings at source (dividends in Brazil)	1,894	-	1,894
Income tax expense/(income)	-33,417		-33,417

THOUSAND EUROS			2018
	GAINS AND LOSSES	EQUITY NET	TOTAL
Profit/(loss) for the year before tax	-4,839	-	-4,839
Tax at 25%	-1,210	-	-1,210
Non-deductible expenses			
Provisions	15	-	15
Non-taxable income			
Dividends	-32,168	-	-32,168
Prior years' adjustments	-734	-	-734
Income tax expense/(income)	-34,097		-34,097

Details of income tax income are as follows:

THOUSAND EUROS	2019	2018
<b>CURRENT TAX</b>		
Present year	-42,619	-27,377
Withholdings at source (dividends in Brazil)	1,892	-
Prior years' adjustments	-	3,219
<b>TOTAL</b>	<b>-40,727</b>	<b>-24,158</b>
<b>DEFERRED TAX</b>		
Previously unrecognised tax credits	-	-22,613
Expense for reduction in deferred tax assets	-	5,365
Tax amortisation of EDPR NA goodwill	7,291	7,291
Non-deductible amortisation	19	18
<b>TOTAL</b>	<b>7,310</b>	<b>-9,939</b>
<b>TOTAL</b>	<b>-33,417</b>	<b>-34,097</b>

In 2019 the Company has contributed tax credits to the tax group amounting to Euros 28,412 thousand (Euros 7,103 thousand tax paid) during the 2018 tax settlement.

During 2018 the Company capitalised tax credits relating to tax losses for Euros 2,936 thousand originating in prior years (Euros 734 thousand tax paid). Furthermore, the Company has reclassified Euros 8,585 thousand relating to tax losses unused by the tax group in prior years which were recognised in current assets.

During 2018, the Company capitalised tax credits amounting to Euros 53,177 thousand (Euros 13,294 thousand tax paid) reflecting the best estimate of the Company's tax losses generated in prior years.

Expense for reduction in deferred tax assets in 2018 comprises the tax credit adjustment relating to non-deductible finance costs originating in prior years.



Details of deferred tax assets and liabilities by type of asset and liability are as follows:

THOUSAND EUROS	ASSETS		LIABILITIES		NET	
	2019	2018	2019	2018	2019	2018
Tax loss carryforwards	21,765	28,868	-	-	21,765	28,868
Tax amortisation of EDPR NA goodwill	-	-	-58,426	-51,135	-58,426	-51,135
Non-deductible amortisation	118	137	-	-	118	137
Limited deductibility of finance costs under RD 12/2012	11,434	11,434	-	-	11,434	11,434
<b>TOTAL ASSETS/LIABILITIES</b>	<b>33,317</b>	<b>40,439</b>	<b>-58,426</b>	<b>-51,135</b>	<b>-25,109</b>	<b>-10,696</b>

Movement in deferred tax assets and liabilities in 2019 and 2018 is as follows:

THOUSAND EUROS	BALANCE AT 31/12/2017	ADDITIONS	DISPOSALS	BALANCE AT 31/12/2018	ADDITIONS	DISPOSALS	BALANCE AT 31/12/2019
<b>ASSETS</b>							
Tax loss carryforwards	6,256	22,612	-	28,868	-	-7,103	21,765
Limited deductibility of finance costs under RD 12/2012	16,799	-	-5,365	11,434	-	-	11,434
Non-deductible amortisation	155	-	-18	137	-	-19	118
<b>TOTAL</b>	<b>23,210</b>	<b>22,612</b>	<b>-5,383</b>	<b>40,439</b>		<b>-7,122</b>	<b>33,317</b>
<b>LIABILITIES</b>							
Tax amortisation of goodwill	-43,845	-7,291	-	-51,135	7,291	-	-58,426
<b>TOTAL</b>	<b>-43,845</b>	<b>-7,291</b>	<b>-</b>	<b>-51,135</b>	<b>-7,291</b>	<b>-</b>	<b>-58,426</b>

Details of deferred tax assets and liabilities that are expected to be realised or reversed in periods exceeding 12 months are as follows:

THOUSAND EUROS	2019	2018
Tax loss carryforwards	21,765	28,868
Non-deductible amortisation	118	137
Tax amortisation of EDPR NA goodwill	-58,426	-51,135
Limited deductibility of finance costs under RD 12/2012	11,434	11,434
<b>NET</b>	<b>-25,109</b>	<b>-10,696</b>

## 20. ENVIRONMENTAL INFORMATION

Given that the Company's activities to develop, construct and operate energy production facilities are carried out through Group companies rather than directly, the Company does not consider it necessary to make investments to prevent or correct any impact on the environment or make any environmental provisions.

These annual accounts do not include any environmental costs.

The directors consider that no significant environmental contingencies exist.

## 21. RELATED PARTY BALANCES AND TRANSACTIONS

### a) Related party balances

Balances receivable from and payable to Group companies and related parties, including key management personnel and directors, and the main details of these balances, are disclosed in notes 10 and 17 (a).

Details of balances by category are as follows:

THOUSAND EUROS			2019
	PARENT	GROUP COMPANIES	TOTAL
Non-current investments in Group companies	-	7,548,533	7,548,533
Other financial assets	-	9,724	9,724
Derivatives	3,352	-	3,352
<b>TOTAL NON-CURRENT ASSETS</b>	<b>3,352</b>	<b>7,558,257</b>	<b>7,561,609</b>
Trade and other receivables	43,478	31,198	74,676
Cash	-	175,761	175,761
<b>TOTAL CURRENT ASSETS</b>	<b>43,478</b>	<b>206,959</b>	<b>250,437</b>
<b>TOTAL ASSETS</b>	<b>46,830</b>	<b>7,765,216</b>	<b>7,812,046</b>
Non-current debt (derivatives)	1,676	119,244	120,920
Non-current debt with Group companies	-	1,241,257	1,241,257
<b>TOTAL NON-CURRENT LIABILITIES</b>	<b>1,676</b>	<b>1,360,501</b>	<b>1,362,177</b>
Current debt with Group companies	50	387,746	387,796
Trade and other payables	4,718	1,131	5,849
<b>TOTAL CURRENT LIABILITIES</b>	<b>4,768</b>	<b>388,877</b>	<b>393,645</b>
<b>TOTAL LIABILITIES</b>	<b>6,444</b>	<b>1,749,378</b>	<b>1,755,822</b>

THOUSAND EUROS			2018
	PARENT	GROUP COMPANIES	TOTAL
Non-current investments in Group companies	-	7,148,016	7,148,016
Company loans	-	371	371
Derivatives	2,481	-	2,481
<b>TOTAL NON-CURRENT ASSETS</b>	<b>2,481</b>	<b>7,148,387</b>	<b>7,150,868</b>
Trade and other receivables	691	55,336	56,027
Current account with Group companies	-	9,580	9,580
Derivatives	3,085	-	3,085
Cash	-	183,467	183,467
<b>TOTAL CURRENT ASSETS</b>	<b>3,776</b>	<b>248,383</b>	<b>252,159</b>
<b>TOTAL ASSETS</b>	<b>6,257</b>	<b>7,396,770</b>	<b>7,403,027</b>
Non-current debt (derivatives)	9	88,731	88,740
Non-current debt with Group companies	-	1,093,341	1,093,341
<b>TOTAL NON-CURRENT LIABILITIES</b>	<b>9</b>	<b>1,182,072</b>	<b>1,182,081</b>
Current debt with Group companies	850	128,298	129,148
Trade and other payables	1,426	4,715	6,141
<b>TOTAL CURRENT LIABILITIES</b>	<b>2,276</b>	<b>133,013</b>	<b>135,289</b>
<b>TOTAL LIABILITIES</b>	<b>2,285</b>	<b>1,315,085</b>	<b>1,317,370</b>

At 31 December 2019 and 2018 all derivative financial instruments held by the Company have been arranged with Group companies.

## b) Related party transactions

The Company's transactions with related parties, at market value, are as follows:

THOUSAND EUROS				2019
	PARENT	GROUP COMPANIES	DIRECTORS	TOTAL
<b>INCOME</b>				
Other services rendered	-	49,298	-	49,298
Other income	470	490	-	960
Dividends (notes 9 and 22a)	-	111,736	-	111,736
Finance income (note 9)	-	241	-	241
Change in fair value of financial instruments (note 11)	904	-	-	904
Impairment and proceeds on disposal of financial instruments (note 11)	171	-	-	171
<b>TOTAL</b>	<b>1,545</b>	<b>161,765</b>	<b>-</b>	<b>163,310</b>
<b>EXPENSES</b>				
Operating lease expenses and royalties	-716	-	-	-716
Other services received	-9,202	-1,739	-	-10,941
Salaries	-	-	-606	-606
Finance cost (note 15)	-4,325	-150,848	-	-155,174
<b>TOTAL</b>	<b>-14,243</b>	<b>-152,587</b>	<b>-606</b>	<b>-167,437</b>

THOUSAND EUROS				2018
	PARENT	GROUP COMPANIES	DIRECTORS	TOTAL
<b>INCOME</b>				
Other services rendered (note 22 a)	-	27,019	-	27,019
Other income	529	4,009	-	4,538
Dividends (notes 9 and 22a)	-	128,675	-	128,675
<b>TOTAL</b>	<b>529</b>	<b>159,703</b>	<b>-</b>	<b>160,232</b>
<b>EXPENSES</b>				
Operating lease expenses and royalties	-615	-27	-	-642
Other services received	-7,349	-	-	-7,349
Salaries	-	-	-691	-691
Finance cost (note 16)	-25,254	-103,683	-	-128,937
<b>TOTAL</b>	<b>-33,218</b>	<b>-103,710</b>	<b>-691</b>	<b>-137,619</b>

Other services rendered basically derive from two management support service contracts arranged with EDP Renewables Europe S.L.U and EDP Renewables North America, LLC in 2013.

Dividends reflect dividends received from EDP Renewables Europe S.L.U., and EDP Renováveis Serviços Financieros, S.A. and also from EDP Renováveis Brasil S.A. in 2019.

Operating lease expenses and royalties essentially reflect the lease payments for the Company's offices.

Other services received comprise various management services, specifically for loan of personnel and other items.

### c) Information on the company's directors and executive committee

In 2019 the Directors of the Company have accrued remuneration of Euros 606 thousand (Euros 691 thousand in 2018) in respect of their position as Directors.

On 4 May 2011 an executive management services contract was entered into between EDP Energías de Portugal, S.A. and the Company, effective from 18 March 2011. This contract stipulates the conditions under which EDP Energías de Portugal, S.A. renders executive management services to the Company, including matters relating to its day-to-day administration. By virtue of this contract, EDP Energías de Portugal, S.A. appoints three members of the Company's executive committee, for which the Company pays an amount determined by the remuneration committee.

Pursuant to this contract, the Company has recognised payments for management services provided totalling Euros 854 thousand in 2019 and Euros 986 thousand in 2018 (fixed and variable remuneration) as other services, under external services in the accompanying income statement.

In the case of Executive Committee members who are also Directors (Duarte Melo de Castro Bello, Head of Operations in Europe and Brazil, Miguel Ángel Prado Balboa, Head of Operations in North America, João Paulo Costeira, Head of Offshore Operations and Head of Digital Strategy up until February 2019 and Spyridon Martinis, Head of Offshore and Development since March 2019), some employment contracts were signed with EDP Renewables North America, LLC (Miguel Ángel Prado Balboa) and with EDP Energías de Portugal SA Sucursal en España (Duarte Melo de Castro Bello, João Paulo Costeira, up until February 2019 and Spyridon Martinis since March 2019), being the monetary remuneration of the first for the amount to Dollar 581 thousands (Dollar 397 thousands in 2018) and the monetary remuneration received for latter for the amount to Euros 534 thousand in 2019 (Euros 734 thousand in 2018), which has been invoiced to the Company by EDP Energías de Portugal, S.A. Sucursal en España for the executive functions they perform in the Company. No significant non-monetary remuneration was paid in 2019 or 2018. Pension plan contributions made on behalf of members of the executive committee (except for the managing director) range from 3% to 6% of their annual salary.

The directors and executive committee have not received any loans or advances nor has the Company extended any guarantees on their behalf. The Company has no pension or life insurance obligations with its former or current directors in 2019 or 2018.

The Company has a civil liability insurance policy that covers its directors. In 2019, an expense of Euros 27 thousand (Euros 29 thousand in 2018) has been recorded.

### d) Transactions other than ordinary business or under terms differing from market conditions carried out by the directors of the Company.

In 2019 and 2018 the directors of the Company have not carried out any transactions other than ordinary business with the Company or applied terms that differ from market conditions.

### e) Investments and positions held by directors

The directors of the Company and their related parties have had no conflicts of interest requiring disclosure in accordance with article 229 of the Revised Spanish Companies Act.

## 22. INCOME AND EXPENSE

### a) Revenues

Details of revenues by category of activity and geographical market are as follows:

THOUSAND EUROS	DOMESTIC		REST OF EUROPE		NORTH AMERICA		SOUTH AMERICA		TOTAL	
	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018
Other services	28,808	18,270	12,384	865	7,722	7,883	697	1	49,611	27,019
Finance income	99,111	128,675	-	-	-	-	12,625	-	111,736	128,675
<b>TOTAL</b>	<b>127,919</b>	<b>146,945</b>	<b>12,384</b>	<b>865</b>	<b>7,722</b>	<b>7,883</b>	<b>13,322</b>	<b>1</b>	<b>161,347</b>	<b>155,694</b>

## b) Foreign currency transactions

Details of income and expenses denominated in foreign currencies are as follows:

THOUSAND EUROS	2019	2018
<b>EXPENSES</b>		
Finance cost	-45,397	-20,029
<b>TOTAL</b>	<b>-45,397</b>	<b>-20,029</b>

The Company's main foreign currency transactions are carried out in US Dollars.

## c) Employee benefits expense

Details of the employee benefits expense are as follows:

THOUSAND EUROS	2019	2018
<b>EMPLOYEE BENEFITS EXPENSE</b>		
Social Security payable by the company	3,316	2,470
Other employee benefits expense	1,574	939
<b>TOTAL</b>	<b>4,890</b>	<b>3,409</b>

## d) External services

Details of external services are as follows:

THOUSAND EUROS	2019	2018
Leases	891	743
Independent professional services	3,369	6,505
Advertising and publicity	805	1,014
Other services	15,676	13,364
<b>TOTAL</b>	<b>20,741</b>	<b>21,626</b>

Leases mainly reflect the rental of the Company's offices. There are no non-cancellable payments at 31 December 2019 and 2018.

Other services primarily comprise management support, communications and maintenance expenses, as well as travel costs.

At 31 December 2019 the Company has commitments to purchase external services amounting to Euros 5,091 thousand within one year (Euros 4,648 thousand in 2018). Furthermore, the Company has commitments to purchase external services from one to five years, which at 31 December 2019 amount to Euros 589 thousand (Euros 1,121 thousand in 2018).

## 23. EMPLOYEE INFORMATION

The average headcount of the Company in 2019 and 2018, distributed by category, is as follows:

NUMBER	2019	2018
Executives	50	27
Managers	152	138
Specialists	22	16
Technicians	5	8
<b>TOTAL</b>	<b>229</b>	<b>189</b>

At year end the distribution by gender of Company personnel is as follows:

NUMBER	2019		2018	
	MEN	WOMEN	MEN	WOMEN
Executives	31	20	28	20
Managers	19	7	11	1
Specialists	89	88	69	58
Technicians	1	3	1	3
<b>TOTAL</b>	<b>140</b>	<b>118</b>	<b>109</b>	<b>82</b>

In 2019 the Board of Directors had twelve male members and three female members (twelve men and two women in 2018).

The Company does not have employees with disabilities equal to or greater than 33% during 2019 and 2018. However, the Company outsources certain services to companies that hold exemption certificates.

## 24. AUDIT FEES

PricewaterhouseCoopers Auditores, S.L. (PwC) was appointed as external auditor of the EDPR Group for 2018, 2019 and 2020 by shareholders at the annual general meeting held on 3 April 2018. Details of the fees for professional services accrued by this company for the year ended 31 December 2019 and 2018 are as follows:

THOUSAND EUROS	2019	2018
Audit services, individual and consolidated annual accounts	194	194
Audit-related services	24	24
Review services for internal control over financial reporting	40	40
Other services	35	35
<b>Total services invoiced by PricewaterhouseCoopers Auditores, S.L.</b>	<b>293</b>	<b>293</b>
<b>TOTAL</b>	<b>293</b>	<b>293</b>

Audit-related services include six-monthly limited reviews.

## 25. COMMITMENTS

At 31 December 2019 the Company has deposited guarantees on behalf of Group companies amounting to Euros 1,982 million (Euros 1,866 million in 2018), including guarantees of US Dollars 1,473 million (US Dollars 1,074 million in 2018).

The Company's directors do not expect any significant liabilities to arise from these guarantees.

## 26. EVENTS AFTER THE REPORTING PERIOD

EDPR has announced the signing of an agreement with ENGIE to create a 50/50 co-controlled joint venture in the fixed and floating marine wind energy field. The agreement signed on 23 January 2020 follows the announcement made on 21 May 2019 of a strategic memorandum of understanding (MoU) to create a new entity as an exclusive investment vehicle for EDPR and ENGIE relating to global offshore wind opportunities, which brings together the industrial experience and development capacity of both companies. As agreed, EDPR and ENGIE are combining their marine wind assets and gas pipeline project in this new entity.

The agreement is subject to certain condition precedents, such as the approval process of the European Commission's regulations.

## APPENDIX I

### EDP Renovaveis, S.A.

#### Details of investments in Group companies as at 31 December 2019

GROUP COMPANIES	REGISTERED ADDRESS	% DIRECT INTEREST	% INDIRECT INTEREST	AUDITOR	ACTIVITY	CAPITAL	RESERVES	OTHER EQUITY ITEMS	THOUSAND EUROS		
									NET PROFIT		
									CONTINUING OPERATIONS	TOTAL	TOTAL EQUITY
EDP RENEWABLES EUROPE, S.L.U.*	Spain	100%	-	PWC	Holding	249,499	2,113,263	-	336,704	336,704	2,699,466
EDP Renovables España, S.L.U.*	Spain	-	100%	PWC	Holding, construction and wind energy prod.	46,128	613,366	256	67,033	67,033	726,783
EDPR Polska, Sp.z.o.o.	Poland	-	100%	PWC	Holding and Wind energy prod.	121,284	104,139	-	-278	-278	225,146
EDPR International Investmets, B.V.	Netherlands	-	100%	PWC	Holding	20	9,332	-	2,995	2,995	12,346
EDPR France Holding SAS	France	-	100%	PWC	Holding	19,900	45,624	-	-7,698	-7,698	57,826
EDP Renewables SGPS,SA	Portugal	-	100%	PWC	Holding	50	120,916	-	9,849	9,849	130,815
EDP Renewables Belgium,S.A	Belgium	0.17%	99.83%	PWC	Holding	287	699	-	-297	-297	689
EDPR Portugal , S.A.	Portugal	-	51%	PWC	Holding and Wind energy prod.	50	50,875	-	2,800	2,800	53,725
EDPR PT-Promocao e Operacao,S.A	Portugal	-	100%	PWC	Wind: Wind farm development	58	7,403	1	-501	-501	6,960
EDPR Ro Pv,S.r.l	Romania	0.05%	99.95%	Unaudited	Wind energy prod.	55,935	-2,922	-	-242	-242	52,771
Cernavoda Power,S.A	Romania	0.01%	99.99%	PWC	Wind energy prod.	83,454	-29,509	-	1,291	1,291	55,236
VS Wind Farm S.A.	Romania	0.01%	99.99%	PWC	Wind energy prod.	53,740	-8,048	-	1,782	1,782	47,474
Pestera Wind Farm, S.A.	Romania	0.01%	99.99%	PWC	Wind energy prod.	67,111	-29,288	-	2,636	2,636	40,459
EDPR Romania, S.R.L.	Romania	0.01%	99.99%	PWC	Wind energy prod.	208,827	-14,069	-	9,392	9,392	204,150
Sibioara Wind Farm,S.r.L	Romania	0.01%	99.99%	PWC	Wind energy prod.	20,361	-13,838	-	7	7	6,530
Vanju Mare Solar,S.A	Romania	0.05%	99.95%	PWC	Photovoltaic energy production	9,611	3,266	-	1,551	1,551	14,428
Studina Solar,S.A	Romania	0.05%	99.95%	PWC	Photovoltaic energy production	7,988	5,023	-	1,791	1,791	14,802
Cujmir Solar, S.A	Romania	0.05%	99.95%	PWC	Photovoltaic energy production	10,393	6,013	-	2,188	2,188	18,594
Potelu Solar,S.A	Romania	0.05%	99.95%	PWC	Photovoltaic energy production	7,574	3,882	-	1,269	1,269	12,725
Foton Delta,S.A	Romania	0.05%	99.95%	PWC	Photovoltaic energy production	3,556	1,951	-	316	316	5,823
Foton Epsilon,S.A	Romania	0.05%	99.95%	PWC	Photovoltaic energy production	4,302	4,838	-	1,169	1,169	10,309
EDP Renewables Italia,S.r.l	Italy	-	51%	PWC	Holding and Wind energy prod.	34,439	14,546	-	11,203	11,203	60,188
EDPR Uk Limited	United Kingdom	-	100%	PWC	Holding	10,785	-7,376	-	-2,902	-2,902	507
EDP Renovaveis Servicios Financieros,S.A*	Spain	70.01%	29.99%	PWC	Other economic activities	84,691	320,088	-	16,617	16,617	421,396
Parque Eólico Santa Quiteria, S.L.	Spain	-	84%	PWC	Wind energy prod.	63	14,019	-	944	944	15,026
Eólica La Janda, S.L.U*	Spain	-	100%	PWC	Wind energy prod.	4,525	10,802	-	9,880	9,880	25,207
Eólica Fontesilva, S.L.U*	Spain	-	100%	PWC	Wind energy prod..	6,860	7,080	-	1,584	1,584	15,524
EDPR Yield S.A.U*	Spain	-	100%	PWC	Wind energy prod..	99,405	53,362	-	116,752	116,752	269,519
Parque Eólico Altos del Voltoya S.A.*	Spain	-	93%	PWC	Wind energy prod..	6,434	11,041	-	1,166	1,166	18,641
Eólica La Brújula, S.A.U	Spain	-	100%	PWC	Wind energy prod..	3,294	16,095	-	2,306	2,306	21,695
Eólica Arlanzón S.A.	Spain	-	85%	PWC	Wind energy prod..	4,509	8,365	-	354	354	13,228
Eolica Campollano S.A.	Spain	-	75%	PWC	Wind energy prod..	6,560	18,131	-35	2,829	2,829	27,485
Parque Eólico La Sotonera S.L.	Spain	-	70%	PWC	Wind energy prod..	2,000	4,897	-	1,061	1,061	7,958
Korsze Wind Farm,SP.z.o.o	Poland	-	51%	PWC	Wind energy prod..	10,832	12,369	-	6,300	6,300	29,501
Eólica Sierra de Avila, S.L.U.	Spain	-	100%	PWC	Wind energy prod..	12,977	25,462	-1,077	3,407	3,407	40,769

THOUSAND EUROS											
GROUP COMPANIES	REGISTERED ADDRESS	% DIRECT INTEREST	% INDIRECT INTEREST	AUDITOR	ACTIVITY	CAPITAL	RESERVES	OTHER EQUITY ITEMS	NET PROFIT		
									CONTINUING OPERATIONS	TOTAL	TOTAL EQUITY
Radziejów wind farm SP.z.o.o	Poland	-	51%	PWC	Wind energy prod..	7,696	-5,344	-	81	81	2,433
Energiaki Arvanikou E.P.E	Greece	0.01%	99.99%	Unaudited	Wind energy prod..	772	-275	-	-213	-213	284
Wind Park Aerorrachi M.A.E	Greece	-	100%	Unaudited	Wind energy prod..	210	-45	-	-119	-119	46
MFV Neptun Sp.z.o.o	Poland	-	100%	Unaudited	Wind energy prod..	61	-52	-	-11	-11	-2
Edpr Hellas 1 M.A.E	Greece	-	100%	Unaudited	Wind energy prod..	1,150	-	-	-107	-107	1,043
Edpr Hellas 2 M.A.E	Greece	-	100%	Unaudited	Wind energy prod..	240	-	-	-101	-101	139
Aioliko Parko Fthiotidos Erimia E.P.E	Greece	0.67	99.33%	Unaudited	Wind energy prod..	5	-9	-	-	-	-4
Wincap S.R.L	Italy	-	100%	PWC	Wind energy prod..	2,550	4,837	-	154	154	7,541
Renovables Castilla La Mancha, S.A.	Spain	-	90%	PWC	Wind energy prod..	60	2,842	-	1,820	1,820	4,722
Monts de la Madeleine Energie,S.A.S	France	-	100%	PWC	Wind energy prod..	37	-10	-	-12	-12	15
Monts du Forez Energie,SAS	France	-	100%	PWC	Wind energy prod..	37	-36	-	-33	-33	-32
Sarve,S.R.L	Italy	-	51%	Unaudited	Wind energy prod..	10	-2	-	-14	-14	-6
Bourbriac II SAS	France	-	100%	PWC	Wind energy prod..	1	-18	-	-11	-11	-28
Molen Wind II sp.Z.o.o	Poland	-	51%	PWC	Wind energy prod..	4	8,825	799	2,513	2,513	12,141
Breva Wind S.R.L	Italy	-	100%	PWC	Wind energy prod..	7,100	-796	-	-28	-28	6,276
Acampo Arias, SL*	Spain	-	95%	PWC	Wind energy prod..	3,314	550	-	2,650	2,650	6,514
Relax Wind Park III, Sp.z.o.o.	Poland	-	51%	PWC	Wind energy prod..	16,616	-78	-	-750	-750	15,788
Relax Wind Park I, Sp.z.o.o.	Poland	-	51%	PWC	Wind energy prod..	12,975	-825	3,564	6,706	6,706	22,420
Relax Wind Park IV, Sp.z.o.o.	Poland	-	100%	PWC	Wind energy prod..	1,252	-1,147	-	-12	-12	93
Parque Eólico Los Cantales, S.L.U.*	Spain	-	100%	PWC	Wind energy prod..	1,963	1,363	-	1,703	1,703	5,029
Gudziki Wind Farm,sp.z.o.o	Poland	-	51%	Unaudited	Wind energy prod..	1	-	-	-3	-3	-2
EW Dobrzyca, sp z.o.o	Poland	-	100%	Unaudited	Wind energy prod..	158	7,415	-	-7	-7	7,566
Ujazd, So.z.o.o	Poland	-	100%	Unaudited	Wind energy prod..	1,092	-895	-	-	-	197
Winfan,Sp.z.o.o	Poland	-	100%	Unaudited	Wind energy prod..	5	176	-	-	-	181
Kowalewo Wind.Sp z.o.o	Poland	-	100%	Unaudited	Wind energy prod..	21	526	-	-	-	547
EWP European Wind Power Krasin,Sp.z.o.o	Poland	-	100%	Unaudited	Wind energy prod..	1,689	-113	-	-	-	1576
Nowa Energia I Sp.z.o.o	Poland	-	100%	Unaudited	Wind energy prod..	20	362	-	-	-	382
Farma Wiatrowa Bogoria,Sp z.o.o	Poland	-	100%	Unaudited	Wind energy prod..	563	2,053	-	-	-	2,616
Lichnowy Windfarm,Sp z.o.o	Poland	-	100%	Unaudited	Wind energy prod..	241	1,231	-	-516	-516	956
Edpr Polska Solar,Sp.z.o.o.	Poland	-	100%	Unaudited	Wind energy prod..	1	-1	-	-94	-94	-94
La Plaine De Nouaille,S.A.S	France	-	100%	PWC	Wind energy prod..	8	-21	-	-4	-4	-17
Le Chemin de Saint Druon,S.A.S	France	-	100%	PWC	Wind energy prod..	92	-12	-	-3	-3	77
Parc Eolien des Longs Champs, S.A.R.L	France	-	100%	PWC	Wind energy prod..	1,201	149	-	-2	-2	1,348
Parc Eolien de Mancheville, S.A.R.L	France	-	100%	PWC	Wind energy prod..	1	313	-	-94	-94	220
Parc Eolien de La Hetroye, SAS	France	-	100%	PWC	Wind energy prod..	37	-52	-	-4	-4	-19
Parc Eolien Louvieres,S.A.R.L	France	-	100%	Unaudited	Wind energy prod..	1	-62	-	-5	-5	-66
Parc Eolien de Dionay,S.A.A	France	-	100%	PWC	Wind energy prod..	37	-50	-	-28	-28	-41
Parc Éolien d'Entrains-sur-Nohain,S.A.S	France	-	100%	PWC	Wind energy prod..	451	-8	-	-9	-9	434
Parc Éolien de Marchéville,S.A.S	France	-	100%	PWC	Wind energy prod..	1	-7	-	-119	-119	-125
Le Chemin deLa Corvée,S.A.S	France	-	100%	PWC	Wind energy prod..	123	-59	-	-2	-2	62



THOUSAND EUROS											
GROUP COMPANIES	REGISTERED ADDRESS	% DIRECT INTEREST	% INDIRECT INTEREST	AUDITOR	ACTIVITY	CAPITAL	RESERVES	OTHER EQUITY ITEMS	NET PROFIT		
									CONTINUING OPERATIONS	TOTAL	TOTAL EQUITY
Eólica de Serra das Alturas, S.A.	Portugal	-	25.55%	PWC	Wind energy prod..	50	5,881	-	1,428	1,428	7,359
Malhadizes- Energia Eólica, S.A.	Portugal	-	51%	PWC	Wind energy prod..	50	7,031	-	2,376	2,376	9,457
Eólica de Montenegro, LDA	Portugal	-	25.55%	PWC	Wind energy prod..	50	8,754	-	2,756	2,756	11,560
Eólica da Alagoa, S.A.	Portugal	-	30.60%	PWC	Wind energy prod..	50	3,586	605	1,911	1,911	6,152
Fotovoltaica Lott A, S.A.	Portugal	-	100%	PWC	Wind energy prod..	50	-	-	-22	-22	28
Aplica. Indust de Energias limpias S.L	Spain	-	62%	Unaudited	Wind energy prod..	131	435	-	847	847	1,413
Aprofitament D'Energies Renovables de la Tierra Alta S.A	Spain	-	28.35%	Unaudited	Wind energy prod..	1,994	-1,981	-	16	16	29
Parc Eolic Serra Voltorera S.L.U	Spain	-	100%	PWC	Wind energy prod..	3,458	6,716	-	899	899	11,073
Elektrownia Wiatrowa Kresy I sp zoo	Poland	-	51%	PWC	Wind energy prod..	20	73,695	750	5,840	5,840	80,305
Edpr Villa Galla, S.R.L	Italy	-	51%	PWC	Wind energy prod..	9,000	50,702	-	8,364	8,364	68,066
Desarrollos Eólicos de Teruel SL	Spain	-	51%	Unaudited	Wind energy prod..	60	-	-	-	-	60
Custolito, S.r.l	Italy	-	100%	Unaudited	Wind energy prod..	10	-	-	-15	-15	-5
Edpr Sicilia PV, S.r.l	Italy	-	100%	Unaudited	Wind energy prod..	10	-	-	-3	-3	7
Edpr Sicilia Wind, S.r.l	Italy	-	100%	Unaudited	Wind energy prod..	10	-	-	-3	-3	7
Tebar Eólica, S.A.U.*	Spain	-	100%	PWC	Wind energy prod..	4,720	2,561	-	2,339	2,339	9,620
Edpr Terral S.L.U	Spain	-	100%	Unaudited	Wind energy prod..	3	-	-	-1	-1	2
Edpr Amaris S.L.U	Spain	-	100%	Unaudited	Wind energy prod..	3	-	-	-1	-1	2
Edpr Suvan, S.L.U	Spain	-	100%	Unaudited	Wind energy prod..	3	-	-	-1	-1	2
Par Eolic de Coll de Moro S.L.U.*	Spain	-	100%	PWC	Wind energy prod..	7,809	3,838	-3,063	2,570	2,570	11,154
Par Eolic de Torre Madrina S.L.U.*	Spain	-	100%	PWC	Wind energy prod..	7,755	7,576	-2,888	3,736	3,736	16,179
Parc Eolic de Vilalba dels Arcs S.L.U.*	Spain	-	100%	PWC	Wind energy prod..	3,066	5,351	-1,367	2,264	2,264	9,314
Bon Vent de Corbera, S.L.U.*	Spain	-	100%	PWC	Wind energy prod..	7,255	12,905	-	3,568	3,568	23,728
Masovia Wind Farm I s.p. zo.o.	Poland	-	100%	PWC	Wind energy prod..	351	10,435	-	-9,917	-9,917	869
Farma wiaStarozbery Sp.z.o.o	Poland	-	100%	Unaudited	Wind energy prod..	130	231	-	-21	-21	340
Karpacka Mala Energetyka, Sp.z.o.o	Poland	-	85%	Unaudited	Wind energy prod..	12	-367	-	-33	-33	-388
Edpr Italia holding, S.r.l	Italy	-	100%	PWC	Wind energy prod..	347	56,551	-	-3,330	-3,330	53,568
Re plus – Società a Responsabilità Limitada	Italy	-	100%	Unaudited	Wind energy prod..	100	-	-	-45	-45	55
Iberia Aprovechamientos Eólicos, S.A.U.*	Spain	-	94%	PWC	Wind energy prod..	1,919	2,037	-	1,191	1,191	5,147
Parc Éolien de boqueho-Pouagat SAS	France	-	100%	PWC	Wind energy prod..	1	1,105	-	299	299	1,405
Parc éolien des 7 Domaines, S.A.S	France	-	100%	PWC	Wind energy prod..	5	-10	-	-5	-5	-10
EDPR PT - Parques Eólicos, S.A.	Portugal	-	51%	PWC	Wind energy prod..	7,500	76,407	4,365	60,673	60,673	148,945
Eólica do Alto da Lagoa, S.A.	Portugal	-	51%	PWC	Wind energy prod..	50	9,250	-447	2,189	2,189	11,042
Eólica das Serras das Beiras, S.A.	Portugal	-	51%	PWC	Wind energy prod..	50	26,537	-2,858	6,710	6,710	30,440
Eólica da Coutada, S.A.	Portugal	-	51%	PWC	Wind energy prod..	50	35,033	-2,967	10,779	10,779	42,895
Eólica do Espigão, S.A.	Portugal	-	51%	PWC	Wind energy prod..	50	10,717	-455	2,705	2,705	13,016
Eólica do Sincelo, S.A.	Portugal	-	100%	PWC	Wind energy prod..	150	3,805	-	-171	-171	3,784
Eólica da Linha, S.A.	Portugal	-	100%	PWC	Wind energy prod..	100	-2,293	-	5,937	5,937	3,743

THOUSAND EUROS											
GROUP COMPANIES	REGISTERED ADDRESS	% DIRECT INTEREST	% INDIRECT INTEREST	AUDITOR	ACTIVITY	CAPITAL	RESERVES	OTHER EQUITY ITEMS	NET PROFIT		
									CONTINUING OPERATIONS	TOTAL	TOTAL EQUITY
Eólica do Alto do Mourisco, S.A.	Portugal	-	51%	PWC	Wind energy prod..	50	5,758	-398	1,960	1,960	7,370
Eólica dos Altos dos Salgueiros-Guilhado, S.A.	Portugal	-	51%	PWC	Wind energy prod..	50	2,379	-156	949	949	3,222
Eólica do Alto da Teixosa, S.A.	Portugal	-	51%	PWC	Wind energy prod..	50	6,963	-681	1,990	1,990	8,322
Eólica da Terra do Mato, S.A.	Portugal	-	51%	PWC	Wind energy prod..	50	7,595	-882	2,639	2,639	9,403
TACA Wind, S.r.l.	Italy	-	100%	PWC	Wind energy prod..	1,160	5,203	-	435	435	6,799
Vientos de Coahuila, S.A. de C.V.	Mexico	0.01%	99.99%	Unaudited	Wind energy prod..	2	-101	-	-105	-105	-204
Eólica de Coahuila, S.A. de C.V.	Mexico	-	51%	PWC	Wind energy prod..	5,191	16,531	-122	4,190	4,190	25,791
Parc Éolien de Flavin,S.A.S	France	-	100%	PWC	Wind energy prod..	2,501	507	-	759	759	3,767
Parc Éolien de Prouville,S.A.S	France	-	100%	PWC	Wind energy prod..	1	-7	-	-14	-14	-20
Parc Éolien de la Champagne Berrichonne,S.A.R.L	France	-	100%	PWC	Wind energy prod..	4	2,026	-	255	255	2,285
Parc Éolien de Paudy, S.A.S.	France	-	100%	PWC	Wind energy prod..	3,537	532	-	368	368	4,437
Parc Éolien de la Cote du Cerisat,S.A.S	France	-	100%	Ernest&Young	Wind energy prod..	27	-14	-	-94	-94	-81
Tivano,S.R.L	Italy	-	75%	PWC	Wind energy prod..	100	1,043	-	899	899	2,042
San Mauro, S.R.L	Italy	-	75%	PWC	Wind energy prod..	70	3,188	-	102	102	3,360
Conza Energia,S.R.L	Italy	-	100%	PWC	Wind energy prod..	456	3,151	-	441	441	4,048
AW 2,S.r.l	Italy	-	75%	PWC	Wind energy prod..	100	3,797	-	-98	-98	3,799
Lucus Power,S.r.l	Italy	-	100%	PWC	Wind energy prod..	10	3,961	-	496	496	4,467
T Power,S.p.A	Italy	-	100%	Baker.T.R	Wind energy prod..	1,000	1,885	-	-20	-20	2,865
Miramit Investments,Sp.z.o.o	Poland	-	100%	Unaudited	Wind energy prod..	15	180	-	-1	-1	194
Edp Renewables Polska HOLDCO,S.A	Poland	-	51%	PWC	Holding	28	230,326	-	-16,318	-16,318	214,036
Rampton,Sp z.o.o	Poland	-	100%	Unaudited	Wind energy prod..	280	-46	-	-40	-40	195
Moray Offshore Renewable Power limited	UK	-	100%	PWC	Wind energy prod..	25,929	26,795	-	611	611	53,335
EDP RENEWABLES NORTH AMERICA, LLC	USA	-	100%	PWC	Wind energy prod..	3,859,595	-78,490	-	-42,641	-42,641	3,738,464
EDPR Servicios de México, S. de R.L. de C.V.	Mexico	-	100%	Unaudited	Wind energy prod..	3,826	-1,977	-	-154	-154	1,695
Paulding Wind Farm IV LLC	USA	-	100%	Unaudited	Wind energy prod..	23,125	-15	-	342	342	23,452
EDPR Solar Ventures II LLC	USA	-	100%	Unaudited		39,293	382	-	956	956	40,631
EDPR Solar Ventures IV LLC	USA	-	100%	Unaudited		94,189	-	-	-42	-42	94,147
Rush County Wind Farm LLC	USA	-	100%	Unaudited	Wind energy prod..	2,413	-	-	-	-	2,413
North Slope Wind Farm LLC	USA	-	100%	Unaudited	-	-	-	-	-	-	-
Number Nine Wind Farm LLC	USA	-	100%	Unaudited	Wind energy prod..	-	-	-	-	-	-
Pacific Southwest Wind Farm LLC	USA	-	100%	Unaudited	-	-	-	-	-	-	-
Horizon Wyoming Transmissin LLC	USA	-	100%	Unaudited	-	-	-	-	-	-	-
Buffalo Bluff Wind Farm LLC	USA	-	100%	Unaudited	-	-	-	-	-	-	-
Sardinia Wind power LLC	USA	-	100%	Unaudited	-	-	-	-	-	-	-
Cameron Solar LLC	USA	-	100%	PWC	Wind energy prod..	30,305	-779	-	1,018	1,018	30,544
2017 Sol II LLC	USA	-	100%	PWC	Wind energy prod..	94,654	-16	-	-69	-69	94,569
2017 Vento XVII LLC	USA	-	100%	PWC	Wind energy prod..	505,344	-125	-	-123	-123	505,096

THOUSAND EUROS											
GROUP COMPANIES	REGISTERED ADDRESS	% DIRECT INTEREST	% INDIRECT INTEREST	AUDITOR	ACTIVITY	CAPITAL	RESERVES	OTHER EQUITY ITEMS	NET PROFIT		
									CONTINUING OPERATIONS	TOTAL	TOTAL EQUITY
EDPR Wind Ventures XVII, L.L.C.	USA	-	100%	Unaudited	-	116,976	25,005	-	18,823	18,823	160,804
Estill Solar I LLC	USA	-	100%	PWC	Wind energy prod..	33,165	-964	-	1,033	1,033	33,234
Horizaon Wind energy Southwest III LLC	USA	-	100%	Unaudited	-	-	-	-	-	-	-
Peterson Power Partners LLC	USA	-	100%	Unaudited	-	-	-	-	-	-	-
Big River Wind Power Project LLC	USA	-	100%	Unaudited	-	-	-	-	-	-	-
Tug Hill Windpower LLC	USA	-	100%	Unaudited	-	-	-	-	-	-	-
Whiskey Ridge Power Partners LLC	USA	-	100%	Unaudited	-	-	-	-	-	-	-
Wilson Creek Power Project LLC	USA	-	100%	Unaudited	-	-	-	-	-	-	-
Black Prairie Wind Farm II LLC	USA	-	100%	Unaudited	-	-	-	-	-	-	-
Black Prairie Wind Farm III LLC	USA	-	100%	Unaudited	-	-	-	-	-	-	-
Simpson Ridge Wind Farm II LLC	USA	-	100%	Unaudited	-	-	-	-	-	-	-
Simpson Ridge Wind Farm III LLC	USA	-	100%	Unaudited	-	-	-	-	-	-	-
Simpson Ridge Wind Farm IV LLC	USA	-	100%	Unaudited	-	-	-	-	-	-	-
Simpson Ridge Wind Farm V LLC	USA	-	100%	Unaudited	-	-	-	-	-	-	-
Athena-Weston Wind Power Project II LLC	USA	-	100%	Unaudited	-	-	-	-	-	-	-
17 <sup>th</sup> Star Wind Farm LLC	USA	-	100%	Unaudited	-	-	-	-	-	-	-
Green Country Wind Farm LLC	USA	-	100%	Unaudited	-	-	-	-	-	-	-
Rolling Upland Wind Farm LLC	USA	-	100%	Unaudited	-	-	-	-	-	-	-
Horizaon Wind energy Southwest IV LLC	USA	-	100%	Unaudited	-	-	-	-	-	-	-
Horizon Wind energy Valley I LLC	USA	-	100%	Unaudited	-	-	-	-	-	-	-
Headwaters Wind Farm II LLC	USA	-	100%	Unaudited	-	-	-	-	-	-	-
Horizon Wind MREC Iowa Partners LLC	USA	-	75%	Unaudited	-	-	-	-	-	-	-
Horizon Wind Freeport Windpower I LLC	USA	-	100%	Unaudited	-	-	-	-	-	-	-
2019 Sol V LLC	USA	-	100%	Unaudited	-	-	-	-	-	-	-
Edpr Solar Ventures V LLC	USA	-	100%	Unaudited	-	-	-	-	-	-	-
Goldfinger Ventures III LLC	USA	-	100%	Unaudited	-	-	-	-	-	-	-
Juniper Wind Power Partners LLC	USA	-	100%	Unaudited	-	-	-	-	-	-	-
Wildcat Creek Wind Farm LLC	USA	-	100%	Unaudited	223	-	-	-	-55	-55	168
Machias Wind Farm LLC	USA	-	100%	Unaudited	-	-	-	-	-	-	-
Blue Canyon Windpower VII LLC	USA	-	100%	Unaudited	-	-	-	-	-	-	-
New Trail Wind Farm LLC	USA	-	100%	Unaudited	-	-	-	-	-	-	-
Western Trail Wind Project I LLC	USA	-	100%	Unaudited	-	-	-	-	-	-	-
Whistling Wind WI Energy Center LLC	USA	-	100%	Unaudited	-	-	-	-	-	-	-
Simpson Ridge Wind Farm LLC	USA	-	100%	Unaudited	-	-	-	-	-	-	-
Reloj del Sol Wind Farm LLC	USA	-	100%	Unaudited	Wind energy prod..	5,326	-	-	-11	-11	5,315

THOUSAND EUROS											
GROUP COMPANIES	REGISTERED ADDRESS	% DIRECT INTEREST	% INDIRECT INTEREST	AUDITOR	ACTIVITY	CAPITAL	RESERVES	OTHER EQUITY ITEMS	NET PROFIT		
									CONTINUING OPERATIONS	TOTAL	TOTAL EQUITY
Coos Curry Wind Power Project LLC	USA	-	100%	Unaudited	-	-	-	-	-	-	-
Renville County Wind Farm LLC	USA	-	100%	Unaudited	-	-	-	-	-	-	-
Ford Wind Farm LLC	USA	-	100%	Unaudited	-	-	-	-	-	-	-
Gulf Coast Windpower Management Company LLC	USA	-	75%	Unaudited	-	-	-	-	-	-	-
Horizaon Wind energy Northwest IV LLC	USA	-	100%	Unaudited	-	-	-	-	-	-	-
Horizaon Wind energy Northwest VII LLC	USA	-	100%	Unaudited	-	-	-	-	-	-	-
Horizaon Wind energy Northwest X LLC	USA	-	100%	Unaudited	-	-	-	-	-	-	-
Horizaon Wind energy Panhandle I LLC	USA	-	100%	Unaudited	-	-	-	-	-	-	-
Horizaon Wind energy Southwest I LLC	USA	-	100%	Unaudited	-	-	-	-	-	-	-
Horizaon Wind energy Southwest II LLC	USA	-	100%	Unaudited	-	-	-	-	-	-	-
Hog Creek Wind Project LLC	USA	-	100%	Unaudited	Wind energy prod..	89,618	2,330	-	2,001	2,001	93,949
Horizon Wind Energy Midwest IX LLC	USA	-	100%	Unaudited	-	-	-	-	-	-	-
Horizon Wind energy Northwest I LLC	USA	-	100%	Unaudited	-	-	-	-	-	-	-
Redbed Plains Wind Farm LLC	USA	-	100%	PWC	Wind energy prod..	140,878	175	-	-1,660	-1,660	139,393
Az Solar LLC	USA	-	100%	Unaudited	-	-	-	-	-	-	-
Windhub Solar A LLC	USA	-	50%	Unaudited	Wind energy prod..	33,739	-	-	-3	-3	33,735
Sunshine Valley Solar LLC	USA	-	50%	Unaudited	Wind energy prod..	185,615	-	-	-47	-47	185,542
Sun Strems LLC	USA	-	50%	Unaudited	Wind energy prod..	296,965	-	-	-24	-24	296,941
2016 Vento XV LLC	USA	-	100%	PWC	-	436,265	-216	-	-137	-137	435,912
Solar Ventures Purchasing LLC	USA	-	50%	Unaudited	Wind energy prod..	-	-62,943	-	23,329	23,329	-39,614
2016 Vento XVI LLC	USA	-	100%	PWC	Wind energy prod..	163,946	-203	-	-124	-124	163,619
EDPR Wind Ventures XV LLC	USA	-	100%	Unaudited	Wind energy prod..	133,480	25,954	-	14,361	14,361	173,795
EDPR Wind Ventures XVI LLC	USA	-	100%	Unaudited	Wind energy prod..	63,793	2,702	-	2,386	2,386	68,881
2019 Sol III LLC	USA	-	50%	Unaudited	Wind energy prod..	219,355	-	-	-1	-1	219,354
2019 Sol IV LLC	USA	-	50%	Unaudited	Wind energy prod..	296,965	-	-	-	-	296,965
Riverstart Solar Park LLC	USA	-	100%	Unaudited	Wind energy prod..	-	-	-	-	-	-
Edpr Offshore North America LLC	USA	-	100%	Unaudited	Wind energy prod..	65,182	-	-	-374	-374	64,808
Edpr Wind Ventures XIX LLC	USA	-	100%	Unaudited	Wind energy prod..	-	98,365	-	-78,310	-78,310	20,055
Edpr Wind Ventures XX LLC	USA	-	100%	Unaudited	Wind energy prod..	-	-154,273	-	128	128	-154,145
Edpr Wind Ventures XXI LLC	USA	-	100%	Unaudited	Wind energy prod..	32	-	-	-	-	32
Edpr Solar Ventures III LLC	USA	-	100%	Unaudited	Wind energy prod..	73,242	-	-	-62	-62	73,180
Athena-Weston Wind Power Project LLC	USA	-	100%	Unaudited	-	-	-	-	-	-	-
Lexington Chenoa Wind Farm III LLC	USA	-	100%	Unaudited	-	-	-	-	-	-	-
Blackstone Wind farm IV LLC	USA	-	100%	Unaudited	-	-	-	-	-	-	-
WTP Management compapny LLC	USA	-	100%	Unaudited	-	-	-	-	-	-	-

THOUSAND EUROS											
GROUP COMPANIES	REGISTERED ADDRESS	% DIRECT INTEREST	% INDIRECT INTEREST	AUDITOR	ACTIVITY	CAPITAL	RESERVES	OTHER EQUITY ITEMS	NET PROFIT		
									CONTINUING OPERATIONS	TOTAL	TOTAL EQUITY
Blackstone Wind Farm V LLC	USA	-	100%	Unaudited	Wind energy prod..	-	-	-	-	-	-
Blue Canyon Windpower III LLC	USA	-	100%	Unaudited	Wind energy prod..	-	-	-	-	-	-
Blue Canyon Windpower IV LLC	USA	-	100%	Unaudited	Wind energy prod..	-	-	-	-	-	-
Broadlands Wind Farm II LLC	USA	-	100%	Unaudited	Wind energy prod..	-	-	-	-	-	-
Broadlands Wind Farm III LLC	USA	-	100%	Unaudited	Wind energy prod..	-	-	-	-	-	-
Chateaugay River Wind Farm LLC	USA	-	100%	Unaudited	Wind energy prod..	-	-	-	-	-	-
Cropsey Ridge Wind Farm LLC	USA	-	100%	Unaudited	Wind energy prod..	-	-	-	-	-	-
Dairy Hills Wind Farm LLC	USA	-	100%	Unaudited	Wind energy prod..	-	-	-	-	-	-
Diamond Power Partners LLC	USA	-	100%	Unaudited	Wind energy prod..	-	-	-	-	-	-
East Klickitat Wind Power Project LLC	USA	-	100%	Unaudited	Wind energy prod..	-	-	-	-	-	-
Hidalgo Wind Farm II LLC	USA	-	100%	Unaudited	Wind energy prod..	-	-	-	-3	-3	-3
Wind Turbine Prometheus LP	USA	-	991a%	Unaudited	Wind energy prod..	5	-5	-	-	-	-
Quilt Block Wind Farm LLC	USA	-	100%	PWC	Wind energy prod..	131,741	6,611	-	4,414	4,414	142,766
Whitestone Wind Purchasing LLC	USA	-	100%	Unaudited	Wind energy prod..	3,544	-1,057	-	-263	-263	2,224
Blue Canyon Windpower V LLC	USA	-	51%	PWC	Wind energy prod..	37,293	63,571	-	9,286	9,286	110,150
Sagebrush Power Partners LLC	USA	-	100%	PWC	Wind energy prod..	129,524	-18,977	-	1,157	1,157	111,704
Marble River LLC	USA	-	100%	Unaudited	Wind energy prod..	197,882	28,450	-	3,354	3,354	229,686
Blackstone Wind Farm LLC	USA	-	100%	Unaudited	Wind energy prod..	860,455	-52	-	908	908	87,311
Aroostook Wind Energy LLC	USA	-	100%	Unaudited	Wind energy prod..	40,699	-4,809	-	-31	-31	35,859
Jericho Rise Wind Farm LLC	USA	-	100%	PWC	Wind energy prod..	123,459	10,805	-	-1,102	-1,102	133,162
Martinsdale Wind Farm LLC	USA	-	100%	Unaudited	Wind energy prod..	4,203	-25	-	-	-	4,178
Signal Hill Wind Power Project LLC	USA	-	100%	Unaudited	Wind energy prod..	4	-4	-	-	-	-
Tumbleweed Wind Power Project LLC	USA	-	100%	Unaudited	Wind energy prod..	4	-4	-	-	-	-
Stinson Mills Wind Farm LLC	USA	-	100%	Unaudited	Wind energy prod..	3,971	-88	-	-	-	3,883
OPQ Property LLC	USA	-	100%	Unaudited	Wind energy prod..	-26	181	-	-	-	155
Meadow Lake Wind Farm LLC	USA	-	100%	Unaudited	Wind energy prod..	176,946	-17,277	-	387	387	160,056
Wheat Field Wind Power Project LLC	USA	-	51%	PWC	Wind energy prod..	2,582	55,846	-	5,513	5,513	63,941
High Trail Wind Farm LLC	USA	-	100%	PWC	Wind energy prod..	141,695	76,532	-	-3,170	-3,170	215,057
Madison Windpower LLC	USA	-	100%	PWC	Wind energy prod..	14,906	-10,169	-	-773	-773	3,964
Mesquite Wind LLC	USA	-	100%	PWC	Wind energy prod..	111,911	59,883	-	2,463	2,463	174,257
BC2 Maple Ridge Wind LLC	USA	-	100%	PWC	Wind energy prod..	250,859	-27,510	-	-9,353	-9,353	213,996
Blue Canyon Windpower II LLC	USA	-	100%	PWC	Wind energy prod..	101,335	7,311	-	-2,265	-2,265	106,381
Telocaset Wind Power Partners LLC	USA	-	51%	PWC	Wind energy prod..	25,714	61,633	-	7,704	7,704	95,051
Post Oak Wind LLC	USA	-	51%	PWC	Wind energy prod..	128,573	68,865	-	1,843	1,843	199,281
High Prairie Wind Farm II LLC	USA	-	51%	PWC	Wind energy prod..	62,086	19,794	-	4,296	4,296	86,176
Old Trail Wind Farm LLC	USA	-	51%	PWC	Wind energy prod..	147,990	64,713	-	13,679	13,679	226,382
Cloud County Wind Farm LLC	USA	-	51%	PWC	Wind energy prod..	154,071	27,029	-	5,505	5,505	186,605
Pioneer Prairie Wind Farm I LLC	USA	-	51%	PWC	Wind energy prod..	221,504	94,560	-	14,122	14,122	330,186
Arlington Wind Power Project LLC	USA	-	51%	PWC	Wind energy prod..	77,316	19,923	-	2,845	2,845	100,084
Rail Splitter Wind Farm LLC	USA	-	100%	PWC	Wind energy prod..	180,454	-46,959	-	-4,203	-4,203	129,292

GROUP COMPANIES	REGISTERED ADDRESS	% DIRECT INTEREST	% INDIRECT INTEREST	AUDITOR	ACTIVITY	CAPITAL	RESERVES	OTHER EQUITY ITEMS	THOUSAND EUROS		
									NET PROFIT		
									CONTINUING OPERATIONS	TOTAL	TOTAL EQUITY
Hampton Solar II LLC	USA	-	100%	PWC	Wind energy prod..	31,636	-534	-	1,769	1,769	32,871
Meadow Lake Wind Farm II LLC	USA	-	100%	PWC	Wind energy prod..	132,398	-12,388	-	-1,167	-1,167	118,843
Black Prairie Wind Farm LLC	USA	-	100%	Unaudited	Wind energy prod..	1,048	-2	-	-	-	1,046
Meadow Lake Wind Farm IV LLC	USA	-	100%	Unaudited	Wind energy prod..	80,069	-5,046	-	129	129	75,152
Blackstone Wind Farm II LLC	USA	-	100%	Unaudited	Wind energy prod..	188,968	-199	-	1,133	1,133	189,902
Saddleback Wind Power Project LLC	USA	-	100%	Unaudited	Wind energy prod..	1,202	-1,202	-	-	-	-
Meadow Lake Wind Farm III LLC	USA	-	100%	Unaudited	Wind energy prod..	87,232	4,604	-	1,417	1,417	93,253
2007 Vento I LLC	USA	-	100%	PWC	Wind energy prod..	527,924	41,993	-	3,574	3,574	573,491
2007 Vento II LLC	USA	-	51%	PWC	Wind energy prod..	370,429	-4,588	-	-155	-155	365,686
2008 Vento III LLC	USA	-	51%	PWC	Wind energy prod..	458,829	-5,590	-	-537	-537	452,702
2009 Vento IV LLC	USA	-	100%	PWC	Wind energy prod..	181,568	-1,145	-	-125	-125	180,298
2009 Vento V LLC	USA	-	51%	PWC	Wind energy prod..	38,420	-1,121	-	-31	-31	37,268
2009 Vento VI LLC	USA	-	100%	N/A	Wind energy prod..	112,549	-958	-	-117	-117	111,474
2019 Vento XX LLC	USA	-	100%	N/A	Wind energy prod..	33,268	-	-	-	-	33,268
2019 Vento XXI LLC	USA	-	100%	N/A	Wind energy prod..	-	-	-	-	-	-
Horizon Wind Ventures I LLC	USA	-	100%	Unaudited	Wind energy prod..	153,769	430,129	-	-3,344	-3,344	580,554
Horizon Wind Ventures II LLC	USA	-	100%	Unaudited	Wind energy prod..	125,154	13,391	-	2,447	2,447	140,992
Horizon Wind Ventures III LLC	USA	-	51%	Unaudited	Wind energy prod..	-	23,652	-	4,376	4,376	28,028
Horizon Wind Ventures VI LLC	USA	-	100%	Unaudited	Wind energy prod..	63,658	9,992	-	1,864	1,864	75,514
Clinton County Wind Farm LLC	USA	-	100%	Unaudited	Wind energy prod..	197,889	-7	-	-	-	197,882
Antelope Ridge Wind Power Project LLC	USA	-	100%	Unaudited	Wind energy prod..	11,420	-11,420	-	1	1	-
Lexington Chenoa Wind Farm II LLC	USA	-	100%	Unaudited	Wind energy prod..	711	-535	-	-	-	176
Blackstone Wind Farm III LLC	USA	-	100%	Unaudited	Wind energy prod..	5,586	-5,586	-	8	8	8
Lexington Chenoa Wind Farm LLC	USA	-	100%	Unaudited	Wind energy prod..	140,872	-73	-	365	365	141,164
Paulding Wind Farm LLC	USA	-	100%	Unaudited	Wind energy prod..	26	-26	-	-	-	-
Paulding Wind Farm II LLC	USA	-	51%	PWC	Wind energy prod..	80,729	39,403	-	5,939	5,939	126,071
Meadow Lake Wind Farm V LLC	USA	-	100%	PWC	Wind energy prod..	141,165	3,049	-	3,215	3,215	147,429
Waverly Wind Farm LLC	USA	-	51%	Unaudited	Wind energy prod..	239,024	16,017	-	4,016	4,016	259,057
Blue Canyon Windpower VI LLC	USA	-	100%	PWC	Wind energy prod..	85,327	14,409	-	1,944	1,944	101,680
Paulding Wind Farm III LLC	USA	-	100%	PWC	Wind energy prod..	163,076	7,440	-	1,534	1,534	172,050
2010 Vento VII LLC	USA	-	100%	PWC	Wind energy prod..	133,385	-890	-	-124	-124	132,371
2010 Vento VIII LLC	USA	-	100%	PWC	Wind energy prod..	130,633	-1,033	-	-123	-123	129,477
2011 Vento IX LLC	USA	-	51%	PWC	Wind energy prod..	81,527	-801	-	-122	-122	80,604
Horizon Wind Ventures VII LLC	USA	-	100%	Unaudited	Wind energy prod..	82,368	10,523	-	1,848	1,848	94,739
Horizon Wind Ventures VIII LLC	USA	-	100%	Unaudited	Wind energy prod..	87,242	5,689	-	1,723	1,723	94,654
Horizon Wind Ventures IX LLC	USA	-	51%	Unaudited	Wind energy prod..	44,742	-4,225	-	1,591	1,591	42,108
EDPR Vento IV Holding LLC	USA	-	100%	PWC	Wind energy prod..	61,416	-	-	-	-	61,416
Headwaters Wind Farm LLC	USA	-	51%	Unaudited	Wind energy prod..	234,620	34,930	-	7,414	7,414	276,964
Lone Valley Solar Park I LLC	USA	-	51%	Unaudited	Wind energy prod..	22,551	922	-	248	248	23,721
Lone Valley Solar Park II LLC	USA	-	51%	Unaudited	Wind energy prod..	39,260	3,869	-	820	820	43,949
Rising Tree Wind Farm LLC	USA	-	51%	PWC	Wind energy prod..	105,860	18,438	-	7,641	7,641	131,989
Arbuckle Mountain Wind Farm LLC	USA	-	51%	PWC	Wind energy prod..	135,698	-2,726	-	-1,757	-1,757	131,215

THOUSAND EUROS											
GROUP COMPANIES	REGISTERED ADDRESS	% DIRECT INTEREST	% INDIRECT INTEREST	AUDITOR	ACTIVITY	CAPITAL	RESERVES	OTHER EQUITY ITEMS	NET PROFIT		
									CONTINUING OPERATIONS	TOTAL	TOTAL EQUITY
Hidalgo Wind Farm LLC	USA	-	100%	PWC	Wind energy prod..	312,233	10,817	-	-2,031	-2,031	321,019
Rising Tree Wind Farm III LLC	USA	-	51%	PWC	Wind energy prod..	137,761	19,138	-	5,422	5,422	162,321
Rising Tree Wind Farm II LLC	USA	-	51%	PWC	Wind energy prod..	24,869	3,442	-	863	863	29,174
Wheat Field Holding LLC	USA	-	51%	PWC	Wind energy prod..	2,664	-70	-	-26	-26	2,568
EDPR WF LLC	USA	-	100%	Unaudited	Wind energy prod..	43,900	-	-	-	-	43,900
Sustaining Power Solutions LLC	USA	-	100%	Unaudited	Wind energy prod..	74,883	-59,847	-	-10,797	-10,797	4,239
Green Power Offsets LLC	USA	-	100%	Unaudited	Wind energy prod..	9	-9	-	-	-	-
Arkwright Summit Wind Farm LLC	USA	-	100%	Unaudited	Wind energy prod..	170,942	-2,148	-	5,965	5,965	174,759
EDPR Vento I Holding LLC	USA	-	100%	Unaudited	Wind energy prod..	265,302	-	-	-	-	265,302
Turtle Creek Wind Farm LLC	USA	-	100%	Unaudited	Wind energy prod..	256,181	272	-	4,629	4,629	261,082
Rio Blanco Wind Farm LLC	USA	-	100%	Unaudited	Wind energy prod..	2,704	-	-	-1	-1	2,703
Plum Nellie Wind Farm LLC	USA	-	100%	Unaudited	Wind energy prod..	-	-	-	-	-	-
Five-Spot LLC	USA	-	100%	Unaudited	Wind energy prod..	-	-	-	-	-	-
Horizon Wind Chocolate Bayou I LLC	USA	-	100%	Unaudited	Wind energy prod..	-	-	-	-	-	-
Alabama Ledge Wind Farm LLC	USA	-	100%	Unaudited	Wind energy prod..	-	-	-	-	-	-
Ashford Wind Farm LLC	USA	-	100%	Unaudited	Wind energy prod..	-	-	-	-	-	-
Alabama Solar Park LLC	USA	-	100%	Unaudited	Wind energy prod..	-	-	-	-	-	-
Blackford Country Solar Park LLC	USA	-	100%	Unaudited	Wind energy prod..	-	-	-	-	-	-
Esker Solar Park LLC	USA	-	100%	Unaudited	Wind energy prod..	-	-	-	-	-	-
Greenbow Solar Park LLC	USA	-	100%	Unaudited	Wind energy prod..	-	-	-	-	-	-
Holly Hill Solar Park LLC	USA	-	100%	Unaudited	Wind energy prod..	-	-	-	-	-	-
Pleasantville Solar Park LLC	USA	-	100%	Unaudited	Wind energy prod..	-	-	-	-	-	-
Mineral Springs Solar Park LLC	USA	-	100%	Unaudited	Wind energy prod..	-	-	-	-	-	-
Black Prairie Solar Park LLC	USA	-	100%	Unaudited	Wind energy prod..	-	-	-	-	-	-
Duff Solar Park LLC	USA	-	100%	Unaudited	Wind energy prod..	-	-	-	-	-	-
Broadlands Wind Farm LLC	USA	-	100%	Unaudited	Wind energy prod..	38,275	-	-	-17	-17	38,258
Eastmill Solar Park LLC	USA	-	100%	Unaudited	Wind energy prod..	-	-	-	-	-	-
Lowloand Solar Park LLC	USA	-	100%	Unaudited	Wind energy prod..	-	-	-	-	-	-
EDPR Wind Ventures X LLC	USA	-	100%	Unaudited	Wind energy prod..	24,820	43,639	-	8,980	8,980	77,439
EDPR Wind Ventures XI LLC	USA	-	51%	Unaudited	Wind energy prod..	64,547	26,562	-	10,237	10,237	101,346
EDPR Wind Ventures XII LLC	USA	-	51%	Unaudited	Wind energy prod..	34,997	2,473	-	2,108	2,108	39,578
EDPR Wind Ventures XIII LLC	USA	-	51%	Unaudited	Wind energy prod..	70,574	14,901	-	6,858	6,858	92,333
EDPR Wind Ventures XIV LLC	USA	-	51%	Unaudited	Wind energy prod..	30,091	14,391	-	7,302	7,302	52,304
Crossing Trails Wind Power Project LLC	USA	-	100%	Unaudited	Wind energy prod..	-	-	-	-	-	-
Moonshine Solar Park LLC	USA	-	100%	Unaudited	Wind energy prod..	-	-	-	-	-	-
Sedge Meadow Solar Park LLC	USA	-	100%	Unaudited	Wind energy prod..	-	-	-	-	-	-
Helena Harbor Solar Park LLC	USA	-	100%	Unaudited	Wind energy prod..	-	-	-	-	-	-
Headwaters Wind Farm III LLC	USA	-	100%	Unaudited	Wind energy prod..	-	-	-	-	-	-

THOUSAND EUROS											
GROUP COMPANIES	REGISTERED ADDRESS	% DIRECT INTEREST	% INDIRECT INTEREST	AUDITOR	ACTIVITY	CAPITAL	RESERVES	OTHER EQUITY ITEMS	NET PROFIT		
									CONTINUING OPERATIONS	TOTAL	TOTAL EQUITY
Loki Solar Park LLC	USA	-	100%	Unaudited	Wind energy prod..	-	-	-	-	-	-
Leprechaun solar Park LLC	USA	-	100%	Unaudited	Wind energy prod..	-	-	-	-	-	-
Little brook Solar Park LLC	USA	-	100%	Unaudited	Wind energy prod..	-	-	-	-	-	-
Bright Stalk Solar Park LLC	USA	-	100%	Unaudited	Wind energy prod..	-	-	-	-	-	-
Crossing trails Wind Power Project II LLC	USA	-	100%	Unaudited	Wind energy prod..	-	-	-	-	-	-
Headwaters Wind Farm IV LLC	USA	-	100%	Unaudited	Wind energy prod..	-	-	-	-	-	-
Blackford country Wind farm LLC	USA	-	100%	Unaudited	Wind energy prod..	-	-	-	-	-	-
Prospector Solar Park LLC	USA	-	100%	Unaudited	Wind energy prod..	-	-	-	-	-	-
Rye Patch Solar Park LLC	USA	-	100%	Unaudited	Wind energy prod..	-	-	-	-	-	-
Loblolly Hill solar Park LLC	USA	-	100%	Unaudited	Wind energy prod..	-	-	-	-	-	-
Meadow lake Wind farm VIII LLC	USA	-	100%	Unaudited	Wind energy prod..	-	-	-	-	-	-
Loyal Wind Farm LLC	USA	-	10%	Unaudited	Wind energy prod..	-	-	-	-	-	-
Marathon wind Farm LLC	USA	-	100%	Unaudited	Wind energy prod..	-	-	-	-	-	-
Cielo Solar Park LLC	USA	-	100%	Unaudited	Wind energy prod..	-	-	-	-	-	-
Quilt block Wind Farm II LLC	USA	-	100%	Unaudited	Wind energy prod..	-	-	-	-	-	-
Shullsburg Wind Farm LLC	USA	-	100%	Unaudited	Wind energy prod..	-	-	-	-	-	-
Loma de la Gloria Solar Park LLC	USA	-	100%	Unaudited	Wind energy prod..	-	-	-	-	-	-
Wrangler Solar Park LLC	USA	-	100%	Unaudited	Wind energy prod..	-	-	-	-	-	-
San clemente Solar Park LLC	USA	-	100%	Unaudited	Wind energy prod..	-	-	-	-	-	-
Indiana Crossroads Wind Farm LLC	USA	-	100%	Unaudited	Wind energy prod..	-	-	-	-	-	-
Indiana Crossroads Wind Farm II LLC	USA	-	100%	Unaudited	Wind energy prod..	-	-	-	-	-	-
Bayou bend Solar Park LLC	USA	-	100%	Unaudited	Wind energy prod..	-	-	-	-	-	-
Poplar Camp Wind Farm LLC	USA	-	100%	Unaudited	Wind energy prod..	-	-	-	-	-	-
Avondale Solar Park LLC	USA	-	100%	Unaudited	Wind energy prod..	-	-	-	-	-	-
Crittenden Wind Farm LLC	USA	-	100%	Unaudited	Wind energy prod..	-	-	-	-	-	-
Coldwater Solar Park LLC	USA	-	100%	Unaudited	Wind energy prod..	-	-	-	-	-	-
Meadow Lake Solar Park LLC	USA	-	100%	Unaudited	Wind energy prod..	-	-	-	-	-	-
Nine Kings Wind Farm LLC	USA	-	50%	Unaudited	Wind energy prod..	-	-	-	-	-	-
Nine kings Transco LLC	USA	-	100%	Unaudited	Wind energy prod..	-	-	-	-	-	-
Sweet Stream Wind Farm LLC	USA	-	100%	Unaudited	Wind energy prod..	-	-	-	-	-	-
Blue Harvest Solar Park LLC	USA	-	100%	Unaudited	Wind energy prod..	-	-	-	-	-	-
Franklin Wind Farm LLC	USA	-	100%	Unaudited	Wind energy prod..	-	-	-	-	-	-
Edpr South Table LLC	USA	-	100%	Unaudited	Wind energy prod..	-	-	-	-	-	-
Casa Grande Carmel Solar LLC	USA	-	100%	Unaudited	Wind energy prod..	-	-	-	-	-	-
Paulding Wind Farm V LLC	USA	-	100%	Unaudited	Wind energy prod..	-	-	-	-	-	-
Waverly wind Farm II LLC	USA	-	100%	Unaudited	Wind energy prod..	-	-	-	-	-	-
Spruce Ridge Wind farm LLC	USA	-	100%	Unaudited	Wind energy prod..	-	-	-	-	-	-
2015 Vento XIV LLC	USA	-	51%	PWC	Wind energy prod..	238,896	-301	-	-119	-119	238,476



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									CONTINUING OPERATIONS	TOTAL	TOTAL EQUITY
2011 Vento X LLC	USA	-	100%	PWC	Wind energy prod..	87,658	-755	-	-121	-121	86,782
Blue Marmot I LLC	USA	-	100%	Unaudited	Wind energy prod..	-	-	-	-	-	-
Blue Marmot II LLC	USA	-	100%	Unaudited	Wind energy prod..	-	-	-	-	-	-
Drake Peak Solar ParK LLC	USA	-	100%	Unaudited	Wind energy prod..	-	-	-	-	-	-
Blue Marmot IV LLC	USA	-	100%	Unaudited	Wind energy prod..	-	-	-	-	-	-
Blue Marmot V LLC	USA	-	100%	Unaudited	Wind energy prod..	-	-	-	-	-	-
Blue Marmot VI LLC	USA	-	100%	Unaudited	Wind energy prod..	-	-	-	-	-	-
Blue Marmot VII LLC	USA	-	100%	Unaudited	Wind energy prod..	-	-	-	-	-	-
2014 Vento XI LLC	USA	-	51%	PWC	Wind energy prod..	234,499	-43	-	-25	-25	234,431
EDPR Solar Ventures I LLC	USA	-	100%	Unaudited	Wind energy prod..	37,285	3,301	-	903	903	41,489
2014 Sol I LLC	USA	-	51%	PWC	Wind energy prod..	62,379	-324	-	-83	-83	61,972
2014 Vento XII LLC	USA	-	51%	PWC	Wind energy prod..	131,226	-63	-	-13	-13	131,150
Blue Marmot VIII LLC	USA	-	100%	Unaudited	Wind energy prod..	-	-	-	-	-	-
2015 Vento XIII LLC	USA	-	51%	PWC	Wind energy prod..	274,270	-535	-	-106	-106	273,629
2018 Vento XVIII LLC	USA	-	100%	Unaudited	Wind energy prod..	450,429	-26	-	-188	-188	450,215
Blue Marmot IX LLC	USA	-	100%	Unaudited	Wind energy prod..	-	-	-	-	-	-
Blue Marmot Solar Park LLC	USA	-	100%	Unaudited	Wind energy prod..	-	-	-	-	-	-
Blue Marmot XI LLC	USA	-	100%	Unaudited	Wind energy prod..	-	-	-	-	-	-
Horse Mountain Wind Farm LLC	USA	-	100%	Unaudited	Wind energy prod..	-	-	-	-	-	-
EDPR Wind Ventures XVIII LLC	USA	-	100%	Unaudited	Wind energy prod..	212,214	1,653	-	7,057	7,057	220,924
Riverstart Solar Park II LLC	USA	-	100%	Unaudited	Wind energy prod..	-	-	-	-	-	-
Long Hollow Wind Farm LLC	USA	-	100%	Unaudited	Wind energy prod..	-	-	-	-	-	-
Horizon Wind Ventures IB LLC	USA	-	51%	Unaudited	Wind energy prod..	-	166,108	-	-24,700	-24,700	141,408
Horizon Wind Ventures IC LLC	USA	-	51%	Unaudited	Wind energy prod..	245,764	163,616	-	2,212	2,212	411,592
Castle Valley Wind Farm LLC	USA	-	100%	Unaudited	Wind energy prod..	-	-	-	-	-	-
White Stone Solar Park LLC	USA	-	100%	Unaudited	Wind energy prod..	-	-	-	-	-	-
Riverstart Solar Park III LLC	USA	-	100%	Unaudited	Wind energy prod..	-	-	-	-	-	-
Dry Creek Solar Park LLC	USA	-	100%	Unaudited	Wind energy prod..	-	-	-	-	-	-
Lost Lakes Wind Farm LLC	USA	-	100%	Unaudited	Wind energy prod..	111,524	-1,642	-	2,527	2,527	112,409
Riverstart Solar Park IV LLC	USA	-	100%	Unaudited	Wind energy prod..	-	-	-	-	-	-
Riverstart Solar Park V LLC	USA	-	100%	Unaudited	Wind energy prod..	-	-	-	-	-	-
Timber Road Solar Park LLC	USA	-	100%	Unaudited	Wind energy prod..	-	-	-	-	-	-
Paulding Wind Farm VI LLC	USA	-	100%	Unaudited	Wind energy prod..	-	-	-	-	-	-
Edpr Ca Solar Park LLC	USA	-	100%	Unaudited	Wind energy prod..	-	-	-	-	-	-
Edpr CA Solar Park II LLC	USA	-	100%	Unaudited	Wind energy prod..	-	-	-	-	-	-
Edpr CA Solar Park III LLC	USA	-	100%	Unaudited	Wind energy prod..	-	-	-	-	-	-
Edpr CA Solar Park IV LLC	USA	-	100%	Unaudited	Wind energy prod..	-	-	-	-	-	-
Edpr CA Solar Park V LLC	USA	-	100%	Unaudited	Wind energy prod..	-	-	-	-	-	-
Edpr CA Solar Park VI LLC	USA	-	100%	Unaudited	Wind energy prod..	-	-	-	-	-	-
BC2 Maple Ridge Holdings LLC	USA	-	100%	Unaudited	Wind energy prod..	-	-	-	-	-	-
North river Wind LLC	USA	-	100%	Unaudited	Wind energy prod..	-	-	-	-	-	-
EDP RENEWABLES CANADA LTD.	Canada	100%	-	Unaudited	Holding	46,066	23,310	-	4,411	4,411	73,787

THOUSAND EUROS											
GROUP COMPANIES	REGISTERED ADDRESS	% DIRECT INTEREST	% INDIRECT INTEREST	AUDITOR	ACTIVITY	CAPITAL	RESERVES	OTHER EQUITY ITEMS	NET PROFIT		
									CONTINUING OPERATIONS	TOTAL	TOTAL EQUITY
EDP Renewables Sharp Hills Project LP	Canada	-	100%	Unaudited	Wind energy prod..	35	-183	-	-191	-191	-339
SBWF GP Inc.	Canada	-	51%	Unaudited	Wind energy prod..	1	1	-	-	-	2
South Dundas Wind Farm LP	Canada	-	51%	PWC	Wind energy prod..	14,669	13,116	-	3,437	3,437	31,222
Nation Rise Wind Farm GP Inc.	Canada	-	25%	Unaudited	Wind energy prod..	1	-	-	-	-	1
South Branch Wind Farm II GP Inc.	Canada	-	100%	Unaudited	Wind energy prod..	-	-	-	-	-	-
South Branch Wind Farm II LP	Canada	-	100%	Unaudited	Wind energy prod..	187	-211	-	-189	-189	-213
EDP Renewables Sharp Hills Project GP Ltd.	Canada	-	100%	Unaudited	Wind energy prod..	-	-	-	-	-	-
Edp Renewables Canada Management Services LTD	Canada	-	100%	Unaudited	Wind energy prod..	-	-2,607	-	-	-	-2,607
Edp Renewables Sask Se GP Ltd	Canada	-	100%	Unaudited	Wind energy prod..	-	-	-	-	-	-
Edp Renewables Sask SE Limited Partnership	Canada	-	100%	Unaudited	Wind energy prod..	-	-135	-	-236	-236	-371
Kennedy Wind farm GP Ltd	Canada	-	100%	Unaudited	Wind energy prod..	-	-	-	-	-	-
Keneedy Wind farm Limited Partnership	Canada	-	100%	Unaudited	Wind energy prod..	-	-135	-	-64	-64	-199
Bromhead Solar Park Gp Ltd	Canada	-	100%	Unaudited	Wind energy prod..	-	-	-	-	-	-
Bromhead Solar Park Limited Partnership	Canada	-	100%	Unaudited	Wind energy prod..	-	-135	-	-64	-64	-199
Halbrite Solar Park Gp Ltd	Canada	-	100%	Unaudited	Wind energy prod..	-	-	-	-	-	-
Halbrite Solar Park Limited Partnership	Canada	-	100%	Unaudited	Wind energy prod..	-	-135	-	-64	-64	-199
Blue Bridge Solar Park Gp Ltd	Canada	-	100%	Unaudited	Wind energy prod..	-	-	-	-	-	-
Blue bridge Solar Park Limited Partnership	Canada	-	100%	Unaudited	Wind energy prod..	-	-135	-	-64	-64	-199
Edp Renewables Sh II Project GP Ltd	Canada	-	100%	Unaudited	Wind energy prod..	-	-	-	-	-	-
Edp Renewables Sh II Project GP Ltd	Canada	-	100%	Unaudited	Wind energy prod..	-	-	-	-	-	-
Nation Rise Wind farm GP II inc	Canada	-	100%	Unaudited	Wind energy prod..	3	-1	-	-2	-2	-
Quatro Limited Partnership	Canada	-	100%	Unaudited	Wind energy prod..	33,633	-10,492	-	-23,141	-	-
EDP RENOVÁVEIS BRASIL, S.A.	Brazil	100%	-	PWC	Holding	190,846	4,916	-	72,781	72,781	268,543
Central Nacional de Energia Eólica, S.A.	Brazil	-	51%	PWC	Wind energy prod..	2,745	368	-	1,234	1,234	4,347
Elebrás Projetos, S.A.	Brazil	-	51%	PWC	Wind energy prod..	22,982	2,001	-	7,191	7,191	32,174
Central Eólica Baixa do Feijão I, S.A.	Brazil	-	51%	PWC	Wind energy prod..	8,685	2,683	-	-187	-187	11,181
Central Eólica Baixa do Feijão II, S.A.	Brazil	-	51%	PWC	Wind energy prod..	8,980	2,899	-	-240	-240	11,639
Central Eólica Baixa do Feijão III, S.A.	Brazil	-	51%	PWC	Wind energy prod..	14,929	1,720	-	-905	-905	15,744
Central Eólica Baixa do Feijão IV, S.A.	Brazil	-	51%	PWC	Wind energy prod..	9,840	2,324	-	-527	-527	11,637
Central Eólica JAU, S.A.	Brazil	-	51%	PWC	Wind energy prod..	38,544	9,903	-	500	500	48,947
Central Eólica Aventura I, S.A.	Brazil	-	50.99%	PWC	Wind energy prod..	18,088	493	-	-176	-176	18,405
Central Eólica Aventura II, S.A.	Brazil	-	100%	Unaudited	Wind energy prod..	82	-104	-	-24	-24	-46
Central Eólica Boqueirao I, S.A.	Brazil	-	100%	Unaudited	Wind energy prod..	-	-	-	-	-	-
Central Eólica Boqueirao II, S.A.	Brazil	-	100%	Unaudited	Wind energy prod..	-	-	-	-	-	-
Central Eólica Catanduba I, S.A.	Brazil	-	100%	Unaudited	Wind energy prod..	-	-	-	-	-	-
Central Eólica Catadunba II, S.A.	Brazil	-	100%	Unaudited	Wind energy prod..	-	-	-	-	-	-
Jerusalém Holding, S.A.	Brazil	-	100%	Unaudited	Wind energy prod..	-	-	-	-11	-11	-11

THOUSAND EUROS											
GROUP COMPANIES	REGISTERED ADDRESS	% DIRECT INTEREST	% INDIRECT INTEREST	AUDITOR	ACTIVITY	CAPITAL	RESERVES	OTHER EQUITY ITEMS	NET PROFIT		
									CONTINUING OPERATIONS	TOTAL	TOTAL EQUITY
Central Eólica Monte Verde VI,S.A	Brazil	-	100%	Unaudited	Wind energy prod..	2	-	-	-2	-2	-
Monte Verde holding,S.A	Brazil	-	100%	Unaudited	Wind energy prod..	-	-	-	-11	-11	-11
Central Eólica Aventura III,S.A	Brazil	-	100%	Unaudited	Wind energy prod..	-	-98	-	-16	-16	-114
Central Eólica Aventura IV,S.A	Brazil	-	100%	Unaudited	Wind energy prod..	2	-114	-	-18	-18	-130
Central Eólica Aventura V,S.A	Brazil	-	100%	Unaudited	Wind energy prod..	2	-14	-	-18	-18	-130
Srmn Holding S,A	Brazil	-	100%	Unaudited	Wind energy prod..	-	-	-	-104	-104	-104
Central Eólica Srmn I,S,A	Brazil	-	100%	Unaudited	Wind energy prod..	-	-130	-	-27	-27	-157
Central Eólica Srmn II,S,A	Brazil	-	100%	Unaudited	Wind energy prod..	-	-114	-	-18	-18	-132
Central Eólica Srmn III,S,A	Brazil	-	100%	Unaudited	Wind energy prod..	-	-130	-	-19	-19	-149
Central Eólica Srmn IV,S,A	Brazil	-	100%	Unaudited	Wind energy prod..	-	-131	-	-19	-19	-150
Central Eólica Srmn V,S,A	Brazil	-	100%	Unaudited	Wind energy prod..	-	-98	-	-17	-17	-115
Aventura Holding,S,A	Brazil	-	100%	Unaudited	Wind energy prod..	-	-19	-	-79	-79	-98
Central Eólica Monte Verde I,S,A	Brazil	-	100%	Unaudited	Wind energy prod..	2	-547	-	-2	-2	-547
Central Eólica Monte Verde II,S,A	Brazil	-	100%	Unaudited	Wind energy prod..	2	-547	-	-2	-2	-547
Central Eólica Monte Verde III,S,A	Brazil	-	100%	Unaudited	Wind energy prod..	2	-479	-	-2	-2	-479
Central Eólica Monte Verde IV,S,A	Brazil	-	100%	Unaudited	Wind energy prod..	2	-377	-	-1	-1	-376
Central Eólica Monte Verde V,S,A	Brazil	-	100%	Unaudited	Wind energy prod..	2	-274	-	-1	-1	-376
Central Solar Pereira Barreto I,LTDA.	Brazil	-	100%	Unaudited	Wind energy prod..	221	-	-	-10	-10	211
Central Solar Pereira Barreto II,LTDA.	Brazil	-	100%	Unaudited	Wind energy prod..	224	-1	-	-10	-10	213
Central Solar Pereira Barreto III,LTDA.	Brazil	-	100%	Unaudited	Wind energy prod..	224	-	-	-11	-11	213
Central Solar Pereira Barreto IV,LTDA.	Brazil	-	100%	Unaudited	Wind energy prod..	224	-1	-	-10	-10	213
Central Solar Pereira Barreto V,LTDA.	Brazil	-	100%	Unaudited	Wind energy prod..	224	-	-	-9	-9	215
Central Eólica Jerusalém I,S,A	Brazil	-	100%	Unaudited	Wind energy prod..	-	-239	-	-2	-2	-241
Central Eólica Jerusalém II,S,A	Brazil	-	100%	Unaudited	Wind energy prod..	-	-239	-	-2	-2	-241
Central Eólica Jerusalém III,S,A	Brazil	-	100%	Unaudited	Wind energy prod..	-	-239	-	-2	-2	-241
Central Eólica Jerusalém IV,S,A	Brazil	-	100%	Unaudited	Wind energy prod..	-	-239	-	-2	-2	-241
Central Eólica Jerusalém V,S,A	Brazil	-	100%	Unaudited	Wind energy prod..	-	-239	-	-2	-2	-241
Central Eólica Jerusalém VI,S,A	Brazil	-	100%	Unaudited	Wind energy prod..	-	-274	-	-2	-2	-276

THOUSAND EUROS											
JOINTLY CONTROLLED ENTITIES AND ASSOCIATES	REGISTERED ADDRESS	% DIRECT INTEREST	% INDIRECT INTEREST	AUDITOR	ACTIVITY	CAPITAL	RESERVES	OTHER EQUITY ITEMS	NET PROFIT		
									CONTINUING OPERATIONS	TOTAL	TOTAL EQUITY
Aprofitament D' Energies Renovables de l'Ebre S.I	Spain	-	13%	J..G.Valls	Infrastructure management	14,933	-7,100	-	-85	-85	7,748
Biomasas del Pirineo, S.A.	Huesca, Spain	-	30%	Unaudited	Biomass: electricity production	455	-217	-	-	-	238
Sistemas Eólicos tres Cruces,S.L	Soria, Spain	-	25%	Unaudited	Wind energy prod.	50	-19	-	-	-	31

JOINTLY CONTROLLED ENTITIES AND ASSOCIATES	REGISTERED ADDRESS	% DIRECT INTEREST	% INDIRECT INTEREST	AUDITOR	ACTIVITY	THOUSAND EUROS					
						CAPITAL	RESERVES	OTHER EQUITY ITEMS	NET PROFIT		TOTAL EQUITY
									CONTINUING OPERATIONS	TOTAL	
Desarrollos Energéticos del Val, S.I	Soria, Spain	-	25%	Unaudited	Wind energy prod.	137	153	-	-	-	290
Parque Eólico Sierra del Madero, S.A.	Soria, Spain	-	42%	Kpmg	Wind energy prod.	7,194	23,563	-	3,662	3,662	34,419
Desarrollos Eólicos de Canarias, S.A.	Las Palmas de Gran Canaria, Spain	-	45%	PWC	Wind: Wind farm development	1,817	638	-	1,610	1,610	4,065
Solar Siglo XXI, S.A.	Ciudad Real, Spain	-	25%	Unaudited	Wind energy prod.	80	-18	-	-	-	62
Parque Eólico Belmonte, S.A.	Madrid, Spain	-	30%	Kpmg	Wind energy prod.	120	5,542	-	1,384	1,384	7,047
Eoliennes en Mer Dieppe - Le Tréport, S.A.S.	France	-	29.5%	Ernst&Young	Wind energy prod.	31,436	-3,258	-	-694	-694	27,484
Eoliennes en Mer îles d'Yeu et de Noirmoutier, S.A.S	France	-	29.5%	Ernst&Young	Wind energy prod.	36,376	-3,316	-	-712	-712	32,348
Les Eoliennes Flottantes du Golfe du Lion, S.A.S	France	-	35%	Ernst&Young	Wind energy prod.	40	-5,144	-	1,371	1,371	-3,733
Les Eoliennes en Mer Services, S.A.S.	France	-	29.5%	Ernst&Young	Wind energy prod.	40	1,144	-	360	360	1,544
Dunkerque Éoliennes en Mer, S.A.S	France	-	32%	Unaudited	Wind energy prod.	10	-	-	-	-	10
Ceprastur, A.I.E.	Spain	-	57%	Unaudited	Mini-hydroelectric: electricity production	361	13	-	-5	-5	369
Windplus, S.A	Portugal	-	54.4%	PWC	Wind energy prod.	1,250	1,312	-	-3,609	-3,609	-1,047
Evolución 2000, S.L	Spain	-	49%	PWC	Wind energy prod.	118	19,566	-	2,521	2,521	22,205
Desarrollos energéticos Canarias, S.A	Spain	-	50%	Unaudited	Wind: Wind farm development	60	-25	-25	-	-	10
Compañía Eólica Aragonesa, S.A	Spain	-	50%	PWC	Wind energy prod.	6,701	83,941	-	1,018	1,018	91,660
Frontier Beheer nederland, B.V	Netherlands	-	30%	Unaudited	Wind energy prod.	1	-	-	-	-	1
Frontier, C.V	Netherlands	-	30%	Unaudited	Wind energy prod.	1	-	-	-	-	1
Solar Works! B.V	Netherlands	-	20%	RSM Global	Wind energy prod.	0	3,161	-	-345	-345	2,816
Goldfinger Ventures LLC	USA	-	50%	Unaudited	Wind energy prod.	137,955	-	-	-47	-47	137,908
Goldfinger Ventures II LLC	USA	-	50%	Unaudited	Wind energy prod.	208,332	-	-	-67	-67	208,265
Nine Kings Wind Farm LLC	USA	-	50%	Unaudited	Wind energy prod.	-	-	-	-	-	-
Solar Ventiuers Acquisition LLC	USA	-	50%	Unaudited	Wind energy prod.	-49,626	-	-	52,356	52,356	2,730
Nation Rise Wind Farm GP inc	Canada	-	25%	Unaudited	Wind energy prod.	1	-	-	-	-	1
Flat Rock Windpower II LLC	USA	-	50%	PWC	Wind energy prod.	210,934	-98,991	-	-8,425	-8,425	103,518
Flat Rock Windpower LLC	USA	-	50%	PWC	Wind energy prod.	535,824	-261,989	-	-20,992	-20,992	252,844
Blue Canyon Windpower LLC	USA	-	25%	PWC	Wind energy prod.	56,837	-41,401	-	1,653	1,653	17,089
Mayflower Wind Energy LLC	USA	-	50%	Unaudited	Wind energy prod.	158,822	-	-	1,958	1,958	160,780
2018 Vento XIX LLC	USA	-	20%	Unaudited	Wind energy prod.	482,580	-	-	-126	-126	482,454
Korean Floating Wind Power Co, Ltd	KOREA	-*	61%	Unaudited	Wind energy prod.	8	-17	-	-819	-819	-828
Moray West Holdings limited	United Kingdom	-	67%	Unaudited	Wind energy prod.	1	-14	-	-20	-20	-33
Moray East Holdings Limited	United Kingdom	-	33.3%	PWC	Wind energy prod.	11,754	-14	-	9	9	11,749

\*Companies included in the tax group that the Company belongs to (note 19)

## APPENDIX II

### EDP Renovaveis, S.A.

#### Details of investments in Group companies as at 31 December 2018

GROUP COMPANIES	REGISTERED ADDRESS	% DIRECT INTEREST	% INDIRECT INTEREST	AUDITOR	ACTIVITY	SHARE CAPITAL	RESERVES	OTHER EQUITY ITEMS	THOUSAND EUROS		
									CONTINUING OPERATIONS	NET PROFIT TOTAL	TOTAL EQUITY
EDP RENEWABLES EUROPE, S.L.U.*	Spain	100%	-	PwC	Holding	249,499	2,120,623	-	94,155	94,155	2,464,277
EDP Renovables España, S.L.U.*	Spain	-	100%	PwC	Holding, construction and wind energy production	46,128	613,366	685	86,607	86,607	746,786
EDPR Polska, Sp.z.o.o.	Poland	-	100%	PwC	Holding and wind energy production	121,284	109,671	-	-12,647	-12,647	218,308
EDPR International Investmets, B.V.	Netherlands	-	100%	PwC	Holding	20	7,121	-	5,211	5,211	12,352
Greenwind, S.A.	Belgium	0.02%	50.98%	PwC	Wind energy production	24,924	23,785	-206	4,901	4,901	53,405
EDPR France Holding SAS	France	-	100%	PwC	Holding	8,500	5,385	-	-5,437	-5,437	8,448
EDP Renewables SGPS,SA	Portugal	-	100%	PwC	Holding	50	122,254	-	8,147	8,147	130,451
EDP Renewables Belgium,S.A	Belgium	0.16%	99.84%	PwC	Holding	287	870	-	-171	-171	986
EDPR Portugal , S.A.	Portugal	-	51%	PwC	Holding and wind energy production	7,500	60,799	4,656	60,621	60,621	133,576
EDPR PT-Promocao e Operacao,S.A	Portugal	-	100%	PwC	Wind: Wind farm development	50	8,145	2	-661	-661	7,536
EDP Renovables France, SAS	France	-	51%	PwC	Holding	151,704	-22,860	-	7,730	7,730	136,574
EDPR Ro Pv,S.r.l	Romania	0.05%	99.95%	Unaudited	Wind energy production	55,935	-2,863	-	-152	-152	52,920
Cernavoda Power,S.A	Romania	-	85%	PwC	Wind energy production	83,454	-24,620	-	-3,496	-3,496	55,338
VS Wind Farm S.A.	Romania	-	85%	PwC	Wind energy production	53,740	-8,260	-	1,397	1,397	46,877
Pestera Wind Farm, S.A.	Romania	-	85%	PwC	Wind energy production	67,111	-26,971	-	-1,326	-1,326	38,814
EDPR Romania, S.R.L.	Romania	-	99.99%	PwC	Wind energy production	208,827	-8,068	-	-934	-934	199,825
Sibioara Wind Farm,S.r.L	Romania	-	85%	PwC	Wind energy production	20,361	-12,177	-	-1,495	-1,495	6,689
Vanju Mare Solar,S.A	Romania	0.05%	99.95%	PwC	Photovoltaic energy production	9,611	2,221	-	1,387	1,387	13,219
Studina Solar,S.A	Romania	0.05%	99.95%	PwC	Photovoltaic energy production	7,988	3,656	-	1,715	1,715	13,359
Cujmir Solar, S.A	Romania	0.05%	99.95%	PwC	Photovoltaic energy production	10,393	4,311	-	2,140	2,140	16,844
Potelu Solar,S.A	Romania	0.05%	99.95%	PwC	Photovoltaic energy production	7,574	2,950	-	1,236	1,236	11,760
Foton Delta,S.A	Romania	0.05%	99.95%	PwC	Photovoltaic energy production	3,556	1,390	-	705	705	5,651
Foton Epsilon,S.A	Romania	0.05%	99.95%	PwC	Photovoltaic energy production	4,302	3,950	-	1,132	1,132	9,384
EDP Renewables Italia,S.r.l	Italy	-	51%	PwC	Holding and wind energy production	34,439	13,981	-	4,476	4,476	52,896
EDPR UK Limited	United Kingdom	-	100%	PwC	Holding	10,785	-5,834	-	-353	-353	4,598
EDP Renovaveis Servicios Financieros,S.A*	Spain	70.01%	29.99%	PwC	Other economic activities	84,691	319,302	-	7,865	7,865	411,858
Parque Eólico Santa Quiteria, S.L.	Spain	-	84%	PwC	Wind energy production	63	15,019	-	1,034	1,034	16,116
Eólica La Janda, S.I.U*	Spain	-	100%	PwC	Wind energy production	4,525	10,802	-	12,294	12,294	27,621
Eólica Fontesilva, S.L.U*	Spain	-	100%	PwC	Wind energy production	6,860	6,911	-	1,689	1,689	15,460
EDPR Yield S.A.U*	Spain	-	100%	PwC	Wind energy production	99,405	275,615	-	37,473	37,473	412,493
Parque Eólico Altos del Voltoya S.A.*	Spain	-	92.50%	PwC	Wind energy production	6,434	12,040	33	953	953	19,660
Eólica La Brújula, S.A	Spain	-	100%	PwC	Wind energy production	3,294	16,095	-	2,310	2,310	21,699
Eólica Arlanzón S.A.	Spain	-	85%	PwC	Wind energy production	4,509	8,365	-5	671	671	13,540
Eólica Campollano S.A.	Spain	-	75%	PwC	Wind energy production	6,560	18,130	-65	2,592	2,592	27,217
Parque Eólico La Sotonera S.L.	Spain	-	69.84%	PwC	Wind energy production	2,000	5,997	-	827	827	8,824
Korsze Wind Farm,SP.z.o.o	Poland	-	51%	PwC	Wind energy production	10,832	15,301	-	761	761	26,894
Eólica Don Quijote, S.L.U	Spain	-	51%	PwC	Wind energy production	3	-1,841	-	2,706	2,706	868
Eólica Dulcinea, S.L.U	Spain	-	51%	PwC	Wind energy production	10	-829	-	1,607	1,607	788
Eólica Sierra de Ávila, S.L.*	Spain	-	100%	PwC	Wind energy production	12,977	22,706	-	1,679	1,679	37,362
Eólica de Radona, S.L.U	Spain	-	51%	PwC	Wind energy production	22,088	-479	-	1,783	1,783	23,392
Eolica Alfoz, S.L.U	Spain	-	51%	PwC	Wind energy production	8,480	14,032	-	10,161	10,161	32,673
Eólica La Navica, S.L.U	Spain	-	51%	PwC	Wind energy production	10	-381	-	2,176	2,176	1,805
Radzeijów wind farm SP.z.o.o	Poland	-	51%	PwC	Wind energy production	7,696	-4,265	-	-1,104	-1,104	2,327
Energiaki Arvanikou	Greece	0.01%	99.99%	KPMG	Wind energy production	772	-240	-	-35	-35	498
Wind Park Aerorrachi	Greece	-	100%	Unaudited	Wind energy production	60	-26	-	-19	-19	15
MFV Neptun Sp.zo.o	Poland	-	100%	Unaudited	Wind energy production	61	-50	-	-2	-2	9
Wincap S.R.L	Italy	-	100%	PwC	Wind energy production	2,550	1,041	-	-392	-392	3,199
Renovables Castilla La Mancha, S.A.	Spain	-	90%	PwC	Wind energy production	60	995	-	1,847	1,847	2,902
Monts de la Madeleine Energie,SAS	France	-	100%	PwC	Wind energy production	37	-4	-	-5	-5	28
Monts du Forez Energie,SAS	France	-	100%	PwC	Wind energy production	37	-33	-	-3	-3	1
Sarve,S.R.L	Italy	-	51%	Unaudited	Wind energy production	10	3	-	-4	-4	10

GROUP COMPANIES	REGISTERED ADDRESS	% DIRECT INTEREST	% INDIRECT INTEREST	AUDITOR	ACTIVITY	SHARE CAPITAL	RESERVES	OTHER EQUITY ITEMS	THOUSAND EUROS		
									CONTINUING OPERATIONS	TOTAL	TOTAL EQUITY
Bourbriac II SAS	France	-	100%	PwC	Wind energy production	1	-12	-	-6	-6	-17
Parc Eolien de Montagne Fayel S.A.S	France	-	51%	PwC	Wind energy production	37	1,555	-	745	745	2,337
Molen Wind II sp.z.o.o	Poland	-	51%	PwC	Wind energy production	4	9,467	1,031	-782	-782	9,720
Breva Wind S.R.L	Italy	-	100%	PwC	Wind energy production	7,100	-785	-	-11	-11	6,304
Acampo Arias, SL*	Spain	-	95%	PwC	Wind energy production	3,314	331	-	2,186	2,186	5,831
SOCPE Sauvageons, SARL	France	-	75.99%	PwC	Wind energy production	1	652	-	-52	-52	601
SOCPE Le Mee, SARL	France	-	75.99%	PwC	Wind energy production	1	991	-	-191	-191	801
SOCPE Petite Piece, SARL	France	-	75.99%	PwC	Wind energy production	1	262	-	-118	-118	145
NEO Plouvien,,S.A.S	France	-	51%	PwC	Wind energy production	5,040	-2,566	-	333	333	2,807
CE Patay, SAS	France	-	26.01%	PwC	Wind energy production	131	6,092	-	1,044	1,044	7,267
Relax Wind Park III, Sp.z.o.o.	Poland	-	51%	PwC	Wind energy production	16,616	6,956	-	-7,198	-7,198	16,374
Relax Wind Park I, Sp.z.o.o.	Poland	-	51%	PwC	Wind energy production	12,975	1,222	3,686	2,714	2,714	20,597
Relax Wind Park IV, Sp.z.o.o.	Poland	-	100%	Unaudited	Wind energy production	1,252	-1,146	-	-2	-2	104
Parque Eólico Los Cantales, S.L.U.*	Spain	-	100%	PwC	Wind energy production	1,963	1,363	-	1,861	1,861	5,187
La Plaine De Nouaille,S.A.S	France	-	100%	PwC	Wind energy production	8	-19	-	-2	-2	-13
Le Chemin de Saint Druon,S.A.S	France	-	100%	PwC	Wind energy production	92	-10	-	-2	-2	80
CE Saint Barnabé, SAS	France	-	26.01%	PwC	Wind energy production	96	5,395	-	919	919	6,410
E Segur, SAS	France	-	26.01%	PwC	Wind energy production	113	5,326	-	888	888	6,327
Eolienne D’Etalondes, SARI	France	-	100%	Unaudited	Wind energy production	1	-52	-	-11	-11	-62
Eolienne de Saugeuse, SARL	France	-	26.01%	PwC	Wind energy production	1	2,134	-	666	666	2,801
Parc Eolien Dammarie, SARL	France	-	51%	PwC	Wind energy production	1	361	-	848	848	1,210
Parc Éoline de Tarzy, S.A.R.L	France	-	51%	PwC	Wind energy production	1,505	-206	-	334	334	1,633
Parc Eolien des Longs Champs, SARL	France	-	100%	Unaudited	Wind energy production	1	-86	-	-15	-15	-100
Parc Eolien de Mancheville, SARL	France	-	100%	Unaudited	Wind energy production	1	-112	-	243	243	132
Parc Eolien de Roman, SARL	France	-	51%	PwC	Wind energy production	1	3,375	-	605	605	3,981
Parc Eolien des Vatines, SAS	France	-	26.01%	PwC	Wind energy production	841	483	-	100	100	1,424
Parc Eolien de La Hetroye, SAS	France	-	100%	PwC	Wind energy production	37	-47	-	-5	-5	-15
Eolienne de Callengeville, SAS	France	-	100%	PwC	Wind energy production	37	-45	-	-5	-5	-13
Parc Eolien de Varimpre, SAS	France	-	26.01%	PwC	Wind energy production	37	2,095	-	848	848	2,980
Parc Eolien du Clos Bataille, SAS	France	-	26.01%	PwC	Wind energy production	410	574	-	130	130	1,114
Eólica de Serra das Alturas,S.A	Portugal	-	25.55%	PwC	Wind energy production	50	5,117	-	1,464	1,464	6,631
Malhadizes- Energia Eólica, SA	Portugal	-	51%	PwC	Wind energy production	50	5,290	-	2,240	2,240	7,580
Eólica de Montenegro, LDA	Portugal	-	25.55%	PwC	Wind energy production	50	7,625	-	2,729	2,729	10,404
Eólica da Alagoa,SA	Portugal	-	30.60%	PwC	Wind energy production	50	3,116	645	2,170	2,170	5,981
Aplica.Indust de Energias limpias S.L	Spain	-	61.50%	Unaudited	Wind energy production	131	-165	-	1,683	1,683	1,649
Aprofitament D’Energies Renovables de la Tierra Alta S.A	Spain	-	60.09%	Unaudited	Wind energy production	1,994	-1,979	-	-3	-3	12
Bon Vent de L’Ebre S.L.U	Spain	-	51%	PwC	Wind energy production	12,600	-38	-	4,207	4,207	16,769
Parc Eólic Serra Voltorera S.I.U	Spain	-	100%	PwC	Wind energy production	3,458	6,660	-	564	564	10,682
Elektrownia Wiatrowa Kresy I sp zoo	Poland	-	51%	PwC	Wind energy production	20	71,192	771	1,724	1,724	73,707
Centrale Eolienne Canet – Pont de Salaras S.A.S	France	-	25.96%	PwC	Wind energy production	125	4,329	-	911	911	5,365
Centrale Eolienne de Gueltas Noyal – Pontiv y S.A.S	France	-	26.01%	PwC	Wind energy production	761	3,755	-	574	574	5,090
Edpr Villa Galla,S.R.L	Italy	-	51%	PwC	Wind energy production	9,000	50,234	-	8,740	8,740	67,973
Centrale Eolienne Neo Truc de L’Homme ,S.A.S	France	-	51%	PwC	Wind energy production	3,831	-661	-	324	324	3,494

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									CONTINUING OPERATIONS	TOTAL	
Vallee de Moulin SARL	France	-	51%	PwC	Wind energy production	8,001	1,917	-	313	313	10,231
Mardelle SARL	France	-	51%	PwC	Wind energy production	3,001	615	-	-2,391	-2,391	1,225
Quinze Mines SARL	France	-	75.99%	PwC	Wind energy production	1	-2,082	-	-389	-389	-2,470
Desarrollos Eólicos de Teruel SL	Spain	-	51%	Unaudited	Wind energy production	60	-	-	-	-	60
Tebar Eólica, S.A.U.*	Spain	-	100%	PwC	Wind energy production	4,720	1,847	-	2,404	2,404	8,971
Par Eólic de Coll de Moro S.L.U.*	Spain	-	100%	PwC	Wind energy production	7,809	3,575	-3,259	2,635	2,635	10,760
Par Eólic de Torre Madrina S.L.U.*	Spain	-	100%	PwC	Wind energy production	7,755	7,226	-3,049	3,498	3,498	15,430
Parc Eolic de Vilalba dels Arcs S.L.U.*	Spain	-	100%	PwC	Wind energy production	3,066	5,351	-1,432	2,454	2,454	9,439
Bon Vent de Vilalba, S.L.U	Spain	-	51%	PwC	Wind energy production	3,600	-1,580	-	2,889	2,889	4,909
Bon Vent de Corbera,S.L.U.*	Spain	-	100%	PwC	Wind energy production	7,255	12,579	-	3,261	3,261	23,095
Masovia Wind Farm I s.p. zo.o.	Poland	-	100%	PwC	Wind energy production	351	13,932	-	-3,461	-3,461	10,822
Farma wiaStarozbery Sp.z.o.o	Poland	-	100%	Unaudited	Wind energy production	130	244	-	-16	-16	358
Karpacka Energetyka,sp.z.o.o	Poland	-	85%	Unaudited	Wind energy production	-297	-28	-	-26	-26	-351
Edpr Italia holding,S.r.l	Italy	-	100%	PwC	Wind energy production	347	59,696	-	-3,146	-3,146	56,897
Re plus - Societa 'a Responsabilita 'limitada	Italy	-	100%	Unaudited	Wind energy production	100	-400	-	300	300	-
Parc Eolien de Preuseville S.A.R.L	France	-	51%	PwC	Wind energy production	1	1,052	-	320	320	1,373
Iberia Aprovechamientos Eólicos, S.A.U.*	Spain	-	94%	PwC	Wind energy production	1,919	535	-	1,503	1,503	3,957
Parc Éolien de boqueho-Pouagat SAS	France	-	100%	PwC	Wind energy production	1	212	-	548	548	761
Parc Éolien de Francourville SAS	France	-	51%	PwC	Wind energy production	1	772	-	944	944	1,717
Parc Eolien d'Escardes SAS	France	-	51%	PwC	Wind energy production	1	1,140	-	933	933	2,074
Parc éolien des 7 Domaines,S.A.S	France	-	100%	PwC	Photovoltaic energy product	5	-9	-	-2	-2	-5
EDPR PT - Parques Eólicos, S.A.	Portugal	-	51%	PwC	Wind energy production	50	66,836	-	2,638	2,638	69,524
Eólica do Alto da Lagoa, S.A.	Portugal	-	51%	PwC	Wind energy production	50	7,272	-617	1,978	1,978	8,683
Eólica das Serras das Beiras, S.A.	Portugal	-	51%	PwC	Wind energy production	50	20,969	-3,795	5,568	5,568	22,792
Eólica do Cachopo, S.A.	Portugal	-	51%	PwC	Wind energy production	50	6,003	-	3,872	3,872	9,925
Eólica do Castelo, S.A.	Portugal	-	51%	PwC	Wind energy production	50	1,491	-	1,818	1,818	3,359
Eólica da Coutada, S.A.	Portugal	-	51%	PwC	Wind energy production	50	26,234	-3,923	8,799	8,799	31,160
Eólica do Espigão, S.A.	Portugal	-	51%	PwC	Wind energy production	50	10,252	-725	2,334	2,334	11,911
Eólica do Sincelo, S.A.	Portugal	-	100%	PwC	Wind energy production	150	3,945	-	-140	-140	3,955
Eólica da Linha, S.A.	Portugal	-	100%	PwC	Wind energy production	100	3,763	-	968	968	4,831
Eólica da Lajeira, S.A.	Portugal	-	51%	PwC	Wind energy production	50	3,745	-	3,553	3,553	7,348
Eólica do Alto do Mourisco, S.A.	Portugal	-	51%	PwC	Wind energy production	50	4,055	-549	1,702	1,702	5,258
Eólica dos Altos dos Salgueiros-Guilhado, S.A.	Portugal	-	51%	PwC	Wind energy production	50	1,606	-224	773	773	2,205
Eólica do Alto da Teixosa, S.A.	Portugal	-	51%	PwC	Wind energy production	50	5,312	-914	1,651	1,651	6,099
Eólica da Terra do Mato, S.A.	Portugal	-	51%	PwC	Wind energy production	50	5,425	-1,212	2,170	2,170	6,433
Eólica do Velão, S.A.	Portugal	-	51%	PwC	Wind energy production	50	720	-	1,983	1,983	2,753
TACA Wind, S.r.l.	Italy	-	100%	PwC	Wind energy production	1,160	1,563	-	180	180	2,903
Le Chemin de la Corve	France	-	100%	PwC	Rendering of services	123	-56	-	-3	-3	64
Vientos de Coahuila, S.A. de C.V.	Mexico	0.01%	99.99%	Unaudited	Wind energy production	2	-29	-	-71	-71	-98
Eólica de Coahuila, S.A. de C.V.	Mexico	-	51%	PwC	Wind energy production	5,191	6,601	2,036	9,989	9,989	23,817
Parc Éolien de Flavin,S.A.S	France	-	100%	PwC	Wind energy production	1	-3	-	15	15	13
Parc Éolien de Citernes,S.A.S	France	-	100%	PwC	Wind energy production	1	-2	-	-6	-6	-7
Parc Éolien de Prouville,S.A.S	France	-	100%	PwC	Wind energy production	1	-2	-	-6	-6	-7
Parc Éolien de Louvières,S.A.S	France	-	100%	Kpmg	Wind energy production	1	-2	-	-6	-6	-6
Parc Éolien de la Champagne Berrichonne,S.A.R.L	France	-	100%	PwC	Wind energy production	4	478	-	959	959	1,441

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Parc Éolien de Paudy, S.A.S.	France	-	100%	PwC	Wind energy production	37	-49	-	-128	-128	-140
P.e Cote Cerisat	France	-	100%	Ernst&Young	Wind energy production	27	-11	-	-3	-3	13
Tivano,S.R.L	Italy	-	75%	PwC	Wind energy production	100	577	-	466	466	1,143
San Mauro, S.R.L	Italy	-	75%	PwC	Wind energy production	70	4,084	-	282	282	4,436
Conza Energia,S.R.L	Italy	-	100%	PwC	Wind energy production	456	3,505	-	-354	-354	3,607
AW 2,S.r.l	Italy	-	75%	PwC	Wind energy production	100	1,749	-	-152	-152	1,697
Lucus Power,S.r.l	Italy	-	100%	PwC	Wind energy production	10	2,243	-	-289	-289	1,964
T Power,S.p.A	Italy	-	100%	Baker.T.R	Wind energy production	1,000	2,020	-	-135	-135	2,885
Miramit Investments,Sp.z.o.o.	Poland	-	100%	Unaudited	Wind energy production	15	180	-	-2	-2	193
EDP Renewables Polska Opco,S.A.	Poland	-	100%	VGD Audyt	Wind energy production	28	-17	-	-6	-6	5
Edp Renewables Polska HOLDCO,S.A	Poland	-	51%	PwC	Holding	28	218,544	-	12,531	12,531	231,103
P.E Valdelugo	Spain	-	100%	N/A	Wind energy production	3	-	-	-1	-1	2
Rampton	Poland	-	100%	N/A	Wind energy production	1	-	-	-1	-1	-
EDPR Participaciones,S.L.U	Spain	-	51%	PwC	Holding	7,969	314,729	-	31,270	31,270	353,968
Moray Offshore Renewable Power limited	UK	-	100%	Unaudited	Wind energy production	25,929	-349	-	25,095	25,095	25,982
EDP RENEWABLES NORTH AMERICA, LLC	USA	-	100%	PwC	Wind energy production	3,521,374	-8,375	-	-83,015	-83.15	3,429,984
EDPR Servicios de México, S. de R.L. de C.V.	Mexico	-	100%	Unaudited	Wind energy production	2,942	-1,287	-	-578	-578	1,077
Franklin Wind Farm, L.L.C.	USA	-	100%	Unaudited	Wind energy production	-	-	-	-	-	-
Paulding Wind Farm IV LLC	USA	-	100%	Unaudited	Wind energy production	4,469	-12	-	-4	-4	4,453
EDPR Solar Ventures II LLC	USA	-	100%	Unaudited		54,472	-82	-	457	457	54,847
Rush County Wind Farm LLC	USA	-	100%	Unaudited	Wind energy production	2,181	-	-	-	-	2,181
Crittenden Wind Farm LLC	USA	-	100%	Unaudited		-	-	-	-	-	-
EDPR South Table LLC	USA	-	100%	Unaudited	Wind energy production	-	-	-	-	-	-
Meadow Lake Solar Park LLC	USA	-	100%	Unaudited		-	-	-	-	-	-
Nine Kings Transco LLC	USA	-	100%	Unaudited		-	-	-	-	-	-
Sweet Stream Wind Farm LLC	USA	-	100%	Unaudited		-	-	-	-	-	-
Coldwater Solar Park LLC	USA	-	100%	Unaudited		-	-	-	-	-	-
Cameron Solar LLC	USA	-	100%	PwC	Wind energy production	32,008	-18	-	-746	-746	31,244
2017 Sol II LLC	USA	-	100%	PwC	Wind energy production	110,551	5	-	-21	-21	110,535
2017 Vento XVII LLC	USA	-	100%	PwC	Wind energy production	482,072	-17	-	-107	-107	481,948
EDPR Wind Ventures XVII, L.L.C.	USA	-	100%	Unaudited		-	100,686	8,401	16,133	16,133	125,220
Estill Solar I LLC	USA	-	100%	PwC	Wind energy production	34,984	43	-	-988	-988	34,039
Blue Harvest Solar Park LLC	USA	-	100%	Unaudited		-	-	-	-	-	-
Paulding Wind Farm V LLC	USA	-	100%	Unaudited		-	-	-	-	-	-
EDPR Offshore North America LLC	USA	-	100%	Unaudited		-	-	-	-	-	-
Headwaters Wind Farm II LLC	USA	-	100%	Unaudited		-	-	-	-	-	-
Poplar Camp Wind Farm LLC	USA	-	100%	Unaudited		-	-	-	-	-	-
Drake Peak Solar Park LLC	USA	-	100%	Unaudited		-	-	-	-	-	-
Avondale Solar Park LLC	USA	-	100%	Unaudited		-	-	-	-	-	-
Wildcat Creek Wind Farm LLC	USA	-	100%	Unaudited		-	-	-	-	-	-
Indiana Crossroads Wind Farm LLC	USA	-	100%	Unaudited		-	-	-	-	-	-
Indiana Crossroads Wind Farm LLC II	USA	-	100%	Unaudited		-	-	-	-	-	-
Waverly Wind Farm II LLC	USA	-	100%	Kpmg		-	-	-	-	-	-
Long Holow Wind Farm LLC	USA	-	100%	Unaudited		-	-	-	-	-	-
Castle Valley Wind Farm LLC	USA	-	100%	Unaudited		-	-	-	-	-	-
Spruce Ridge Wind Farm LLC	USA	-	100%	Unaudited		-	-	-	-	-	-
Reloj del Sol Wind Farm LLC	USA	-	100%	Unaudited	Wind energy production	1,620	-	-	-	-	1,620
Riverstart Solar park III LLC	USA	-	100%	Unaudited		-	-	-	-	-	-
Renville County Wind Farm LLC	USA	-	100%	Unaudited		-	-	-	-	-	-
Dry Creek Solar park LLC	USA	-	100%	Unaudited		-	-	-	-	-	-
EDPR CA Solar Park LLC	USA	-	100%	Unaudited		-	-	-	-	-	-
EDPR CA Solar Park II LLC	USA	-	100%	Unaudited		-	-	-	-	-	-
Riversart Solar Park IV LLC	USA	-	100%	Unaudited		-	-	-	-	-	-
EDPR CA Solar Park III LLP	USA	-	100%	Unaudited		-	-	-	-	-	-
EDPR CA Solar Park IV LLC	USA	-	100%	Unaudited		-	-	-	-	-	-
EDPR CA Solar Park V LLC	USA	-	100%	Unaudited		-	-	-	-	-	-
EDPR CA Solar Park VI LLC	USA	-	100%	Unaudited		-	-	-	-	-	-
Hog Creek Wind Project LLC	USA	-	100%	Unaudited	Wind energy production	64,556	98	-	2,189	2,189	66,843
Paulding Wind Farm VI LLC	USA	-	100%	Unaudited		-	-	-	-	-	-
White Stone Solar Park LLC	USA	-	100%	Unaudited		-	-	-	-	-	-
Redbed Plains Wind Farm LLC	USA	-	100%	PwC	Wind energy production	129,312	814	-	-643	-643	129,483
Timber Road Solar Park LLC	USA	-	100%	Unaudited	Wind energy production	-	-	-	-	-	-
2016 Vento XV LLC	USA	-	100%	PwC		445,180	-101	-	-111	-111	444,968
Riverstart Solar Park V LLC	USA	-	100%	Unaudited		-	-	-	-	-	-
2016 Vento XVI LLC	USA	-	100%	PwC	Wind energy production	168,303	-102	-	-97	-97	168,104
EDPR Wind Ventures XV LLC	USA	-	100%	Unaudited	Wind energy production	148,107	12,278	-	13,187	13,187	173,572



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EDPR Wind Ventures XVI LLC	USA	-	100%	Unaudited	Wind energy production	70,039	1,007	-	-	1,645	72,691
Meadow Lake Wind Farm VIII LLC	USA	-	100%	Unaudited	-	-	-	-	-	-	-
Blue Marmot I LLC	USA	-	100%	Unaudited	-	-	-	-	-	-	-
Blue Marmot II LLC	USA	-	100%	Unaudited	-	-	-	-	-	-	-
Blue Marmot IV LLC	USA	-	100%	Unaudited	-	-	-	-	-	-	-
Blue Marmot V LLC	USA	-	100%	Unaudited	Wind energy production	-	-	-	-	-	-
Blue Marmot VI LLC	USA	-	100%	Unaudited	Wind energy production	-	-	-	-	-	-
Blue Marmot VII LLC	USA	-	100%	Unaudited	Wind energy production	-	-	-	-	-	-
Blue Marmot VIII LLC	USA	-	100%	Unaudited	Wind energy production	-	-	-	-	-	-
Blue Marmot IX LLC	USA	-	100%	Unaudited	Wind energy production	-	-	-	-	-	-
Blue Marmot XI LLC	USA	-	100%	Unaudited	Wind energy production	-	-	-	-	-	-
Horse Mountain Wind Farm LLC	USA	-	100%	Unaudited	Wind energy production	-	-	-	-	-	-
Riverstart Solar Park II LLC	USA	-	100%	Unaudited	Wind energy production	-	-	-	-	-	-
Riverstart Solar Park III LLC	USA	-	100%	Unaudited	Wind energy production	-	-	-	-	-	-
Riverstart Solar Park IV LLC	USA	-	100%	Unaudited	Wind energy production	-	-	-	-	-	-
Hidalgo Wind Farm II LLC	USA	-	100%	Unaudited	Wind energy production	-	-	-	-	-	-
Wind Turbine Prometheus LP	USA	-	100%	Unaudited	Wind energy production	5	-5	-	-	-	-
Quilt Block Wind Farm LLC	USA	-	100%	PwC	Wind energy production	137,241	2,673	-	3,814	3,814	143,728
Whitestone Wind Purchasing LLC	USA	-	100%	Unaudited	Wind energy production	3,086	-1,043	-	5	5	2,048
Blue Canyon Windpower V LLC	USA	-	51%	PwC	Wind energy production	51,071	55,566	-	6,806	6,806	113,443
Sagebrush Power Partners LLC	USA	-	100%	PwC	Wind energy production	134,325	-22,271	-	3,652	3,652	115,706
Marble River LLC	USA	-	100%	Unaudited	Wind energy production	200,712	25,812	-	2,101	2,101	228,625
Blackstone Wind Farm LLC	USA	-	100%	Unaudited	Wind energy production	91,087	-1,183	-	1,133	1,133	91,037
Aroostook Wind Energy LLC	USA	-	100%	Unaudited	Wind energy production	54,577	-4,713	-	-5	-5	49,859
Jericho Rise Wind Farm LLC	USA	-	100%	PwC	Wind energy production	133,141	5,938	-	4,663	4,663	143,742
Martinsdale Wind Farm LLC	USA	-	100%	Unaudited	Wind energy production	3,953	-28	-	3	3	3,928
Signal Hill Wind Power Project LLC	USA	-	100%	Unaudited	Wind energy production	4	-4	-	-	-	-
Tumbleweed Wind Power Project LLC	USA	-	100%	Unaudited	Wind energy production	3	-3	-	-	-	-
Stinson Mills Wind Farm LLC	USA	-	100%	Unaudited	Wind energy production	3,605	-86	-	-	-	3,519
OPQ Property LLC	USA	-	100%	Unaudited	Wind energy production	-	152	-	-	-	152
Meadow Lake Wind Farm LLC	USA	-	100%	Unaudited	Wind energy production	182,814	-14,978	-	-1,972	-1,972	165,864
Wheat Field Wind Power Project LLC	USA	-	51%	PwC	Wind energy production	11,630	47,173	-	7,619	7,619	66,422
High Trail Wind Farm LLC	USA	-	100%	PwC	Wind energy production	148,913	56,696	-	18,393	18,393	224,002
Madison Windpower LLC	USA	-	100%	PwC	Wind energy production	13,925	-9,376	-	-601	-601	3,948
Mesquite Wind LLC	USA	-	100%	PwC	Wind energy production	117,993	59,413	-	-660	-660	176,746
BC2 Maple Ridge Wind LLC	USA	-	100%	PwC	Wind energy production	249,647	-19,568	-	-7,422	-7,422	222,657
Blue Canyon Windpower II LLC	USA	-	100%	PwC	Wind energy production	102,944	16,343	-	-9,170	-9,170	110,117
Telocaset Wind Power Partners LLC	USA	-	51%	PwC	Wind energy production	37,529	53,300	-	7,184	7,184	98,013
Post Oak Wind LLC	USA	-	51%	PwC	Wind energy production	137,632	64,166	-	3,399	3,399	205,197
High Prairie Wind Farm II LLC	USA	-	51%	PwC	Wind energy production	68,649	17,542	-	1,895	1,895	88,086
Old Trail Wind Farm LLC	USA	-	51%	PwC	Wind energy production	169,870	51,716	-	11,886	11,886	233,472
Cloud County Wind Farm LLC	USA	-	51%	PwC	Wind energy production	166,101	22,126	-	4,393	4,393	192,620
Pioneer Prairie Wind Farm I LLC	USA	-	51%	PwC	Wind energy production	248,788	80,451	-	12,653	12,653	341,892
Arlington Wind Power Project LLC	USA	-	51%	PwC	Wind energy production	83,207	14,575	-	4,972	4,972	102,754
Rail Splitter Wind Farm LLC	USA	-	100%	PwC	Wind energy production	179,490	-41,450	-	-4,623	-4,623	133,417
Hampton Solar II LLC	USA	-	100%	PwC	Wind energy production	34,132	17	-	-541	-541	33,608
Meadow Lake Wind Farm II LLC	USA	-	100%	PwC	Wind energy production	134,555	-12,546	-	393	393	122,402
Black Prairie Wind Farm LLC	USA	-	100%	Unaudited	Wind energy production	1,014	-2	-	-	-	1,012
Meadow Lake Wind Farm IV LLC	USA	-	100%	Unaudited	Wind energy production	82,577	-5,751	-	800	800	77,626
Blackstone Wind Farm II LLC	USA	-	100%	Unaudited	Wind energy production	196,645	-850	-	655	655	196,450
Saddleback Wind Power Project LLC	USA	-	100%	Unaudited	Wind energy production	1,176	-374	-	-804	-804	-2
Meadow Lake Wind Farm III LLC	USA	-	100%	Unaudited	Wind energy production	92,269	802	-	3,716	3,716	96,787
2007 Vento I LLC	USA	-	100%	PwC	Wind energy production	544,697	37,399	-	3,802	3,802	585,898
2007 Vento II LLC	USA	-	51%	PwC	Wind energy production	417,742	-4,395	-	-106	-106	413,241
2008 Vento III LLC	USA	-	51%	PwC	Wind energy production	503,387	-5,681	-	196	196	497,902
2009 Vento IV LLC	USA	-	100%	PwC	Wind energy production	180,312	-997	-	-127	-127	179,188
2009 Vento V LLC	USA	-	51%	PwC	Wind energy production	51,325	-990	-	-111	-111	50,224
2009 Vento VI LLC	USA	-	100%	N/A	Wind energy production	116,515	-826	-	-113	-113	115,576
Horizon Wind Ventures I LLC	USA	-	100%	Unaudited	Wind energy production	168,583	425,966	-	-3,951	-3,951	590,598
Horizon Wind Ventures II LLC	USA	-	100%	Unaudited	Wind energy production	121,527	12,419	-	1,739	1,739	135,685
Horizon Wind Ventures III LLC	USA	-	51%	Unaudited	Wind energy production	-	31,372	-	3,888	3,888	35,260
Horizon Wind Ventures VI LLC	USA	-	100%	Unaudited	Wind energy production	68,547	7,974	-	1,829	1,829	78,350

GROUP COMPANIES	REGISTERED ADDRESS	% DIRECT INTEREST	% INDIRECT INTEREST	AUDITOR	ACTIVITY	SHARE CAPITAL	RESERVES	OTHER EQUITY ITEMS	THOUSAND EUROS		
									NET PROFIT		TOTAL EQUITY
									CONTINUING OPERATIONS	TOTAL	
Clinton County Wind Farm LLC	USA	-	100%	Unaudited	Wind energy production	200,719	-7	-	-	-	200,712
Antelope Ridge Wind Power Project LLC	USA	-	100%	Unaudited	Wind energy production	11,205	-11,205	-	-	-	-
Lexington Chenoa Wind Farm II LLC	USA	-	100%	Unaudited	Wind energy production	525	-524	-	-1	-1	-
Blackstone Wind Farm III LLC	USA	-	100%	Unaudited	Wind energy production	5,481	-5,481	-	-7	-7	-7
Lexington Chenoa Wind Farm LLC	USA	-	100%	Unaudited	Wind energy production	23,188	-50	-	-22	-22	23,116
Paulding Wind Farm LLC	USA	-	100%	Unaudited	Wind energy production	25	-17	-	-8	-8	-
Paulding Wind Farm II LLC	USA	-	51%	PwC	Wind energy production	91,215	33,447	-	5,212	5,212	129,874
Meadow Lake Wind Farm V LLC	USA	-	100%	PwC	Wind energy production	145,521	1,969	-	1,022	1,022	148,512
Waverly Wind Farm LLC	USA	-	51%	Unaudited	Wind energy production	248,067	12,101	-	3,613	3,613	263,781
Blue Canyon Windpower VI LLC	USA	-	100%	PwC	Wind energy production	92,285	9,844	-	4,293	4,293	106,422
Paulding Wind Farm III LLC	USA	-	100%	PwC	Wind energy production	168,019	4,270	-	3,029	3,029	175,318
2010 Vento VII LLC	USA	-	100%	PwC	Wind energy production	135,546	-758	-	-115	-115	134,673
2010 Vento VIII LLC	USA	-	100%	PwC	Wind energy production	135,283	-909	-	-104	-104	134,270
2011 Vento IX LLC	USA	-	51%	PwC	Wind energy production	91,868	-675	-	-112	-112	91,081
Horizon Wind Ventures VII LLC	USA	-	100%	Unaudited	Wind energy production	85,491	8,450	-	1,875	1,875	95,816
Horizon Wind Ventures VIII LLC	USA	-	100%	Unaudited	Wind energy production	92,710	3,928	-	1,654	1,654	98,292
Horizon Wind Ventures IX LLC	USA	-	51%	Unaudited	Wind energy production	45,807	-4,966	-	821	821	41,662
EDPR Vento IV Holding LLC	USA	-	100%	PwC	Wind energy production	60,258	-	-	-	-	60,258
Headwaters Wind Farm LLC	USA	-	51%	Unaudited	Wind energy production	247,805	27,289	-	6,982	6,982	282,076
Lone Valley Solar Park I LLC	USA	-	51%	Unaudited	Wind energy production	23,186	562	-	343	343	24,091
Lone Valley Solar Park II LLC	USA	-	51%	Unaudited	Wind energy production	40,811	2,636	-	1,159	1,159	44,606
Rising Tree Wind Farm LLC	USA	-	51%	PwC	Wind energy production	120,119	11,858	-	6,232	6,232	138,209
Arbuckle Mountain Wind Farm LLC	USA	-	51%	PwC	Wind energy production	136,538	-455	-	-2,220	-2,220	133,863
Hidalgo Wind Farm LLC	USA	-	100%	PwC	Wind energy production	312,057	5,081	-	5,532	5,532	322,670
Rising Tree Wind Farm III LLC	USA	-	51%	PwC	Wind energy production	149,382	13,765	-	5,012	5,012	168,159
Rising Tree Wind Farm II LLC	USA	-	51%	PwC	Wind energy production	26,395	2,393	-	984	984	29,772
Wheat Field Holding LLC	USA	-	51%	PwC	Wind energy production	11,685	-53	-	-15	-15	11,617
EDPR WF LLC	USA	-	100%	Unaudited	Wind energy production	43,072	-	-	-	-	43,072
Sustaining Power Solutions LLC	USA	-	100%	Unaudited	Wind energy production	61,330	-47,013	-	-11,706	-11,706	2,611
Green Power Offsets LLC	USA	-	100%	Unaudited	Wind energy production	9	-9	-	-	-	-
Arkwright Summit Wind Farm LLC	USA	-	100%	Unaudited	Wind energy production	109,781	-19	-	-2,088	-2,088	107,674
EDPR Vento I Holding LLC	USA	-	100%	Unaudited	Wind energy production	273,141	-	-	-	-	273,141
Turtle Creek Wind Farm LLC	USA	-	100%	Unaudited	Wind energy production	83,185	-14	-	281	281	83,452
Rio Blanco Wind Farm LLC	USA	-	100%	Unaudited	Wind energy production	2,699	-	-	-	-	2,699
BC2 Maple Ridge Holdings LLC	USA	-	100%	Unaudited	Wind energy production	-	-	-	-	-	-
Five-Spot LLC	USA	-	100%	Unaudited	Wind energy production	-	-	-	-	-	-
Horizon Wind Chocolate Bayou I LLC	USA	-	100%	Unaudited	Wind energy production	-	-	-	-	-	-
Alabama Ledge Wind Farm LLC	USA	-	100%	Unaudited	Wind energy production	-	-	-	-	-	-
Ashford Wind Farm LLC	USA	-	100%	Unaudited	Wind energy production	-	-	-	-	-	-
Athena-Weston Wind Power Project LLC	USA	-	100%	Unaudited	Wind energy production	-	-	-	-	-	-
Lexington Chenoa Wind Farm III LLC	USA	-	100%	Unaudited	Wind energy production	-	-	-	-	-	-
Blackstone Wind Farm IV LLC	USA	-	100%	Unaudited	Wind energy production	-	-	-	-	-	-
WTP Management Company LLC	USA	-	100%	Unaudited	Wind energy production	-	-	-	-	-	-
Blackstone Wind Farm V LLC	USA	-	100%	Unaudited	Wind energy production	-	-	-	-	-	-
Blue Canyon Windpower III LLC	USA	-	100%	Unaudited	Wind energy production	-	-	-	-	-	-
Blue Canyon Windpower IV LLC	USA	-	100%	Unaudited	Wind energy production	-	-	-	-	-	-
Broadlands Wind Farm II LLC	USA	-	100%	Unaudited	Wind energy production	-	-	-	-	-	-
Broadlands Wind Farm III LLC	USA	-	100%	Unaudited	Wind energy production	-	-	-	-	-	-
Broadlands Wind Farm LLC	USA	-	100%	Unaudited	Wind energy production	-	-	-	-	-	-
Chateaugay River Wind Farm LLC	USA	-	100%	Unaudited	Wind energy production	-	-	-	-	-	-
Cropsey Ridge Wind Farm LLC	USA	-	100%	Unaudited	Wind energy production	-	-	-	-	-	-
EDPR Wind Ventures X LLC	USA	-	100%	Unaudited	Wind energy production	39,006	34,417	-	8,398	8,398	81,821
EDPR Wind Ventures XI LLC	USA	-	51%	Unaudited	Wind energy production	80,956	17,861	-	8,200	8,200	107,017
EDPR Wind Ventures XII LLC	USA	-	51%	Unaudited	Wind energy production	52,480	158	-	2,269	2,269	54,907
EDPR Wind Ventures XIII LLC	USA	-	51%	Unaudited	Wind energy production	85,693	7,675	-	6,945	6,945	100,313
EDPR Wind Ventures XIV LLC	USA	-	51%	Unaudited	Wind energy production	43,437	8,230	-	6,400	6,400	58,067
Crossing Trails Wind Power Project LLC	USA	-	100%	Unaudited	Wind energy production	-	-	-	-	-	-
Dairy Hills Wind Farm LLC	USA	-	100%	Unaudited	Wind energy production	-	-	-	-	-	-
Diamond Power Partners LLC	USA	-	100%	Unaudited	Wind energy production	-	-	-	-	-	-

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East Klickitat Wind Power Project LLC	USA	-	100%	Unaudited	Wind energy production	-	-	-	-	-	-
Ford Wind Farm LLC	USA	-	100%	Unaudited	Wind energy production	-	-	-	-	-	-
Gulf Coast Windpower Management Company LLC	USA	-	75%	Unaudited	Wind energy production	-	-	-	-	-	-
Horizon Wind Energy Northwest IV LLC	USA	-	100%	Unaudited	Wind energy production	-	-	-	-	-	-
Horizon Wind Energy Northwest VII LLC	USA	-	100%	Unaudited	Wind energy production	-	-	-	-	-	-
Horizon Wind Energy Northwest X LLC	USA	-	100%	Unaudited	Wind energy production	-	-	-	-	-	-
Horizon Wind Energy Northwest XI LLC	USA	-	100%	Unaudited	Wind energy production	-	-	-	-	-	-
Horizon Wind Energy Panhandle I LLC	USA	-	100%	Unaudited	Wind energy production	-	-	-	-	-	-
Horizon Wind Energy Southwest I LLC	USA	-	100%	Unaudited	Wind energy production	-	-	-	-	-	-
Horizon Wind Energy Southwest II LLC	USA	-	100%	Unaudited	Wind energy production	-	-	-	-	-	-
Horizon Wind Energy Southwest III LLC	USA	-	100%	Unaudited	Wind energy production	-	-	-	-	-	-
Horizon Wind Energy Southwest IV LLC	USA	-	100%	Unaudited	Wind energy production	-	-	-	-	-	-
Horizon Wind Energy Valley I LLC	USA	-	100%	Unaudited	Wind energy production	-	-	-	-	-	-
Horizon Wind MREC Iowa Partners LLC	USA	-	75%	Unaudited	Wind energy production	-	-	-	-	-	-
Horizon Wind Freeport Windpower I LLC	USA	-	100%	Unaudited	Wind energy production	-	-	-	-	-	-
Juniper Wind Power Partners LLC	USA	-	100%	Unaudited	Wind energy production	-	-	-	-	-	-
Machias Wind Farm LLC	USA	-	100%	Unaudited	Wind energy production	-	-	-	-	-	-
Blue Canyon Windpower VII LLC	USA	-	100%	Unaudited	Wind energy production	-	-	-	-	-	-
New Trail Wind Farm LLC	USA	-	100%	Unaudited	Wind energy production	-	-	-	-	-	-
North Slope Wind Farm LLC	USA	-	100%	Unaudited	Wind energy production	-	-	-	-	-	-
Number Nine Wind Farm LLC	USA	-	100%	Unaudited	Wind energy production	-	-	-	-	-	-
Pacific Southwest Wind Farm LLC	USA	-	100%	Unaudited	Wind energy production	-	-	-	-	-	-
Horizon Wyoming Transmission LLC	USA	-	100%	Unaudited	Wind energy production	-	-	-	-	-	-
Buffalo Bluff Wind Farm LLC	USA	-	100%	Unaudited	Wind energy production	-	-	-	-	-	-
Sardinia Windpower LLC	USA	-	100%	Unaudited	Wind energy production	-	-	-	-	-	-
Western Trail Wind Project I LLC	USA	-	100%	Unaudited	Wind energy production	-	-	-	-	-	-
Whistling Wind WI Energy Center LLC	USA	-	100%	Unaudited	Wind energy production	-	-	-	-	-	-
Simpson Ridge Wind Farm LLC	USA	-	100%	Unaudited	Wind energy production	-	-	-	-	-	-
Coos Curry Wind Power Project LLC	USA	-	100%	Unaudited	Wind energy production	-	-	-	-	-	-
Horizon Wind Energy Midwest IX LLC	USA	-	100%	Unaudited	Wind energy production	-	-	-	-	-	-
Horizon Wind Energy Northwest I LLC	USA	-	100%	Unaudited	Wind energy production	-	-	-	-	-	-
AZ Solar LLC	USA	-	100%	Unaudited	Wind energy production	-	-	-	-	-	-
Peterson Power Partners LLC	USA	-	100%	Unaudited	Wind energy production	-	-	-	-	-	-
Big River Wind Power Project LLC	USA	-	100%	Unaudited	Wind energy production	-	-	-	-	-	-
Tug Hill Windpower LLC	USA	-	100%	Unaudited	Wind energy production	-	-	-	-	-	-
Whiskey Ridge Power Partners LLC	USA	-	100%	Unaudited	Wind energy production	-	-	-	-	-	-
Wilson Creek Power Partners LLC	USA	-	100%	Unaudited	Wind energy production	-	-	-	-	-	-
Black Prairie Wind Farm II LLC	USA	-	100%	Unaudited	Wind energy production	-	-	-	-	-	-
Black Prairie Wind Farm III LLC	USA	-	100%	Unaudited	Wind energy production	-	-	-	-	-	-
2015 Vento XIV LLC	USA	-	51%	PwC	Wind energy production	248,304	-200	-	-95	-95	248,009
2011 Vento X LLC	USA	-	100%	PwC	Wind energy production	92,627	-636	-	-105	-105	91,886
Simpson Ridge Wind Farm II LLC	USA	-	100%	Unaudited	Wind energy production	-	-	-	-	-	-
Simpson Ridge Wind Farm III LLC	USA	-	100%	Unaudited	Wind energy production	-	-	-	-	-	-
Simpson Ridge Wind Farm IV LLC	USA	-	100%	Unaudited	Wind energy production	-	-	-	-	-	-
Simpson Ridge Wind Farm V LLC	USA	-	100%	Unaudited	Wind energy production	-	-	-	-	-	-
Athena-Weston Wind Power Project II LLC	USA	-	100%	Unaudited	Wind energy production	-	-	-	-	-	-
17th Star Wind Farm LLC	USA	-	100%	Unaudited	Wind energy production	-	-	-	-	-	-
Green Country Wind Farm LLC	USA	-	100%	Unaudited	Wind energy production	-	-	-	-	-	-
2014 Vento XI LLC	USA	-	51%	PwC	Wind energy production	247,702	-40	-	-2	-2	247,660
EDPR Solar Ventures I LLC	USA	-	100%	Unaudited	Wind energy production	39,297	2,387	-	851	851	42,535
2014 Sol I LLC	USA	-	51%	PwC	Wind energy production	64,482	-241	-	-77	-77	61,164
2014 Vento XII LLC	USA	-	51%	PwC	Wind energy production	146,895	-45	-	-18	-18	146,832
Rolling Upland Wind Farm LLC	USA	-	100%	Unaudited	Wind energy production	-	-	-	-	-	-
2015 Vento XIII LLC	USA	-	51%	PwC	Wind energy production	285,547	-421	-	-104	-104	285,022

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2018 Vento XVIII LLC	USA	-	100%	Unaudited	Wind energy production	254,839	1	-	-26	-26	254,814
Bayou Bend Solar Park LLC	USA	-	100%	Unaudited	Wind energy production	-	-	-	-	-	-
Blue Marmot Solar Park LLC	USA	-	100%	Unaudited	Wind energy production	-	-	-	-	-	-
Casa Grande Carmel Solar LLC	USA	-	100%	Unaudited	Wind energy production	-	-	-	-	-	-
Cielo Solar Park LLC	USA	-	100%	Unaudited	Wind energy production	-	-	-	-	-	-
EDPR Wind Ventures XVIII LLC	USA	-	100%	Unaudited	Wind energy production	20,303	-	-	1,622	1,622	21,925
Headwaters Wind Farm III LLC	USA	-	100%	Unaudited	Wind energy production	-	-	-	-	-	-
Helena Harbor Solar Park LLC	USA	-	100%	Unaudited	Wind energy production	-	-	-	-	-	-
Horizon Wind Ventures IB LLC	USA	-	51%	Unaudited	Wind energy production	31,123	222,176	-	-33,426	-33,426	219,873
Horizon Wind Ventures IC LLC	USA	-	51%	Unaudited	Wind energy production	294,384	129,128	-	31,401	31,401	454,913
Leprechaun Solar Park LLC	USA	-	100%	Unaudited	Wind energy production	-	-	-	-	-	-
Loblolly Hill Solar Park LLC	USA	-	100%	Unaudited	Wind energy production	-	-	-	-	-	-
Loki Solar Park LLC	USA	-	100%	Unaudited	Wind energy production	-	-	-	-	-	-
Loma de la Gloria Solar Park LLC	USA	-	100%	Unaudited	Wind energy production	-	-	-	-	-	-
Lost Lakes Wind Farm LLC	USA	-	100%	Unaudited	Wind energy production	115,601	-4,559	-	2,948	2,948	113,990
Loyal Wind Farm LLC	USA	-	100%	Unaudited	Wind energy production	-	-	-	-	-	-
Marathon Wind Farm LLC	USA	-	100%	Unaudited	Wind energy production	-	-	-	-	-	-
Plum Nellie Wind Farm LLC	USA	-	100%	Unaudited	Wind energy production	-	-	-	-	-	-
Prospector Solar Park LLC	USA	-	100%	Unaudited	Wind energy production	-	-	-	-	-	-
Quilt Block Wind Farm II LLC	USA	-	100%	Unaudited	Wind energy production	-	-	-	-	-	-
Rosewater Wind Farm LLC	USA	-	100%	Unaudited	Wind energy production	-	-	-	-	-	-
Rye Patch Solar Park LLC	USA	-	100%	Unaudited	Wind energy production	-	-	-	-	-	-
San Clemente Solar Park LLC	USA	-	100%	Unaudited	Wind energy production	-	-	-	-	-	-
Shullsburg Wind Farm LLC	USA	-	100%	Unaudited	Wind energy production	-	-	-	-	-	-
Wrangler Solar Park LLC	USA	-	100%	Unaudited	Wind energy production	-	-	-	-	-	-
EDP RENEWABLES CANADA LTD.	Canada	100%	-	Unaudited	Holding	32,938	7,094	-	14,716	14,716	54,748
EDP Renewables Sharp Hills Project LP	Canada	-	100%	Unaudited	Wind energy production	-	-55	-	-226	-226	-281
SBWF GP Inc.	Canada	-	51%	Unaudited	Wind energy production	1	1	-	-	-	2
South Dundas Wind Farm LP	Canada	-	51%	PwC	Wind energy production	15,839	9,594	-	2,644	2,644	28,077
Nation Rise Wind Farm GP Inc.	Canada	-	25%	Unaudited	Wind energy production	-	-	-	-	-	-
South Branch Wind Farm II GP Inc.	Canada	-	100%	Unaudited	Wind energy production	-	-	-	-	-	-
South Branch Wind Farm II LP	Canada	-	100%	Unaudited	Wind energy production	112	-21	-	-177	-177	-86
EDP Renewables Sharp Hills Project GP Ltd.	Canada	-	100%	Unaudited	Wind energy production	-	-	-	-	-	-
Edp Renewables Canada Management Services LTD	Canada	-	100%	Unaudited	Wind energy production	-	-1,053	-	-	-	-1,053
Edp Renewables Sask Se GP Ltd	Canada	-	100%	Unaudited	Wind energy production	-	-	-	-	-	-
Edp Renewables Sask SE Limited Partnership	Canada	-	100%	Unaudited	Wind energy production	-	-	-	-127	-127	-127
Kennedy Wind farm GP Ltd	Canada	-	100%	Unaudited	Wind energy production	-	-	-	-	-	-
Keneedy Wind farm Limited Partnership	Canada	-	100%	Unaudited	Wind energy production	-	-	-	-127	-127	-127
Bromhead Solar Park Gp Ltd	Canada	-	100%	Unaudited	Wind energy production	-	-	-	-	-	-
Bromhead Solar Park Limited Partnership	Canada	-	100%	Unaudited	Wind energy production	-	-	-	-127	-127	-127
Halbrite Solar Park Gp Ltd	Canada	-	100%	Unaudited	Wind energy production	-	-	-	-	-	-
Halbrite Solar Park Limited Partnership	Canada	-	100%	Unaudited	Wind energy production	-	-	-	-127	-127	-127
Blue Bridge Solar Park Gp Ltd	Canada	-	100%	Unaudited	Wind energy production	-	-	-	-	-	-
Blue bridge Solar Park Limited Partnership	Canada	-	100%	Unaudited	Wind energy production	-	-	-	-127	-127	-127
Edp Renewables Sh II Project GP Ltd	Canada	-	100%	Unaudited	Wind energy production	-	-	-	-	-	-
Edp Renewables Sh II Project GP Ltd	Canada	-	100%	Unaudited	Wind energy production	-	-	-	-	-	-
Nation Rise Wind farm GP II inc	Canada	-	100%	Unaudited	Wind energy production	-	-	-	-	-	-
Quatro Limited Partnership	Canada	-	100%	Unaudited	Wind energy production	-	-	-	-	-	-
EDP RENOVÁVEIS BRASIL, S.A.	Brazil	100%	-	PwC	Holding	179,291	17,869	-	10	10	197,170
Central Nacional de Energia Eólica, S.A.	Brazil	-	51%	PwC	Wind energy production	2,789	716	-	789	789	4,294
Elebrás Projetos, S.A.	Brazil	-	51%	PwC	Wind energy production	23,353	-141	-	7,145	7,145	30,357
Central Eólica Baixa do Feijão I, S.A.	Brazil	-	51%	PwC	Wind energy production	8,825	2,582	-	145	145	11,552
Central Eólica Baixa do Feijão II, S.A.	Brazil	-	51%	PwC	Wind energy production	9,125	2,751	-	194	194	12,070
Central Eólica Baixa do Feijão III, S.A.	Brazil	-	51%	PwC	Wind energy production	15,170	2,101	-	-353	-353	16,918
Central Eólica Baixa do Feijão IV, S.A.	Brazil	-	51%	PwC	Wind energy production	9,998	2,427	-	-64	-64	12,361
Central Eólica JAU, S.A.	Brazil	-	51%	PwC	Wind energy production	12,451	8,819	-	6,603	6,603	27,873
Central Eólica Aventura I, S.A.	Brazil	-	51%	PwC	Wind energy production	3,151	2,408	-	651	651	6,210
Central Eólica Aventura II, S.A.	Brazil	-	100%	Unaudited	Wind energy production	80	-24	-	-1	-1	59

GROUP COMPANIES	REGISTERED ADDRESS	% DIRECT INTEREST	% INDIRECT INTEREST	AUDITOR	ACTIVITY	SHARE CAPITAL	RESERVES	OTHER EQUITY ITEMS	THOUSAND EUROS		
									NET PROFIT		TOTAL EQUITY
									CONTINUING OPERATIONS	TOTAL	
Central Eólica Babilônia I, S.A.	Brazil	-	100%	PwC	Wind energy production	8,378	-49	-	-84	-84	8,245
Central Eólica Babilônia II, S.A.	Brazil	-	100%	PwC	Wind energy production	8,176	-41	-	-64	-64	8,071
Central Eólica Babilônia III, S.A.	Brazil	-	100%	PwC	Wind energy production	8,312	-48	-	-84	-84	8,180
Central Eólica Babilônia IV, S.A.	Brazil	-	100%	PwC	Wind energy production	8,007	-36	-	-118	-118	7,853
Central Eólica Babilônia V, S.A.	Brazil	-	100%	PwC	Wind energy production	8,006	-32	-	25	25	7,999
Babilônia Holding, S.A	Brazil	-	100%	PwC	Wind energy production	33,062	7,768	-	-339	-339	40,491
Central Eólica Aventura III, S.A	Brazil	-	100%	Unaudited	Wind energy production	-	-2	-	-	-	-2
Central Eólica Aventura IV, S.A	Brazil	-	100%	Unaudited	Wind energy production	2	-2	-	-	-	-
Central Eólica Aventura V, S.A	Brazil	-	100%	Unaudited	Wind energy production	2	-2	-	-	-	-
Srmm Holding S.A	Brazil	-	100%	Unaudited	Wind energy production	-	-	-	-	-	-
Central Eólica Srmm I, S.A	Brazil	-	100%	Unaudited	Wind energy production	-	-2	-	-	-	-2
Central Eólica Srmm II, S.A	Brazil	-	100%	Unaudited	Wind energy production	-	-2	-	-	-	-2
Central Eólica Srmm III, S.A	Brazil	-	100%	Unaudited	Wind energy production	-	-2	-	-	-	-2
Central Eólica Srmm IV, S.A	Brazil	-	100%	Unaudited	Wind energy production	-	-2	-	-	-	-2
Central Eólica Srmm V, S.A	Brazil	-	100%	Unaudited	Wind energy production	-	-2	-	-	-	-2
Aventura Holding, S.A	Brazil	-	100%	Unaudited	Wind energy production	-	-	-	-	-	-
Central Eólica Monte Verde I, S.A	Brazil	-	100%	Unaudited	Wind energy production	2	389	-	-	-	391
Central Eólica Monte Verde II, S.A	Brazil	-	100%	Unaudited	Wind energy production	2	389	-	-	-	391
Central Eólica Monte Verde III, S.A	Brazil	-	100%	Unaudited	Wind energy production	2	340	-	-	-	342
Central Eólica Monte Verde IV, S.A	Brazil	-	100%	Unaudited	Wind energy production	2	267	-	-	-	269
Central Eólica Monte Verde V, S.A	Brazil	-	100%	Unaudited	Wind energy production	2	195	-	-	-	197
Central Solar Pereira Barreto I, LTDA.	Brazil	-	100%	Unaudited	Wind energy production	2	-	-	-	-	2
Central Solar Pereira Barreto II, LTDA.	Brazil	-	100%	Unaudited	Wind energy production	2	-	-	-	-	2
Central Solar Pereira Barreto III, LTDA.	Brazil	-	100%	Unaudited	Wind energy production	2	-	-	-	-	2
Central Solar Pereira Barreto IV, LTDA.	Brazil	-	100%	Unaudited	Wind energy production	2	-	-	-	-	2
Central Solar Pereira Barreto V, LTDA.	Brazil	-	100%	Unaudited	Wind energy production	2	-	-	-	-	2
Central Eólica Jerusalém I, S.A	Brazil	-	100%	Unaudited	Wind energy production	-	170	-	-	-	170
Central Eólica Jerusalém II, S.A	Brazil	-	100%	Unaudited	Wind energy production	-	170	-	-	-	170
Central Eólica Jerusalém III, S.A	Brazil	-	100%	Unaudited	Wind energy production	-	170	-	-	-	170
Central Eólica Jerusalém IV, S.A	Brazil	-	100%	Unaudited	Wind energy production	-	170	-	-	-	170
Central Eólica Jerusalém V, S.A	Brazil	-	100%	Unaudited	Wind energy production	-	170	-	-	-	170
Central Eólica Jerusalém VI, S.A	Brazil	-	100%	Unaudited	Wind energy production	-	-	-	-	-	-
EDPR Offshore España, S.L.U.*	Spain	100%	-	Unaudited	Other economic activities	386	1,318	-	383	383	2,087

JOINTLY CONTROLLED ENTITIES AND ASSOCIATES	REGISTERED OFFICE	% DIRECT INTEREST	% INDIRECT INTEREST	AUDITOR	ACTIVITY	SHARE CAPITAL	RESERVES	THOUSAND EUROS			
								NET PROFIT		TOTAL EQUITY	
								CONTINUING	TOTAL		
Aprofitament D' Energies Renovables de l'Ebre S.I	Spain	-	13.29%	J.-G.Valls	Infrastructure management	3,870	-6,108	-	-991	-991	-3,230
Biomassas del Pirineo, S.A.	Huesca, Spain	-	30%	Unaudited	Biomass: electricity production	455	-217	-	-	-	238
Parque Eólico Sierra del Madero, S.A.	Soria, Spain	-	42%	Ernst&Young	Wind energy production	7,194	20,036	-	3,527	3,527	30,757
Desarrollos Eólicos de Canarias, S.A.	Las Palmas de Gran Canaria, Spain	-	44.75%	PwC	Win: Wind farm development	1,817	638	-	1,610	1,610	4,065
Solar Siglo XXI, S.A.	Ciudad Real, Spain	-	25%	Unaudited	Photovoltaic energy production	80	-18	-	-	-	62
Parque Eólico Belmonte, S.A.	Madrid, Spain	-	29.90%	Ernst&Young	Wind energy production	120	5,753	-	925	925	6,798
Eoliennes en Mer Dieppe - Le Tréport, S.A.S.	France	-	29.5%	Ernst&Young	Wind energy production	31,436	-2,507	-	-751	-751	28,178
Eoliennes en Mer îles d'Yeu et de Noirmoutier, S.A.S	France	-	29.5%	Ernst&Young	Wind energy production	36,376	-2,553	-	-762	-762	33,060
Les Eoliennes Flottantes du Golfe du Lion, S.A.S	France	-	35%	Ernst&Young	Wind energy production	40	-5,063	-	-81	-81	-5,104
Les Eoliennes en Mer Services,S.A.S.	France	-	29.5	Ernst&Young	Wind energy production	40	804	-	340	340	1,184
Ceprastur, A.I.E.	Spain	-	56.76%	Unaudited	Mini-hydroelectric energy production	361	20	-	-7	-7	374
Windplus,S.A	Portugal	-	54%	PwC	Wind energy production	1,250	1,051	-	-177	-177	2,125
Evolución 2000,S.L	Spain	-	49.15%	PwC	Wind energy production	118	20,261	-	2,186	2,186	22,565
Desarrollos energéticos Canarias, S.A	Spain	-	49.90%	Unaudited	Wind: Wind farm development	60	-25	-25	-	-	10
Compañía Eólica Aragonesa, S.A	Spain	-	50%	PwC	Wind energy production	6,701	90,892	-	1,922	1,922	99,515
Nine Kings Wind Farm LLC	USA	-	50%	Unaudited	Wind energy production	-	-	-	-	-	-
Flat Rock Windpower II LLC	USA	-	50%	PwC	Wind energy production	183,377	-80,757	-	-5,795	-5,795	96,826
Flat Rock Windpower LLC	USA	-	50%	PwC	Wind energy production	468,495	-214,227	-	-14,841	-14,841	239,426
Blue Canyon Windpower LLC	USA	-	25%	PwC	Wind energy production	30,838	-12,563	-	-1,260	-1,260	17,015
Mayflower Wind Energy LLC	USA	-	50%	Unaudited	Wind energy production	-	-	-	-	-	-
2018 Vento XIX LLC	USA	-	20%	Unaudited	Wind energy production	159,002	-	-	-	-	159,002
Moray East Holdings Limited	United Kingdom	-	33%	PwC	Wind energy production	11,179	-	-	-14	-14	11,165

\*Companies included in the tax group to which the Company belongs (note 19)

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NEW YORK



**EDPR 2019**  
**INDIVIDUAL MANAGEMENT REPORT**

# INDIVIDUAL MANAGEMENT REPORT

EDP RENOVÁVEIS, S.A.

## MANAGEMENT REPORT OF DECEMBER 2019

*The Annual Corporate Governance Report for the year 2019 is included as an Annex to this Management Report, forming an integral part thereof.*

*The non-financial information required by the regulations has been included in the Consolidated Management Report of the EDP Renováveis group.*

### I. THE COMPANY

EDP Renováveis, S.A. (hereinafter referred to as “EDP Renováveis”, “EDPR” or “Company”) was incorporated on 4 December 2007. Its main corporate objective is to engage in activities related to the electricity sector, namely the planning, construction, operation and maintenance of electricity generating power stations, using renewable energy sources, mainly wind. The registered offices of the company are located in Oviedo, Spain.

**Registered at:** Plaza del Fresno, N° 2, Oviedo, Spain

**Headquarters:** Serrano Galvache 56, Centro Empresarial Parque Norte, Edificio Olmo, 7ª Floor. 28033 Madrid, Spain

**C.I.F.:** N° A-74219304

EDPR total share capital is, since its initial public offering (IPO) in June 2008, EUR 4,361,540,810 consisting of issued and fully paid 872,308,162 shares with nominal value of EUR 5.00 each. All the shares are part of a single class and series and are admitted to trading on the Euronext Lisbon regulated market.

• ISIN: ES0127797019

• LEI: 529900MUFAH07Q1renfeTAX06

#### **EDP Group – Major Shareholder**

EDPR main shareholder is EDP – Energias de Portugal, S.A., through EDP – Energias de Portugal, S.A. Sucursal en España (hereinafter referred as “EDP”), with 82.6% of share capital and voting rights.

#### **Other qualified Shareholders**

In October 2019, MFS notified EDPR that, in accordance with article 23 of the Royal Decree 1362/2007 and as a result of transactions hold on October 3rd, it crossed the 3% minimum threshold for qualified shareholding positions. MFS decreased its shareholding to 25,674,035 ordinary shares of EDPR, which corresponds to 2.943% of EDPR's share capital and 2.943% of the respective voting rights, therefore leaving its qualified shareholding position in EDPR.

*For more information on EDPR's capital structure, see chapter 1.3. Organization of the Consolidated Management Report.*

## 2. COMPANY BUSINESS

According to the Company's articles of association, the statutory activity of EDP Renováveis, S.A. comprises activities related to the electricity sector, specifically the planning, construction, maintenance and management of electricity production facilities, in particular renewable electricity generation assets. The Company promotes and develops projects relating to renewable energy resources and electricity production activities as well as managing and administering other companies' equity securities.

The Company can engage in its statutory activities directly or indirectly through ownership of shares or investments in companies or entities with identical or similar statutory activities. EDP Renováveis S.A. holds investments in subsidiaries, and consequently, the Company is the parent of a group of companies.

The operating activity of the Group headed by the Company is carried out in Europe, the USA and Brazil through three subgroups headed by EDP Renewables Europe, S.L.U. (EDPR EU) in Europe, EDP Renewables North America, LLC (EDPR NA) in the USA and EDP Renováveis Brasil in Brazil. In addition, in 2010 the Group incorporated the subsidiary EDP Renewables Canada, Ltd. to provide a base for carrying out projects in Canada.

## BUSINESS ENVIRONMENT

### THE NEED TO STRENGTHENING CLIMATE PLEDGES

According to the World Meteorological Organization (WMO)<sup>1</sup>, the year 2019 concludes a decade of exceptional heat, retreating ice, record sea levels and continued ocean acidification, driven by rising greenhouse gases from human activities. Average temperatures during the 2010-2019 period are almost certain to be the highest on record, while 2019 has become the second warmest year since we have data according to the National Oceanic and Atmospheric Administration (NOAA) and NASA. In fact, average temperature in 2019<sup>2</sup> was around 1.1°C above the pre-industrial period.

In December 2015, virtually all Parties to the United Nations Framework Convention on Climate Change (UNFCCC) signed the so-called "Paris Agreement" to limit the rise in average temperature to "well below 2°C" and ideally 1.5°C by the end of the century. However, we are far from achieving the target. In fact, since the Paris Agreement, global carbon emissions have risen 4%<sup>3</sup>. In the absence of strengthen policies, latest projections from the UNEP Emissions Gap report conclude that global warming is expected to reach around 3.2°C at the end of the century, highlighting the substantial gap between the Paris Agreement's target and current pledges from the Governments. According to the report, we need to reduce emissions by 7.6% every year from 2020 to 2030 if we want to keep global warming below 2°C. The urgency of the challenge was also highlighted by the United Nations' IPCC<sup>4</sup> in a landmark report<sup>5</sup> published in 2018 in which the Panel warned that global warming could exceed the 1.5°C limit as soon as 2030, a threshold expected be catastrophic for people and ecosystems if crossed.

2020 is expected to be a crucial year for climate. Under the Paris Agreement all parties committed to, not only submitting Nationally Determined Contributions<sup>6</sup> (NDCs) for cutting emissions, but also to enhance their pledges every 5-year period (starting in 2020) to reflect progress toward their highest possible ambition. Therefore, since the first round of NDCs pledged under the Paris Agreement proved to be insufficient to meet the targets, the 2020 NDC round will be crucial to address the climate threat, decarbonize our economies and achieve multiple Sustainable Development Goals<sup>7</sup>.

<sup>1</sup> Provisional statement on the State of the Global Climate, released in December 2019

<sup>2</sup> January to October 2019. Source: WMO

<sup>3</sup> According to the Global Carbon Project

<sup>4</sup> Intergovernmental Panel on Climate Change, which is UN's body for assessing the science related to climate change

<sup>5</sup> Special report: Global Warming of 1.5°C, released in October 2018

<sup>6</sup> NDC are pledges made by the countries in the Paris Agreement to contribute to the achievement of the long-term temperature goal

<sup>7</sup> Among others: affordable and clean energy, climate actions, sustainable cities and communities, no poverty and good health and well-being

## THE EVOLUTION OF RENEWABLES AROUND THE WORLD IN 2019

### WIND

Global wind additions are likely to witness considerable growth in 2019<sup>1</sup>, with analysts forecasting around 58-71 GW<sup>2</sup> of new capacity, vs 51.3 GW in 2018. These figures, if confirmed, could represent the highest level of wind energy ever commissioned in a single year. This sharp increase is mainly explained by a positive year in China, North America and Europe, and, an outstanding growth in the offshore field.

China remained the undisputed world's wind power leader, adding around 26 GW of wind energy, according to the China Electricity Council, surpassing the 200 GW landmark of total installed capacity.

The US crossed in 2019 the 100 GW milestone, enough to power around 32 million American homes, according to AWEA<sup>3</sup>. Although no final data is available yet<sup>4</sup>, 2019 is expected to become the second-best year in history, with around 10-11 GW of new wind capacity (vs 7.6 GW in 2018).

Europe added 4.9 GW of new wind energy capacity in the first half of 2019, according to figures released by Wind Europe. This data is particularly encouraging considering that wind installations are typically higher in the second half of the year, mainly due to the strongest activity in summer months, suggesting that total 2019 additions could surpass the 10 GW threshold. Although Germany is expected to deliver weak results in the onshore wind field, other markets, including the UK, Spain, Norway and Sweden, are expected to deliver outstanding results. Specifically, in Spain, the latest data<sup>4</sup> of Red Eléctrica reveal that 1,634 MW of onshore wind farms had been connected in the first 11 months of 2019 (vs. only 392 MW in 2018 or 96 MW in 2017).

2019 was also the best year ever for offshore wind, with around 7.7 GW<sup>5</sup> of new installations connected all around the world, surpassing the previous record (4.7 GW) achieved in 2017. However, 2019 growth remained highly concentrated in China (around 2.6 GW), the UK (around 2.3 GW) and Germany (around 1.6 GW).

### SOLAR PV

2019 is expected to become a record year for solar PV, with analysts<sup>6</sup> forecasting between 98 and 124 GW of new facilities connected, compared to the 97 GW installed in 2018<sup>7</sup>.

China remains the largest market, despite a sharp slowdown of its yearly installations which are expected to decrease to 20-28 GW in 2019, from 44 GW in 2018. However, other countries in the region are expected to deliver good results, namely in India (around 9-10 GW), Vietnam (around 5 GW) or Australia (around 4-4.5 GW).

The US is expected to witness its best year on record in terms of solar PV additions, with around 13 GW installed in 2019 according to the Solar Energy Industries Association (SEIA). California clearly dominated the US solar market with around 26 GW of solar PV capacity installed, followed by North Carolina (5.6 GW), Arizona (3.9 GW), Texas and Florida (both 3.4 GW) according to latest SEIA's estimates.

In Latin America, Mexico remained the largest market for solar PV, with analysts forecasting between 2.6 and 3.3 GW, followed by Brazil with additions ranging 1.3-2.6 GW.

In Europe, 2019 was also the best year ever for solar PV. According to data provided by Solar Europe, 16.7 GW were connected, a 104% increase over the 8.2 GW installed in 2018. Spain was the most dynamic market with 4.7 GW installed, followed by Germany (4 GW), the Netherlands (2.5 GW), France (1.1 GW) and Poland, which nearly quadrupled its installed capacity reaching 784 MW.

1 At the time of preparation of this report data from The Global Wind Energy Council (GWEC), the American Wind Energy Association (AWEA) or Wind Europe, have not been released.

2 Experts consulted include: GWEC, IHS Markit, Bloomberg New Energy Finance, International Energy Agency and Wood MacKenzie

3 "US Wind Industry Third Quarter 2019 Market Report" published by the American Wind Energy Association (AWEA)

4 November 2019

5 According to Bloomberg New Energy Finance

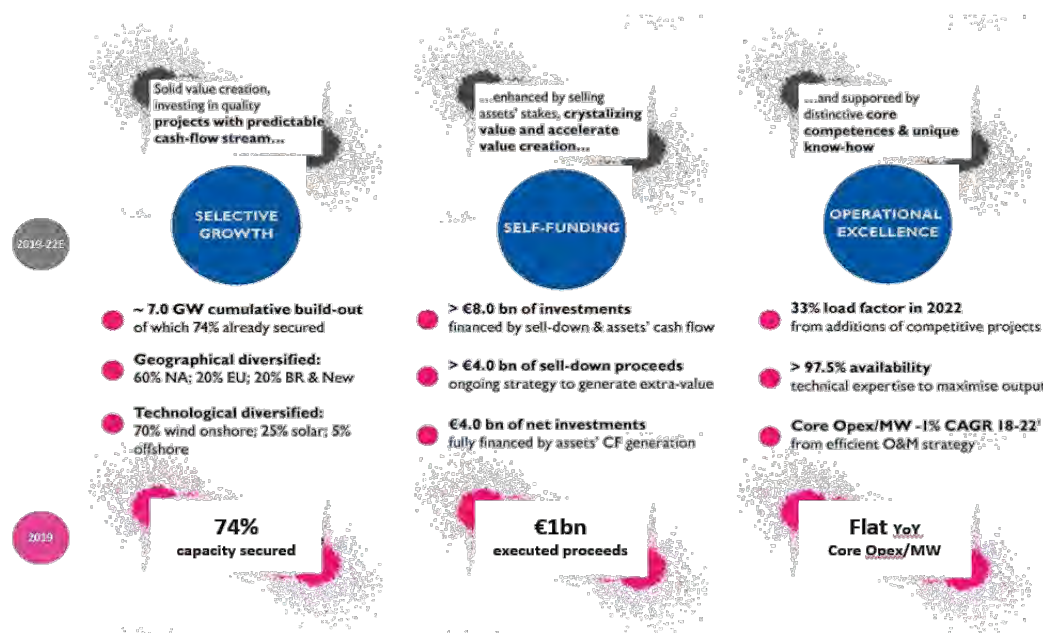
6 Experts consulted include: IHS Markit, Bloomberg New Energy Finance, International Energy Agency and Wood MacKenzie

7 According to IRENA

## STRATEGY

### EDPR'S STRATEGY IS SUPPORTED BY ITS THREE MAIN PILLARS:

Since its inception, EDPR has been performing a strategy focused on selective growth, by investing in quality projects with predictable future cash-flows, and seamless execution, supported by core competences that yield superior profitability, all embedded within a distinctive and self-funding model designed to accelerate value creation. As a result of undertaking such strategy, at the same time flexible enough to accommodate changing business and economic environments, EDPR remains today a leading company in the renewable energy industry.



For more information on EDPR, see chapter 2.2 Strategy of the Consolidated Management Report.

## OPERATIONAL PERFORMANCE

Through its subsidiaries, as of December 2019, EDPR managed a global portfolio of 11.4 GW, of which Europe accounted for 40%, including 2.1 GW in Spain, 1.2 GW in Portugal and 1.3 GW in RoE, North America for 56%, including 6.1 GW in the US, 0.2 GW in Mexico and 30 MW in Canada and the remaining 0.5 GW in Brazil representing 4% of the portfolio.

From the 11,362 MW of global portfolio, 11,078 MW are related to wind onshore technology, while the remaining 284 MW comprised solar PV power plants in US (229 MW), Romania (50 MW) and Portugal (5 MW).

In 2019 EDPR built 888 MW, of which 719 MW were in North America and 169 MW in Europe. Namely 53 MW in Spain, 50 MW in Italy, 47 MW in Portugal, 19 MW in France, and all the capacity built in North America came from the 719 MW added in the US (Bright Stalk 205 MW, Prairie Queen 199 MW, Timber Road IV 126 MW, Los Mirasoles III 50 MW and Golden Eye 139 MW net).

Pursuing its Sell-Down strategy, in 2019, EDPR had already announced €1.3 billion out of the >€4.0 billion of sell down proceeds for 2022, representing 33% of such target, of which ~€1 billion were concluded in 2019.

As of December 2019, EDPR installed capacity was:

INSTALLED CAPACITY (MW) I		VS. 2018			
	Dec-19	Built	Sold	Decom.	Var. YoY
Spain	1,974	+53	(348)	(42)	(337)
Portugal	1,164	+47	(191)	-	(144)
Rest of Europe	1,263	+69	(458)	-	(389)
France	53	+19	(388)	-	(368)
Belgium	-	-	(71)	-	(71)
Italy	271	+50	-	-	+50
Poland	418	-	-	-	-
Romania	521	-	-	-	-
<b>Europe</b>	<b>4,401</b>	<b>+169</b>	<b>(997)</b>	<b>(42)</b>	<b>(871)</b>
US	5,714	+581	(199)	-	+382
Canada	30	-	-	-	-
Mexico	200	-	-	-	-
<b>North America</b>	<b>5,944</b>	<b>+581</b>	<b>(199)</b>	-	<b>+382</b>
<b>Brazil</b>	<b>467</b>	-	-	-	-
<b>TOTAL</b>	<b>10,812</b>	<b>+749</b>	<b>(1,196)</b>	<b>(42)</b>	<b>(489)</b>
<b>Equity Consolidated</b>	<b>550</b>	<b>+139</b>	<b>+40</b>	-	<b>+179</b>
Wind Onshore (Spain)	152	-	-	-	-
Wind/ Solar Onshore (US)	398	+139	+40	-	+179
Wind Offshore	-	-	-	-	-
<b>EBITDA MW + EQUITY CONSOL.</b>	<b>11,362</b>	<b>+888</b>	<b>(1,156)</b>	<b>(42)</b>	<b>(310)</b>

(1) Includes 137 MW from Babilonia wind farm in Brazil, corresponding to the sell-down announced in July 2019 and which financial closing occurred in February 2020.

EDPR global portfolio produced 30.0 TWh of clean energy in 2019, +6% year on year. The increase in production benefits from the capacity additions over the last 12 months and the increase in load factor (32% vs 30% in 2018).

In 2019, operations in Europe, North America and Brazil generated 39%, 55% and 6% of the total output, respectively. In Europe, EDPR generation increased 3% year on year despite the Sell-down in Europe. In North America, EDPR output in the period increased 5% year on year to 16.5 TWh, reflecting the growth in installed capacity and the higher load factor of such projects. In Brazil, production increased to 1.8 TWh (+42% year on year), driven by capacity additions, with higher load factor.

In 2019, EDPR achieved a 32% load factor (vs 30% in 2018) reflecting 97% of P50 (long term average for 12M). In the 4Q19, EDPR reached a 35% load factor (vs 31% in 2018), with QoQ comparison benefitting from higher wind resource.

	NCF			GWH		
	Dec-19	Dec-18	Var.	Dec-19	Dec-18	Var.
Spain	28%	26%	+2.2pp	5,298	5,164	+3%
Portugal	29%	27%	+2.1pp	3,160	2,995	+5%
Rest of Europe	26%	24%	+2.4pp	3,333	3,321	+0%
France	22%	23%	-1.0pp	465	829	(44%)
Belgium	22%	21%	+1.3pp	68	129	(47%)
Italy	27%	27%	+0.2pp	551	385	+43%
Poland	30%	25%	+4.9pp	1,098	919	+19%
Romania	25%	23%	+2.0pp	1,151	1,059	+9%
<b>Europe</b>	<b>28%</b>	<b>26%</b>	<b>+2.3pp</b>	<b>11,791</b>	<b>11,480</b>	<b>+3%</b>
US	34%	34%	+0.0pp	15,696	14,873	+6%
Canada	27%	27%	-0.5pp	70	71	(2%)
Mexico	42%	40%	+1.5pp	726	700	+4%
<b>North America</b>	<b>34%</b>	<b>34%</b>	<b>+0.1pp</b>	<b>16,492</b>	<b>15,644</b>	<b>+5%</b>
<b>Brazil</b>	<b>43%</b>	<b>40%</b>	<b>+2.2pp</b>	<b>1,757</b>	<b>1,235</b>	<b>+42%</b>
<b>TOTAL</b>	<b>32%</b>	<b>30%</b>	<b>+1.5pp</b>	<b>30,041</b>	<b>28,359</b>	<b>+6%</b>

## FINANCIAL PERFORMANCE

EDP Renováveis S.A. net profit in 2019 was € -8,789 thousand, which has decreased compared to € 29,258 thousand in 2018.

The revenues for the 2019 fiscal year totalled € 161,347 thousand, which represents a 4% increase with respect to 2018, mainly due to the increase in dividends received from subsidiaries in Brazil and Europe.

The negative financial result during the financial year 2019 was € 160,270 thousand, which represents an increase of 27% with respect to 2018, mainly due to the increase in the financial interests of the derivative financial instruments contracted with Group companies.

## NON-FINANCIAL INFORMATION

The non-financial information required by the Spanish regulation has been included in the Consolidated Management report of the EDP Renováveis group.

On average during 2019, there were 229 employees at EDP Renováveis, S.A., +21% versus the 189 average employees in December 2018.

*For information on EDPR Human Capital approach, please see chapter 3.2. Human Capital of the Consolidated Management Report.*

## INFORMATION ON AVERAGE PAYMENT TERMS TO SUPPLIERS

In 2019 total payments made to suppliers, amounted to €34,639 thousand with an average payment period of 38 days, below the payment period stipulated by law of 60 days.

## 3. FORESEEABLE EVOLUTION

The Company will continue to control its current holdings in different subsidiaries, not having foreseen any activity different from those currently carried out.

## 4. RESEARCH, DEVELOPMENT AND TECHNOLOGICAL INNOVATION

Innovation is one of EDPR values, which allows the company to create value in its areas of operation.

During 2019 EDPR continue to develop innovative projects focused on adding value to existing areas of the business, such as Offshore floating wind farm, battery storage system, blade lifter transport or blockchain. These are tangible examples of combined effort with partners and suppliers with the goal of bringing the renewable industry forward.

In addition, the company also believes that digital transformation is crucial to keep-up with all future growth. In EDPR, Digital Transformation is the combination of three indissoluble perspectives: The strategic adoption of digital technologies, the definition, improvement and optimization of Business processes and the impact on how people work and add value in their day to day activities. These three dimensions foster new ways of working and impact directly on the results of the Organization.

At the same time EDPR's high-skilled teams kept implementing new solutions in day-to-day business operations, boosting value creation through the application of innovative and lean initiatives, such as improvements on O&M related activities, big-data usage or innovative PPAs structures.

*For more information on EDPR innovation and digitalization, see chapters 3.6 Digital Capital and 3.7 Innovation Capital of the Consolidated Management Report.*

## 5. RELEVANT & SUBSEQUENT EVENTS

### RELEVANT EVENTS OF THE PERIOD:

01-Feb	EDPR signs a Build & Transfer agreement for a 102 MW in the US
12-Feb	EDPR secures a 104 MW PPA for a new wind farm in the US
12-Mar	EDPR announces 2019-22 Strategic Update
11-Apr	EDPR Annual Shareholders Meeting
23-Apr	EDPR announces €0.8bn Asset Rotation for EU wind farms & announces 1Q19 Operational data
08-May	EDPR announces 1Q 2019 Results Report (EDPR ex-dividend date (€0.07 per share))
21-May	EDPR announces a MoU with ENGIE, to create a 50:50 joint-venture for offshore wind
20-Jun	EDPR reaches a PPA agreement for its first renewable project with storage system in the U.S.
03-Jul	EDPR is awarded long-term CfD for 30 MW of wind at Greek auction
08-Jul	EDPR secures PPA for 126 MW in Brazil
29-Jul	EDPR announces R\$ 1.2bn Asset Rotation transaction for Brazilian wind farms
30-Jul	EDPR concludes €808m asset rotation deal for wind farms in Europe
07-Aug	EDPR secures a new PPA for Sonrisa solar project with storage system in the U.S.
30-Aug	EDPR awarded with 142 MW of solar energy in Portugal
30-Sep	EDPR secures a new PPA for 100 MW in MX & establishes new TE structure for 405 MW in the US
23-Oct	EDPR enters the Colombian market with two 15-year PPA wind contracts
24-Oct	EDPR signs a Build & Transfer agreement for a 302 MW wind farm project in the U.S.
25-Oct	EDPR secures a 200 MW PPA for a new solar project in the U.S.
29-Oct	EDPR expands its US solar base securing 50% stake in a portfolio of 278 MW
30-Oct	EDPR JV proposal wins Massachusetts offshore wind contract
28-Nov	EDPR secures a PPA for a new wind farm in Brazil
18-Dec	EDPR is awarded long-term CfD for 33 MW of wind at Greek energy auction
19-Dec	EDPR is awarded long-term CfD for 307 MW of wind at Polish energy auction

### SUBSEQUENT EVENTS:

The following are the most relevant events from 2019 that have an impact in 2020 and subsequent events from the first months of 2020 until the publication of this report.

EDPR reached an agreement with ENGIE to create a 50:50 joint venture for offshore wind

EDPR has announced the signing of an agreement with ENGIE to create a co-controlled 50/50 joint-venture (JV) in fixed and floating offshore wind. The agreement signed on January 23rd, 2020 follows the announcement, on May 21st 2019, of a strategic Memorandum of Understanding (MoU) to form a new entity as exclusive vehicle of investment of EDPR and ENGIE for offshore wind opportunities worldwide, bringing together the industrial expertise and development capacity of both companies. As agreed, EDPR and ENGIE are combining their offshore business in this new entity.

The agreement announced today is subject to certain conditions precedent such as European Commission regulatory approval process.

## 6. OWN SHARES

As of December 2019, EDPR did not hold own shares and no transactions were made during the year.



## 7. RISK MANAGEMENT

The Company's activities are exposed to various financial risks: market risk (including currency risk and fair value interest rate risk), credit risk, liquidity risk, and cash flow interest rate risk. The Company's global risk management programme focuses on uncertainty in the financial markets and aims to minimise potential adverse effects on the Company's profits. The Company uses derivatives to mitigate certain risks.

The directors of the Company are responsible for defining general risk management principles and establishing exposure limits. The Company's financial risk management is subcontracted to the Finance Department of EDP - Energias de Portugal, S.A. in accordance with the policies approved by the Board of Directors. The subcontracted service includes the identification and evaluation of hedging instruments.

All operations involving derivative financial instruments are subject to prior approval from the board of directors, which sets the parameters of each operation and approves the formal documents describing the objectives of the operation.

### CURRENCY RISK

The Company operates internationally and is therefore exposed to currency risk when operating with foreign currencies, especially with regard to the US Dollar, the Brazilian Real, the Canadian Dollar and the Polish Zloty. Currency risk is associated with recognised assets and liabilities, and net investments in foreign operations.

The Company holds investments in Group companies denominated in a foreign currency, which are exposed to currency risk. Currency risk affecting these investments is mitigated primarily through derivative financial instruments and borrowings in the corresponding foreign currencies.

### CREDIT RISK

The Company is not significantly exposed to credit risk as the majority of its balances and transactions are with Group companies. As the counterparties of derivative financial instruments are Group companies, and the counterparties of their derivative financial instruments are highly solvent banks, the Company is not subject to significant counterparty default risk. Guarantees or other derivatives are therefore not requested in this type of operation.

The Company has documented its financial operations in accordance with international standards. Most of its operations with derivative financial instruments are therefore contracted under "ISDA Master Agreements", which facilitate the transfer of instruments in the market.

### LIQUIDITY RISK

Liquidity risk is the risk that the Company will be unable to comply with its financial commitments on maturity. The Company's approach in managing liquidity risk is to guarantee as far as possible that liquidity will always be available to pay its debts before they mature, in normal conditions and during financial difficulties, without incurring unacceptable losses or compromising the Company's reputation.

Compliance with the liquidity policy ensures that contracted commitments are paid, maintaining sufficient credit facilities. The EDP Renováveis Group manages liquidity risk by arranging and maintaining credit facilities with its majority shareholder, or directly with domestic and international entities in the market, under optimal conditions, to ensure access to the financing required to continue its activities.

The Directors have estimated cash flows that show that the Group will meet the commitments existing at the close of the 2019 financial year and those foreseen for 2020.

### CASH FLOW AND FAIR VALUE INTEREST RATE RISKS

In 2019 and 2018, The Company does not have a considerable amount of interest-bearing assets and as a result, income and cash flows from operating activities are not significantly affected by fluctuations in market interest rates.

Interest rate risk arises from non-current borrowings, which are extended by Group companies. The loans have fixed interest rates, exposing the Company to fair value risks.

## EDPR SUSTAINABILITY RISKS

EDPR's commitment with its stakeholders means that the Company cares about assuring best practices in corporate social responsibility. EDPR has identified five risk factors key to the sustainability of the Company. The highest standards have been put in place to mitigate these risks:

- **Corruption and Fraud Risk:** EDPR has implemented a Code of Ethics and an Anti-Corruption Policy. The Code of Ethics has its own regulation that defines a process and channel, open to all stakeholders, to report any potential claim or doubt on the application of the code. The Ethics Ombudsperson is behind this communication channel, and is responsible for analysing and presenting to the Ethics Committee any potential ethical problem. The anti-corruption mailbox is also available to report any questionable practice and wrongdoing.
- **Environmental Risk:** EDPR has implemented an Environmental Management System, certified with the ISO 14001:2015, in order to follow best practices in the sector.
- **Human Resource Risk:** EDPR forbids any kind of discrimination, violence or behaviour against human dignity, as stated in its Code of Ethics. Strict compliance is enforced, not only making the Ethics Channel available to all stakeholders but also through constant awareness from all employees of the Company.
- **Health and Safety Risk:** EDPR has deployed a H&S management system, complying with OHSAS 18001:2007, pursuing the "zero accidents" target.
- **Human Rights Risk:** EDPR has committed, through its Code of Ethics, to respect international human rights treaties and best work practices. All suppliers which sign a contract with EDPR are committed to be aligned with EDPR's Code of Ethics principles.

In addition, quantification of the financial impact on the Company's performance of these five sustainability risk factors is included within the Operational Risk analysis. Every year, EDPR evaluates the economic impact of its Operational Risk, following the guidelines of Basel III. The analysis includes the identification, estimation and mitigation of individual operational risks belonging to the short, medium and long term in all its geographies. For this purpose, EDPR takes into account present and future relevance of these risks, as well as historical data of their impact, with the help of department heads. The final results of the Operational Risk analysis are then communicated to the Executive Committee and shared with every department involved. In 2019, the Operational Risk analysis was performed at the end of the year, and its results approved by the Executive Committee.

In 2019, none of the five sustainability risk factors had a material financial impact on the Company's performance, even though EDPR was not able to reach its "zero accidents" target. Nonetheless, health & safety frequency rate was lower than last year and during 2020, EDPR will continue to work towards achieving the "zero accidents" goal.

*For more information on EDPR risk management, see chapter 2.3. Risk Management of the Consolidated Management Report.*

# ANNEX I:

## CORPORATE GOVERNANCE

### PART I – INFORMATION ON SHAREHOLDER STRUCTURE, ORGANISATION AND CORPORATE GOVERNANCE

#### A. SHAREHOLDER STRUCTURE

##### I. CAPITAL STRUCTURE

##### I. CAPITAL STRUCTURE

EDP Renováveis, S.A. (hereinafter referred to as “EDP Renováveis”, “EDPR” or the “Company”) total share capital is, since its initial public offering (IPO) in June 2008, EUR 4,361,540,810 consisting of issued and fully paid 872,308,162 shares with nominal value of EUR 5.00 each. All the shares are part of a single class and series and are admitted to trading on the Euronext Lisbon regulated market.

Codes and tickers of EDP Renováveis SA share: ISIN: ES0127797019

LEI: 529900MUFAH07Q1TAX06

Bloomberg Ticker (Euronext Lisbon): EDPR PL

Reuters RIC: EDPR.LS

EDPR main shareholder is EDP – Energias de Portugal, S.A., through EDP – Energias de Portugal, S.A. Sucursal en España (hereinafter referred as “EDP”), with 82.6% of share capital and voting rights. Excluding EDP, EDPR shareholders comprise more than 30,000 institutional and private investors spread across 21 countries with main focus in the United States and United Kingdom.

Institutional Investors represent about 94% of Company shareholders (ex-EDP Group), mainly investment funds and socially responsible investors ("SRI"), while Private Investors, mostly Portuguese, stand for the remaining.

For further information about EDPR shareholder structure please see chapter 1.3 of the Annual Report ("Organisation").

## 2. RESTRICTIONS TO THE TRANSFERABILITY OF SHARES

EDPR's Articles of Association have no restrictions on the transferability of shares.

## 3. OWN SHARES

EDPR does not hold own shares.

## 4. CHANGE OF CONTROL

EDPR has not adopted any measures designed to prevent successful takeover bids.

The Company has taken no defensive measures for cases of a change in control in its shareholder structure. EDPR has not entered into any agreements subject to the condition of a change in control of the Company, other than in accordance with normal practice and which do not harm the transferability of the shares, as:

- in the case of financing of certain wind farm projects, lenders have the right to approve change in control at the borrower if the later ceased to be controlled, directly or indirectly, by EDPR.
- in the case of guarantees provided by EDP Group companies, if EDP directly or indirectly ceases to have the majority of EDPR then EDP is no longer obliged to provide such services or guarantees. The relevant subsidiaries will be obliged to provide for the cancellation or replacement of all outstanding guarantees within approximately sixty (60) days of the change of control event.
- in the cases of intra-group services agreements and according to the Framework Agreement signed between EDP Renováveis S.A. and EDP Energias de Portugal S.A., the contracts will maintain their full force as long as (i) EDP maintains its share capital above 50% or the right to exercise directly or indirectly more than 50% of voting rights on EDPR's share capital, or (ii) even if the share capital of EDP or its voting rights are below 50%, but more than half of the Members of the Board or of EDPR's Executive Committee are elected through an EDP proposal.

## 5. SPECIAL AGREEMENTS REGIME

EDPR does not have a special system for the renewal or withdrawal of counter measures for the restriction on the number of votes capable of being held or exercised by only one shareholder individually or together with other shareholders.

## 6. SHAREHOLDERS AGREEMENTS

The Company is not aware of any shareholders' agreement that may result in restrictions on the transfer of securities or voting rights.

# II. SHAREHOLDINGS AND BONDS HELD

## 7. QUALIFIED HOLDINGS

Qualifying holdings in EDPR are subject to the Spanish Law, which regulates the criteria and thresholds of the shareholder's ownerships. The table below includes the information about the qualifying holdings of EDPR and their voting rights as of December 31<sup>st</sup>, 2019:

SHAREHOLDER	SHARES	%CAPITAL	%VOTING RIGHTS
EDP – Energias de Portugal, S.A. – Sucursal en España	720,191,372	82.6%	82.6%
EDP detains 82.6% of EDPR capital and voting rights, through EDP – Energias de Portugal, S.A. – Sucursal en España.			
TOTAL QUALIFIED HOLDINGS	720,191,372	82.6%	82.6%

As of December 31<sup>st</sup>, 2019, EDPR's shareholder structure consisted in a total qualified shareholding of 82.6%, corresponding to EDP Group.

## 8. SHARES HELD BY THE MEMBERS OF THE MANAGEMENT AND SUPERVISORY BOARDS

The table below reflects the Members of the Board of Directors/Delegated Committees of the Company that, as of December 31<sup>st</sup> of 2019, directly or indirectly own EDPR shares:

BOARD MEMBER	NUMBER OF SHARES	
	DIRECT	INDIRECT
Spyridon Martinis	10,413*	-

\* These shares were bought before the appointment as Director of the Company (being the first acquisition in 2011 and the last one in 2018).

## 9. POWERS OF THE BOARD OF DIRECTORS

The Board of Directors is vested with the broad-ranging powers of administration, management, and governance of the Company, with no other limitations besides the powers expressly assigned to the General Shareholders' Meetings in the Company's Articles of Association (specifically in article 13) or in the applicable law. In this regard, the Board is specifically empowered to:

- Acquire on lucrative or onerous title basis personal and real property, rights, shares and interests that may suit the Company;
- Sell and mortgage or charge personal and real property, rights, shares and interests of the Company and cancel mortgages and other rights *in rem*;
- Negotiate and conclude as many loans and credit operations that it may deem appropriate;
- Enter and formalize all sort of acts and contracts with public entities or private persons;
- Exercise any civil and criminal actions and all further actions to be undertaken by the Company, representing it before governmental officers, authorities, corporations, governing, administrative, administrative-economic, administrative-litigation and judicial courts, labor courts and the labor sections of the Supreme Courts and of the High Courts of the Autonomous Communities, with no limitations whatsoever, including before the European Court of Justice, and in general, before the Government, in all its levels and hierarchies, to intervene or promote, follow or terminate through all procedures and instances, the processes, court sections or proceedings; to accept decisions, to file any kind of appeal, including the cassation one and other extraordinary appeals, to discontinue or confess, to agree an early termination of a proceeding, to submit litigious questions to arbitration judges, and to carry out all sort of notices and requirements and to grant power of attorney to Court Representatives and other representatives with case-related powers and the powers which are usually granted to litigation cases and all the special powers applicable, and to revoke such powers;
- Agree the allotment of interim dividends;
- Call and convene the General Meetings and submit to them the proposals that it deem appropriate;
- Direct the Company and the organize its operations and exploitations by acknowledging the course of the Company businesses and operations, managing the investment of funds, making extraordinary depreciations of bonds in circulation and realizing anything that it is considered appropriate to obtain maximum gains towards the object of the Company;
- Freely appoint and dismiss Directors and all the Company's technical and administrative personnel, defining their office and retribution;
- Agree any changes of the registered office's address within the same borough;
- Incorporate under the law all sorts of legal persons; contribute and assign all sorts of assets and rights, as well as entering merger and cooperation agreements, association, grouping and temporary union agreements between companies or business and joint property agreements, and agreeing their alteration, transformation and termination;
- All further powers expressly granted to the Board in the Articles or in the applicable law. This list is without limitations and has a merely indicative nature.

Likewise, the General Shareholders' Meeting held in April 9<sup>th</sup> 2015, approved the delegation to the Board of Directors of the power to issue in one or more occasions both:

- Fixed income securities or other debt instruments of analogous nature;
- Fixed income securities or other type of securities (warrants included) convertible or exchangeable into EDP Renováveis, S.A. shares, or that recognize at the Board of Directors' discretion the right of subscription or acquisition of shares of EDP Renováveis, S.A. or of other companies, up to a maximum amount of three hundred million Euros (EUR 300,000,000) or its equivalent in other currency.

As part of such delegation, the General Shareholder's Meeting delegated into the Board of Directors the power to increase the share capital up to the necessary amount to execute the related tasks above. Additionally, it was also approved to authorize the Board of Directors for the acquisition of own shares by the Company and/or the affiliate companies. These delegations may be exercised by the Board of Directors within a period of five (5) years since the proposal was approved, and within the limits provided under the law and the By-Laws.

The General Shareholders' Meeting may also delegate to the Board of Directors the power to implement an adopted decision to increase the share capital, indicating the date or dates of its implementation and establishing any other conditions that were not specified by the General Shareholders' Meeting. The Board of Directors may use this delegation wholly or partially, and may also decide not to perform it in accordance with the situation and conditions of the Company, the market, or any particularly relevant events or circumstances that justify such decision - of which the General Shareholders' Meeting must be informed at the end of the time limit or limits for adopting and performing the decision.

Additionally, in compliance with its personal law, some functions of the Board of Directors are non- delegable and, as such, have to be performed at this level, which are the following:

- Election of the Chairperson of the Board of Directors;
- Appointment of Directors by co-option;
- Request to convene or convening of General Shareholders' Meetings and the preparation of the agenda and proposals of resolutions;
- Preparation of the Annual Reports and Management Reports and their presentation to the General Shareholders' Meeting;
- Change of Headquarters;
- Preparation and approval of mergers, spin-off, or transformation projects of the Company;
- Monitoring the effective functioning of the Board of Directors committees and the performance of delegated bodies and appointed directors;
- Definition of the Company's general policies and strategies. In any case, the following transactions individually considered, shall be subject to the prior approval of the Board of Directors, or its ratification in cases of justified urgency:
  - Acquisition or sale of assets, rights or participations with an economic value higher than seventy-five million Euros (EUR 75,000,000) and not included in the budget approved by the Board of Directors;
  - Opening or closing of establishments/branches or relevant parts of establishments /branches, as well as the extension or reduction of its activity;
  - Other business activity or transactions, including expansion investments, with a significant strategic relevance or with an economic value higher than seventy-five million Euros (EUR 75,000,000) and not included in the budget approved by the Board of Directors; or
  - Creation or termination of strategic alliances or partnerships or other forms of long-term cooperation;
- Authorization or waiver of the obligations arising from duty of loyalty;
- Its own organisation and functioning;

- Preparation of any report required by the law to the management body, provided that the operation referred in the report cannot be delegated;
- Appointment and dismissal of Chief Executive Officer, top management directly depending from the Board of Directors or any of its members, and their general contractual conditions including remuneration;
- Decisions concerning director's remuneration within the Articles of Association's frame and, if any, the remuneration policy approved by the General Meeting;
- Policy concerning own shares;
- The faculties that the General Meeting may have delegated on the Board of Directors, except for the cases expressly authorized by the first to sub delegate them

Should be noted that all the members of the Board of Directors, which are listed in topic 17 of this Chapter 5 of the Annual Report (including the non-executive) are necessarily involved in the definition of the strategy and policies of the Company as per the non-delegable basis of these functions under its personal law, and that the corresponding monitorization of the accomplishment of these actions, as detailed in topic 29 this Chapter 5 of the Annual Report, is performed by the Audit, Control and Related Party Transactions Committee and the Nominations and Remunerations Committee, both of which are integrally formed by non-executive and independent directors.

#### **10. SIGNIFICANT BUSINESS RELATIONSHIPS BETWEEN THE HOLDERS OF QUALIFYING HOLDINGS AND THE COMPANY**

Information on any significant business relationships between the holders of qualifying holdings and the Company is described on topic 90 of this Report.

## B. CORPORATE BOARDS AND COMMITTEES

### I. GENERAL SHAREHOLDERS' MEETING

#### a) COMPOSITION OF THE BOARD OF THE GENERAL MEETING

### II. BOARD OF THE GENERAL SHAREHOLDERS' MEETING

The Members of the Board of the General Shareholders' Meeting are its Chairman, the Chairman of the Board of Directors (or his substitute), the other Directors and the Secretary of the Board of Directors. In accordance with article 180 of the Spanish Companies' Law, all the Board Members are obliged to attend the General Meetings.

The Chairman of the General Shareholders' Meeting is José António de Melo Pinto Ribeiro, who was elected on the General Meeting of April 8<sup>th</sup>, 2014, for a three-year (3) term; and re-elected on the General Shareholders' Meeting held on April 6<sup>th</sup>, 2017 for an additional three-year (3) term.

The Chairman of the Board of Directors is António Mexia, who was re-elected as member of the Board for a three-year (3) term by the General Shareholders' Meeting held in June 27<sup>th</sup>, 2018, and for the position of Chairman of the Board of Directors on its meeting subsequently held on the same date.

The Secretary of the Board of Directors is Emilio García-Conde Noriega who is also the Secretary of the General Shareholders' Meeting, and was appointed as Secretary of the Board of Directors on December 4<sup>th</sup> 2007. The Secretary of the Board of Directors' mandate does not have an end of term date according to the Spanish Companies Law since is not a Member of the Board.

The Chairman of the General Shareholders' Meeting of EDPR has at his disposal, the necessary human and logistical resources required for the performance of his duties. Therefore, in addition to the resources provided by the Company's General Secretary, the Company hires a specialized entity to give support to the meeting and to collect, process and count the votes submitted by the shareholders on each General Shareholders' Meeting.

#### b) EXERCISING THE RIGHT TO VOTE

### 12. VOTING RIGHTS RESTRICTIONS

Each EDPR share entitles its holder to one vote. EDPR's Articles of Association have no restrictions regarding voting rights.

### 13. VOTING RIGHTS

EDPR's Articles of Association have no reference to a maximum percentage of voting rights that may be exercised by a single shareholder or by shareholders that are in any relationship. All shareholders, regardless the number of shares owned, may attend to the General Shareholders' Meeting and request the information or explanations that they consider relevant regarding the matters included in the Agenda of the convened meeting, and are entitled as shareholders of the Company, to take part in its deliberations and to participate in its voting process.

The Board of Directors approves a Shareholder's Guide for each General Shareholders' Meeting, detailing among other matters, the procedure and requirements for the submission through mail and electronic communication of voting forms. This Guide is available at the Company's website ([www.edpr.com](http://www.edpr.com)). As informed in the related Notice and in the corresponding Shareholders' Guide, in order to exercise their right to attend, the shareholders must have the ownership of their shares duly registered in the Book Entry Account at least five (5) days prior to the date of the General Shareholders' Meeting.

Any shareholder may be represented at the General Shareholders' Meeting by a third party by means of a revocable Power of Attorney (even if such representative is not a shareholder). The Board of Directors may require shareholders' Power of Attorney to be in the Company's possession at least two (2) days in advance, indicating the name of the representative.

These Powers of Attorney shall be granted specifically for each General Shareholders' Meeting and can be evidenced in writing or by remote means of communication such as mail or post.

According to the applicable law and the Company's Articles of Association, the notice of EDPR's General Shareholders' Meetings is published in the Official Gazette of the Commercial Registry and on the Company's website at least thirty (30) days prior to the meeting date. Likewise, the Notice of the General Shareholder's Meeting is published in the website of the management entity of the regulated market (NYSE Euronext, Lisbon) and on the website of the *Comissão do Mercado de Valores Mobiliários* ("CMVM") - at [www.cmvm.pt](http://www.cmvm.pt) - and of the *Comisión Nacional del Mercado de Valores* ("CNMV") - at [www.cnmv.es](http://www.cnmv.es) - as the case may be. Simultaneously with the publication of the meeting Notice, the supporting documentation in relation to the General Shareholders' Meeting is published



on the CMVM website. Likewise, as soon as the notice of the meeting is formally published, the following information and documentation related to the General Shareholders' Meeting is made available at the Company's website ([www.edpr.com](http://www.edpr.com)):

- the notice of the General Shareholders' Meeting;
- the total number of shares and voting rights at the date of the Meeting notice;
- the template letter expressing the intention to attend the Meeting, the template of the letter of representation and the template of the ballot to be sent by mail, and also, the links to the electronic platforms that the Company provides for the telematic submission of the intention to attend and the voting on the topics included in the Agenda;
- the full texts of the proposed resolutions (included when received if such were the case, those proposed by shareholders) and related supporting documentation, that will be submitted to the General Shareholders' Meeting for approval;
- The Shareholders' Guide;
- The consolidated texts in force (Articles of Association and the other applicable regulations).

The Company included the English and Portuguese versions of the information and documents related to the General Shareholders' Meeting on its website ([www.edpr.com](http://www.edpr.com)) after the notice of the meeting, being the Spanish version of the documents the one that prevailed.

Shareholders may vote on the topics included on the Shareholders' Meeting Agenda, in person (including by means of the corresponding representative) at the meeting, by ordinary mail, or by electronic communication (in this latest case, through a telematic vote platform made available at the Company's website), and in any case providing the documentation indicated in the Shareholder's Guide. Pursuant to the terms of article 15 of the Articles of Association, both electronic and mail-in votes must be received by the Company before midnight (24.00 hours) of the day before the scheduled meeting date of first call. Remote votes can be revoked subsequently by the same means used to cast them, always within the deadlines established for that purpose, or by personal attendance to the General Shareholders' Meeting of the shareholder who casted the vote to his/her representative.

#### **14. DECISIONS THAT CAN ONLY BE ADOPTED BY A QUALIFIED QUORUM**

According to EDPR's Articles of Association and as established in the law, both ordinary and extraordinary General Shareholders' Meetings are validly constituted when first called if the shareholders, either present or represented, jointly reach at least twenty-five percent (25%) of the subscribed voting capital. On second call, the General Shareholders' Meeting will be validly constituted regardless of the amount of the capital present or represented.

Notwithstanding the above percentages, to validly approve the issuance of bonds, the increase or reduction of capital, the transformation, global assignment of assets and liabilities, merger or spin-off of the Company, the transfer of the Registered Office abroad, the elimination or limitation of pre-emptive rights of new shares and in general, any necessary amendment to the Articles of Association, in the Ordinary or Extraordinary Shareholders' Meeting, it is required that on first call, the Shareholders, either present or represented, reach at least fifty percent (50%) of the subscribed voting capital and, on second call, at least twenty-five percent (25%) of the subscribed voting capital.

In relation to the quorum required to validly approve these matters, in accordance with the Law and the Articles of Association, when the shareholders attending represent more than fifty percent (50%) of the subscribed voting capital, the above mentioned resolutions will be validly adopted by absolute majority, and in the case the shareholders attending represent between the twenty-five percent (25%) and the fifty percent (50%) - but without reaching it - the favorable vote of the two-thirds (2/3) of the present or represented capital in the General Shareholders' Meeting will be required to approve these resolutions.

EDPR has not established any mechanism that may intend to cause mismatching between the rights to receive dividends or the subscription of new securities and the voting right of each common share, and has not adopted mechanisms that hinder the passing of resolutions by shareholders, including fixing a quorum for resolutions greater than that provided by the law.

## II. MANAGEMENT AND SUPERVISION

### a) COMPOSITION

#### 15. CORPORATE GOVERNANCE MODEL

EDPR is a Spanish Company listed in a regulated stock exchange in Portugal. The corporate organisation of EDPR is subject to its personal law and to the extent possible, to the recommendations contained in the Corporate Governance Code of the Instituto Português de Corporate Governance ("IPCG"), resulted as of the Protocol signed on October 13<sup>th</sup>, 2017 between the Comissão do Mercado de Valores Mobiliários ("CMVM" - Portuguese Securities Market Commission) and the IPCG. This governance code is available at the IPCG website (<https://cam.cgov.pt/>). As such, the Company intends to comply with both legal systems but always taking into account that its personal law is the Spanish one, and that in case of discrepancy, the aim is to adopt the law that entails more protectionism for its shareholders.

The governance structure of EDPR is the one applicable under its personal law, that comprises a General Shareholders' Meeting and a Board of Directors that represents and manages the Company. Additionally, with the purpose of adapting this structure to the Portuguese legislation to the extent possible, parallelly seeks to correspond it to the so-called "Anglo-Saxon" model set forth in the Portuguese Commercial Companies Code, in which the management body is a Board of Directors, and the supervision and control duties are of the responsibility of an Audit and Control Committee.

The organisation and functioning of EDPR corporate governance model aims to achieve the highest standards of corporate governance, business conduct and ethics referenced on the best national and international practices.

In line with its governance model above referred, and as detailed along topics 15 - 29 of this Chapter 5 of the Annual Report and contemplated in the law and Articles of Association of the Company, EDPR does not have a Supervisory Board, but its Board of Directors has set up three delegated Committees entirely composed by Members of the Board of Directors: the Executive Committee, the Audit, Control and Related-Party Transactions Committee and the Nominations and Remunerations Committee. This structure and its functioning, enables a fluent workflow between all levels of the governance model, as: i) each of the delegated Committees shall report the decisions taken to the Board of Directors (drafting the minutes of each of the meetings and also providing whatever further clarification is required by the Board), and ii) as the Committees Members are also members of the Board, all of them will also receive the complete information at Board of Directors level (as convening of the meetings, supporting documents and related minutes) in order to take the corresponding decisions, and all in all, thus ensuring in time and manner the access to all the information to the whole Board of Directors in order to appraise the performance, current situation and perspectives for the further development of the Company.

The General Secretary constitute the focal point in charge of the centralization of the reception and management of all the information and documents to be provided to the different Governing Bodies. This information is prepared by the different departments of EDPR, with the support when necessary of external experts, and always managed in a strictly confidential basis. Additionally, the corresponding duties and functioning procedures for the Governing Bodies have been defined at the Articles of Association and Board of Directors and Delegated Committees Regulations (which are published at the website of the Company [www.edpr.com](http://www.edpr.com)), with the aim of ensuring the adequacy in terms of time and manner of the elaboration, management and access to the information, in order to proceed at each level with the corresponding acknowledgements and decisions. In line with the above, the General Secretary sends the notices and supporting documents of the topics to be discussed in each meeting of the Board and of each of its Committees to their proper discussion during the meeting. Additionally the minutes of all meetings are drawn and also circulated.

The governance model of EDPR was designed to ensure the transparent and meticulous separation of duties, management and the specialization of supervision, through the following governing bodies:

- General Shareholders' Meeting
- Board of Directors
- Executive Committee
- Audit, Control and Related Party Transactions Committee

The experience gained operating the Company through this structure indicates that the governance model approved by EDPR shareholders, and adopted in EDPR, is the most appropriate in line with the corporate organisation of its activity, especially because it affords transparency and a healthy balance between the management and the supervisory functions.

The institutional and functional relationship between the Executive Committee, the Audit, Control and Related Party Transactions Committee and the other Non-Executive members of the Board of Directors has been of internal harmony conducive to the development of the Company's business.

The links of the Company Website that refers to the information of the Governing Bodies and its regulations are indicated in topics 59-65 of this Chapter 5 of the Annual Report.

## **16. RULES FOR THE NOMINATION AND REPLACEMENT OF DIRECTORS**

According to Article 29.5 of the Company's Articles of Association, the Nominations and Remunerations Committee is empowered by the Board of Directors to propose, advise and inform the Board regarding the appointments (including by co-option), re-elections, removals and remuneration and duties of the Board Members, as well as the composition of the Committees of the Board. This Committee also advises on the appointment, remuneration and dismissal of top management officers.

As also referred in the Company Articles of Association (Article 21) the term of office of the Board Members shall be of three (3) years, and may be re-elected once or more times for equal periods.

Following the best Corporate Governance practices, EDPR has analyzed and discussed about the possible criteria applicable in the selection of the new members of its Governing Bodies. As a conclusion, the Nominations and Remunerations Committee and the Board of Directors resolved at their meetings held on November 2<sup>nd</sup>, 2016, and December 14<sup>th</sup>, 2016 respectively, to take into account among others the following: the education, experience in the energy sector, integrity and independence, having a proven expertise and the diversity that such candidate may provide to the related body. Based on this, after the previous advice of the Nominations and Remunerations Committee, the Board of Directors would submit a proposal to the General Shareholders' Meeting (including for sake of clarity, the curriculum vitae of the candidates, which will be publicly disclosed with the other supporting documents of the meeting in the terms referred in topic 13 above). The appointment proposals should be approved by majority. For more information about the composition of the Board of Directors please check the Sustainability Chapter of the Annual Report at its topic GRI 405-I, and the Annex I of this Chapter 5 of the Annual Report, which includes the curricular details of its Members.

Additionally, in case of a vacancy, pursuant to the Articles of Association and the Spanish Companies Law, the Board of Directors may co-opt a new Board Member, who will occupy the position until the next General Shareholders' Meeting, to which a proposal will be submitted for the ratification of such appointment by co-option. Pursuant to the Spanish Companies Law, the co-option of Directors must be approved by absolute majority of the Directors at the Board meeting.

Finally, pursuant to Article 23 of the Articles of Association and 243 of the Spanish Companies Law, shareholders may group their shares until constituting an amount of capital equal or higher than the result of dividing the company's capital by the number of Members of the Board, to be entitled to appoint a number of Directors equal to the result of the fraction using only whole amounts. Those shareholders making use of this power, cannot intervene in the nomination of the other members of the Board of Directors.

## **17. COMPOSITION OF THE BOARD OF DIRECTORS**

Pursuant to Article 20 of the Company's Articles of Association, the Board of Directors shall consist of no less than five (5) and no more than seventeen (17) Directors. Considering the size of EDPR and the complexity of the risks intrinsic to its activity, it has been concluded that the most adequate composition for its Board of Directors is a total of fifteen (15) members, being eleven (11) of them non-executive.

The Secretary of the Board of Directors is Emilio García-Conde Noriega. Likewise, according to the proposal submitted by the Nominations and Remunerations Committee, the Board of Directors approved on its meeting held on May 7<sup>th</sup>, 2019 the appointment of María Gonzalez Rodríguez as Vice-Secretary of the Board of Directors of EDPR.

By the end of 2018 and during 2019, Maria Teresa Costa, João Paulo Costeira and Gilles August presented their resignations to the positions as Board Members. In order to fill the vacancies left by these resignations, and in accordance with the proposals submitted by the Nominations and Remunerations Committee, the Board of Directors approved on its meetings held on February 26, 2019 and October 29<sup>th</sup>, 2019 the following resolutions:

- The appointment by cooption of Vera Pinto for the position left by Maria teresa Costa, based on her wide understanding of the electric business developed as of her position in EDP, and also considering the diversity criteria adopted by the Company.
- The appointment by cooption of Spyridon Martinis for the position left by João Paulo Costeira, based on his deep knowledge about the offshore and development businesses, and considering also his material track-record as high level manager developed in EDPR.

- The appointment by cooption of Rui Teixeira for the position left by Gilles August, based on his extensive professional career as executive member of the managing bodies of EDP and EDPR, and the material know-how about renewable energy acquired during his nearly seven (7) years as executive director of EDPR few years ago.

The appointments of Spyridon Martinis and Vera Pinto were duly ratified by the Shareholders' Meeting held on April 11, 2019; and the designation by cooption of Rui Teixeira will be submitted for ratification to the next Shareholders' Meeting to be celebrated in 2020.

As of 31<sup>st</sup> December 2019, the Board of Directors is composed by the following fifteen (15) Directors:

BOARD MEMBER	POSITION	DATE OF FIRST APPOINTMENT	DATE OF RE-ELECTION	END OF TERM
António Mexia	Chairman	18/03/2008	27/06/2018	27/06/2021
João Manso Neto	Vice-Chairman CEO	18/03/2008	27/06/2018	27/06/2021
Duarte Bello	Director	26/09/2017	27/06/2018	27/06/2021
Miguel Ángel Prado	Director	26/09/2017	27/06/2018	27/06/2021
Spyridon Martinis	Director	26/02/2019	-	27/06/2021
Vera Pinto	Director	26/02/2019	-	27/06/2021
Rui Teixeira	Director	29/10/2019	-	Until the next General Shareholders' Meeting
Manuel Menéndez Menéndez	Director	04/06/2008	27/06/2018	27/06/2021
António Nogueira Leite	Director	26/02/2013	27/06/2018	27/06/2021
Acácio Piloto	Director	26/02/2013	27/06/2018	27/06/2021
Allan J. Katz	Director	09/04/2015	27/06/2018	27/06/2021
Francisca Guedes De Oliveira	Director	09/04/2015	27/06/2018	27/06/2021
Francisco Seixas da Costa	Director	14/04/2016	27/06/2018	27/06/2021
Conceição Lucas	Director	27/06/2018	-	27/06/2021
Alejandro Fernandez de Araoz	Director	27/06/2018	-	27/06/2021

## 18. EXECUTIVE, NON-EXECUTIVE AND INDEPENDENT MEMBERS OF THE BOARD OF DIRECTORS

The independence of the Directors is evaluated according to the Company's personal law, and annually confirmed by each of the corresponding Directors through an independence declaration. Likewise, EDPR Board of Directors Regulations, and Article 20.2 its Articles of Association, defines independent Directors as those who are able to perform their duties without being limited by relations with the Company, its significant Shareholders, or its management officers and comply with the other legal requirements.

Corporate Governance recommendations of the IPCG Code state that the number of non-executive directors should be higher than the number of executive directors, and that at least one third over the total members shall be non-executive members that also comply with the independence criteria. To this extent, and provided that the independence criteria applicable to EDPR Directors are the ones established under its personal law, from a total of fifteen (15) members of EDPR's Board of Directors as of 31<sup>st</sup> 2019, eleven (11) are non-executive, from which six (6) are also independent. Also in line with the recommendations above indicated, the Audit, Control and Related Party Transactions Committee is composed by three (3) members, all of them non- executive and independent. The composition of the Board of Directors and of its Delegated Committees, has been deeply analyzed, finally identifying the exposed structure as the most suitable considering among others, criteria as the size of the company and the complexity of the risks intrinsic to its activity, in a way that ensures the efficiency of the development of duties.

Spanish law, Regulations of the Board of Directors and Company Articles of Association regulate the criteria for the incompatibilities with the position of Director. Specifically, Article 23 of the Articles of Association, establish that the following can not be Directors:

- Those who are directors of or are associated with any competitor of EDPR, or have family relations with them. In this respect a Company shall be considered as a competitor of EDPR, whenever it is engaged, if it is directly or indirectly involved in the production, storage, transport, distribution, marketing or supply of electricity or fuel gas; or also if has interests opposed to those of EDPR, or to the ones of any competitor or any of the companies in its group, and the Board members, employees, lawyers, consultants, or

representatives of any of them. Under no circumstances shall companies belonging to the same group as EDPR, including abroad, be considered competitors;

- Those who are in any other situation of incompatibility or prohibition under the law or EDPR's Articles of Association. Under Spanish law, among others, are not allowed to be Directors those who are underage - under eighteen (18) years - and were not emancipated, disqualified, competitors, convicted of certain offences, or that hold certain management positions.

The prevention and avoidance of the conflict of interest in the performance of the duties of the Directors of EDPR is regulated in line with the terms contained in article 229 of the Spanish Companies Law and implemented in article 28.3 of the Board of Directors Regulations, which is also applicable to the Committees under article 12 of their respective regulations. This article states that in case any direct or indirect conflict of interest arose, it shall be communicated to the Board of Directors, being the Director involved obliged to abstain from intervening in the corresponding operation. Additionally, all the Board Members (and hence those of its delegated Committees, as they are entirely composed by Members of the Board) shall annually sign an statement declaring their compliance with the terms of the requirements under article 229 of the Spanish Companies Law, and their commitment to notify any variation in the information declared under the statement as soon as it may occur, in order to fully comply with the loyalty duty and avoid any interference or irregularity in any decision-making process.

In accordance with the law and pursuant the last amendment of Articles of Association, it has been established that Non- Executive Directors can only be represented in the Board meetings by other Non-Executive Director.

The following table includes the executive, non-executive (including its Chairman, that does not have executive duties) and independent members of the Board of Directors as of 31<sup>st</sup> December, 2019:

BOARD MEMBER	POSITION
António Mexia	Chairman and Non-Executive Director
João Manso Neto	Vice-Chairman and Executive Director
Duarte Bello	Executive Director
Miguel Ángel Prado	Executive Director
Spyridon Martinis	Executive Director
Vera Pinto	Non- Executive Director
Rui Teixeira	Non- Executive Director
Manuel Menéndez Menéndez	Non-Executive Director
António Nogueira Leite	Non-Executive and independent Director
Acácio Piloto	Non-Executive and independent Director
Allan J. Katz	Non-Executive and independent Director
Francisca Guedes De Oliveira	Non-Executive and independent Director
Francisco Seixas da Costa	Non-Executive and independent Director
Conceição Lucas	Non- Executive and independent Director
Alejandro Fernandez de Araoz	Non-Executive Director

Following the best corporate governance recommendations, considering that the Chairperson of the Board of Directors of EDPR, Antonio Mexia, is a non-independent Director, the Nominations and Remunerations Committee approved on its meeting held on February 18<sup>th</sup>, 2019 to propose to the independent Members of Board the appointment Antonio Nogueira Leite as Lead Independent Director whose functions would namely be: i) act, when necessary, as an interlocutor between the Chairperson of the Board of Directors and the other Directors, (ii) ensure the necessary conditions and means so the Directors may carry out their functions; and (iii) coordinate the independent Directors in the assessment of the performance of the managing body. This proposal was unanimously approved by all the independent Directors (with the abstention of the candidate proposed) on the Board meeting held February 26<sup>th</sup>, 2019.

## 19. PROFESSIONAL QUALIFICATIONS AND BIOGRAPHIES OF THE MEMBERS OF THE BOARD OF DIRECTORS

The main positions held by the members of the Board of Directors in the last five (5) years, those that they currently hold, positions in Group and non-Group companies and other relevant curricular information details are available in the Annex I of this Chapter 5 of the Annual Report.

## 20. FAMILY, PROFESSIONAL AND BUSINESS RELATIONSHIPS OF THE MEMBERS OF THE BOARD OF DIRECTORS WITH QUALIFYING SHAREHOLDERS

Qualifying Shareholders in EDPR are subject to the Spanish Law, which regulates the criteria and thresholds of the shareholders' holdings. As of December 31<sup>st</sup> 2019, and as far as the Company was informed, there are no family or business relationships of Members of the Board of Directors with qualifying shareholders but only professional relationships due to the fact that some of the Members of EDPR's Board of Directors are currently Members of the Board of Directors in other companies belonging to the same group as EDP Energias de Portugal S.A., which are the following:

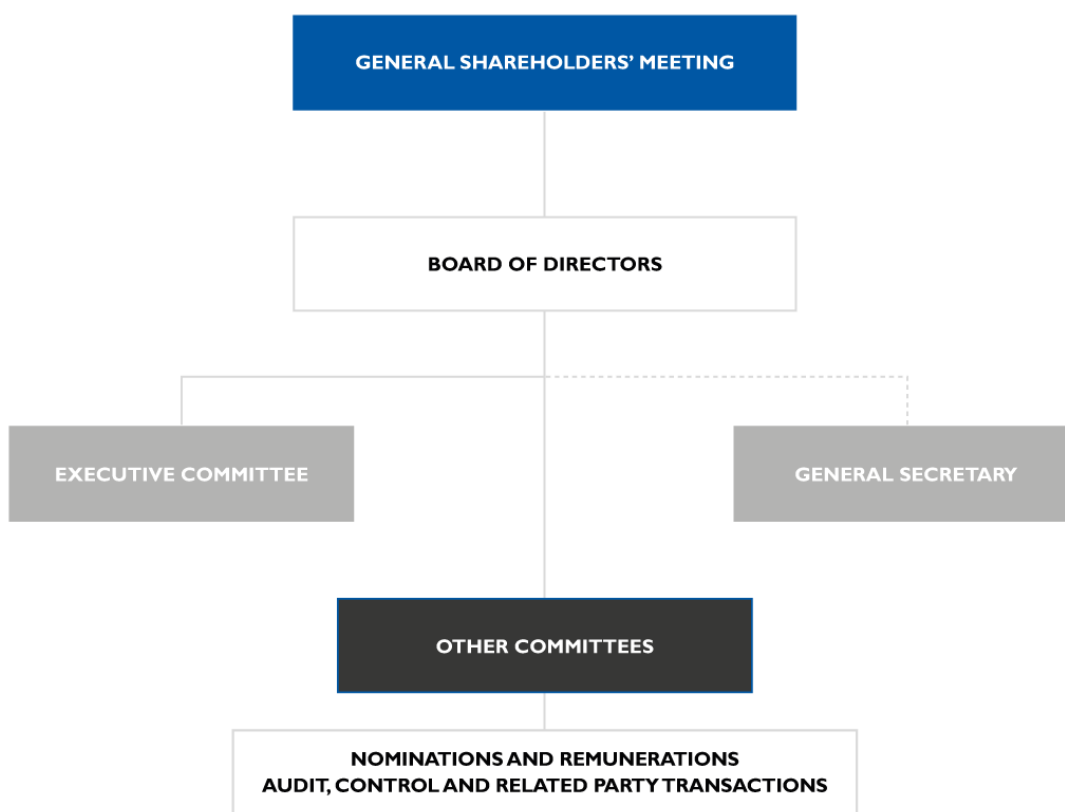
- António Mexia;
- João Manso Neto;
- Manuel Menéndez Menéndez;
- Vera Pinto;
- Rui Teixeira.

Or employees in other companies belonging to EDP's Group, which are the following:

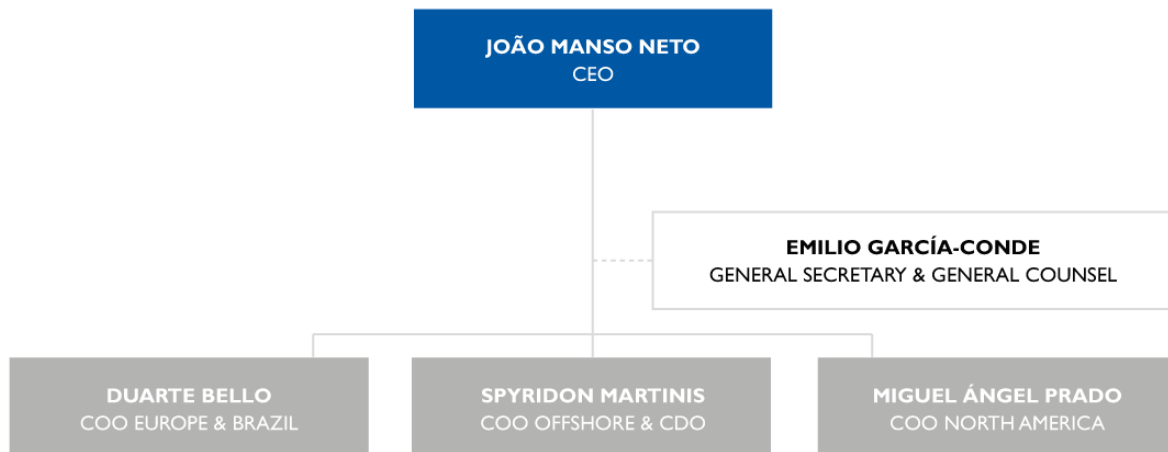
- Duarte Bello;
- Miguel Ángel Prado;
- Spyridon Martinis.

## 21. MANAGEMENT STRUCTURE

As exposed in topic 15 above, the governance model of EDPR was designed to ensure the transparent and meticulous separation of duties and the specialization of supervision through the following structure of its governing bodies:



- **General Shareholders' Meeting:** which is the body in which the shareholders participate. Represents the Company with the full authority corresponding to its legal personality and has the power to deliberate, vote and adopt decisions, particularly on matters that the law and Articles of Association reserve for its decision and that must be submitted for its approval.
- **Board of Directors:** that represents and administrates the Company under the broadest powers of management, supervision and governance with no limitations other than the responsibilities expressly and exclusively granted to the jurisdiction of the General Shareholders Meeting in the Company's Articles of Association or in the applicable law.
- **Executive Committee:** which is the delegated body of the Board of Directors entrusted to perform the daily management of the business. EDPR's Executive Committee is composed by the following members that are also Joint Directors:



- **Other Delegated Committees:** as regulated by the applicable Law and pursuant to the best corporate governance recommendations, EDPR has set up two additional specialized internal committees:
  - The Audit, Control and Related Party Transactions Committee, whose main duties are the appointment of the company's auditors, the monitorization of internal risk management and control systems, the supervision of internal audits and compliance, and also the ratification of transactions between EDPR and EDP and between its related parties, qualified shareholders, directors, key employees or their relatives.
  - The Nominations and Remunerations Committee, whose main duties are the assistance and report to the Board of Directors in the appointments, re-elections, dismissals, evaluation and remunerations of the members of the Board of Directors.

## b) FUNCTIONING

### 22. BOARD OF DIRECTORS REGULATIONS

EDPR's Board of Directors Regulations are available at Company's website ([www.edpr.com](http://www.edpr.com)), and at Company's headquarters at Plaza del Fresno, 2, Oviedo, Spain.

### 23. NUMBER OF MEETINGS HELD BY THE BOARD OF DIRECTORS

According to the Law and its Articles of Association, EDPR's Board of Directors meetings take place at least once every quarter. During the year ended on December 31<sup>st</sup>, 2019, the Board of Directors held six (6) meetings. The notices and supporting documents of the topics to be discussed in each meeting are sent to the Board members in advance to their proper discussion during the meeting. Additionally the minutes of all meetings are drawn and also circulated. The table below expresses the attendance percentage of the participation of the Directors to the meetings held during 2019:

BOARD MEMBER	POSITION	ATTENDANCE*
António Mexia	Chairman and Non-Executive Director	33.33%
João Manso Neto	Vice-Chairman and Executive Director	100%
Duarte Bello	Executive Director	100%
Miguel Ángel Prado	Executive Director	100%
Spyridon Martinis	Executive Director	100%
Vera Pinto	Non- Executive Director	100%
Rui Teixeira	Non- Executive Director	100%
Manuel Menéndez Menéndez	Non-Executive Director	100%
António Nogueira Leite	Non-Executive Director	83.33%
Acacio Piloto	Non-Executive Director	100%
Gilles August	Non-Executive Director	83.33%
Allan J. Katz	Non-Executive Director	66.66%
Francisca Guedes De Oliveira	Non-Executive Director	100%
Francisco Seixas da Costa	Non-Executive Director	66.66%
Conceição Lucas	Non- Executive Director	100%
Alejandro Fernandez de Araoz	Non-Executive Director	100%

\* The percentage reflects the meetings attended by the Members of the Board, provided that Spyridon Martinis and Vera Pinto joined the Board in February 26<sup>th</sup>, 2019, and Rui Teixeira in October 29<sup>th</sup>, 2019, and therefore, the respective percentages expressed have been calculated over the meetings celebrated since then. With regards of the percentage assistance reflected for Gilles August, should be taken into account that he presented his resignation with effects October 17<sup>th</sup>, 2019, and thus the percentage shown in the table reflects the attendance calculated over the meetings celebrated until such date.

### 24. COMPETENT BODY FOR THE PERFORMANCE APPRAISAL OF EXECUTIVE DIRECTORS

The key performance indicators for the appraisal of the Executive Directors are set in advance by the approval of the General Shareholder's Meeting.

Once the corresponding fiscal year is completed, the Nominations and Remunerations Committee performs the first assessment about the compliance with such key performance indicators, and submits its recommendation to the Board of Directors, which evaluates the proposal of this Committee and makes the final decision. Should be noted that according to the personal law of EDPR, the definitive assessment of this performance is a non-delegable competence of the Board of Directors.

### 25. PERFORMANCE EVALUATION CRITERIA

The criteria for assessing the Executive Directors' performance are described on topics 70, 71 and 72 of this Chapter 5 of the Annual Report.



## **26. AVAILABILITY OF THE MEMBERS OF THE BOARD OF DIRECTORS**

The members of Board of Directors of EDPR are fully available for the performance of their duties having no constraints for the execution of this function simultaneously with other positions. Additionally, Executive Directors of EDPR, do not perform any other executive duties outside the Group. The positions held at the same time in other companies within and outside the Group, and other relevant activities undertaken by members of the Board of Directors throughout the financial year are listed in the Annex I of this Chapter 5 of the Annual Report.

### **c) COMMITTEES WITHIN THE BOARD OF DIRECTORS OR SUPERVISORY BOARD AND MANAGING DIRECTORS**

## **27. BOARD OF DIRECTORS' COMMITTEES**

As previously exposed, and as specifically foreseen in Article 10 of the Company's Articles of Association, the Board of Directors may have delegated bodies. The Board of Directors of EDPR has set up three Committees:

- Executive Committee
- Audit, Control and Related-Party Transactions Committee
- Nominations and Remunerations Committee

With the exception of the Executive Committee, the other Committees are composed exclusively by independent members.

## **28. EXECUTIVE COMMITTEE COMPOSITION**

Pursuant to Article 27 of the Company's Articles of Association, the Executive Committee shall consist of no less than four (4) and no more than seven (7) Directors.

Its constitution, the nomination of its members and the extension of the powers delegated must be approved by two- thirds (2/3) of the members of the Board of Directors.

As of December 31<sup>st</sup>, 2019, EDPR Executive Committee is composed by the following members, who are also Joint Directors:

- João Manso Neto, who is the Chairman and CEO
- Duarte Bello
- Miguel Ángel Prado
- Spyridon Martinis

Additionally, Emilio García-Conde Noriega is the Secretary of the Executive Committee.

## 29. COMMITTEES COMPETENCES

### EXECUTIVE COMMITTEE COMPOSITION

The composition of the Executive Committee is described on the previous topic.

#### Competences

The Executive Committee is a permanent body in charge of the daily management of the Company, to which all the competences of the Board of Directors that are delegable under the law and the Articles of Association can be assigned.

#### Functioning

In addition to the Articles of Association, this Committee is also governed by its regulations approved on June 4<sup>th</sup> 2008 and last amended on November 2<sup>nd</sup>, 2016. The Committee regulations are available at the Company's website ([www.edpr.com](http://www.edpr.com)).

The Executive Committee shall meet at least once a month and whenever is deemed appropriate by its Chairperson, who may also suspend or postpone meetings when he sees fit. The Executive Committee shall also meet when requested by at least two (2) of its members.

The notices and supporting documents of the topics to be discussed in each meeting of this Committee are sent to its members in advance to their proper discussion during the meeting, being the minutes of all meetings drawn and also circulated. Additionally, the Chairman of the Executive Committee, who is currently also the Vice-Chairman of the Board of Directors, submits to the Chairman of the Audit, Control and related Party Transactions Committee and to the rest of the members of the Board, the convening notices and inform about of its decisions at the first Board held after each committee meeting.

Meetings of the Executive Committee are valid if half of its members plus one are present or represented. Decisions shall be adopted by majority. In the event of a tie, the Chairman shall have the casting vote.

Executive Directors shall provide any clarifications needed by the other Directors or corporate bodies whenever requested to do so.

#### 2019 activity

The Executive Committee's main activity is the daily management of the Company, and in the execution of such duties, during 2019 held a total of fifty (50) meetings.

## AUDIT, CONTROL AND RELATED PARTY TRANSACTIONS COMMITTEE

### Composition

Pursuant to Article 28 of the Company's Articles of Association and Article 9 of its Regulations, the Audit, Control and Related Party Transactions Committee consists of no less than three (3) and no more than five (5) members.

According to Article 28.5 of the Articles of Association the term of office of the Chairman of the Audit, Control and Related Party Transactions Committee is a maximum of six (6) years. Following the proposal submitted by the Nominations and Remuneration Committee, its Chairman, Acacio Piloto, was first elected for this position on June 27<sup>th</sup>, 2018.

The Audit, Control and Related Party Transactions Committee consists of three (3) non-executive and independent members, plus the Secretary who as of December 31<sup>st</sup> 2019, are the following:

- Acacio Piloto, who is the Chairman
- Antonio Nogueira Leite
- Francisca Guedes de Oliveira

Additionally, Mr. Emilio García-Conde Noriega is the Secretary of the Audit, Control and Related Party Transactions Committee.

The Committee members shall maintain their positions for as long as they are Company Directors. Nevertheless, the Board may decide to discharge members of the Committee at any time, also the members may resign of these positions but still maintaining their seat as Members of the Board of Directors.

### Competences

Notwithstanding the other duties that the Board may assign to this Committee, it shall perform supervisory functions of Audit and Control independently from the Board of Directors, as well as, supervisory functions of the transactions between Related Parties, as follows:

#### A) Audit and Control functions:

- Reporting through the Chairperson on questions falling under its jurisdiction to the General Shareholders' Meetings;
- Proposing the appointment of the Company's auditors to the Board of Directors for subsequent approval by the General Shareholders' Meeting, as well as the contractual conditions, scope of the work – specially concerning audit services, "audit related" and "non-audit" – annual activity evaluation and revocation or renovation of the auditor appointments;
- Supervising the finance reporting and the functioning of the internal risk management and control systems, as well as evaluating those systems and proposing the adequate adjustments according to the Company necessities (including without limitation, the monitorization of the development of the strategic lines and risk policies defined);
- Supervising internal audits and compliance;
- Establishing a permanent contact with the external auditors to assure the conditions, including independence, that may be adequate for provision of services performed by them acting as the Company speaker for the subjects related to the auditing process, and receiving and maintaining information on any other questions regarding accounting subjects;
- Preparing an annual report on its activities, including eventual constraints, and expressing an opinion on the Management Report, the accounts and the proposals presented by the Board of Directors;

- Receiving notices of financial and accounting irregularities presented by the Company's employees, shareholders, or entities that have a direct interest and judicially protected, related with the Company's social activity;
- Engaging the services of experts to collaborate with Committee members in the performance of their functions (when engaging the services of such experts and determining their remuneration, it must be taken into account the importance of the matters entrusted to them and the economic situation of the Company);
- Drafting reports at the request of the Board and its Committees;

**B) Related Party Transactions functions:**

- Periodically reporting to the Board of Directors on the commercial and legal relations between EDP or related entities and EDP Renováveis or related entities;
- 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;
- 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;
- Ratifying any modification of the Framework Agreement signed by EDP and EDP Renováveis on 7 May 2008;
- 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;
- Asking EDP for access to the information needed to perform its duties;
- 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€;
- 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 entities from EDP Renováveis Group whose annual value is superior to 75.000€.

**Functioning**

In addition to the Articles of Association and the law, this Committee is governed by its regulations approved on June 27<sup>th</sup> 2018, which are available at the Company's website ([www.edpr.com](http://www.edpr.com)).

The committee shall meet at least once a quarter and additionally whenever its Chairperson sees fit. The notices and supporting documents of the topics to be discussed in each meeting of this Committee are sent to its members in advance to their proper discussion during the meeting. Additionally, this Committee shall draft minutes of every meeting held and inform the Board of Directors of its decisions at the first Board held after each Committee meeting.

Decisions shall be adopted by majority and the Chairperson shall have the casting vote in the event of a tie.

## 2019 activity

In 2019 the Audit, Control and Related Party Transactions Committee's activities included the following:

### A) Audit and Control Activities:

- Monitor the closure of quarterly accounts, first half-year and year-end accounts;
- Information about the independence of the External Auditor;
- Assessment of the external auditor's work, especially concerning the scope of work in 2019, approval of all "audit related" and "non-audit" services and analysis of external auditor's remuneration;
- Supervision of the quality and integrity in the preparation and disclosure of the financial information in accordance with the applicable accounting policies, estimates and judgments;
- Drafting of an opinion about the individual and consolidated reports (including the Corporate Governance report) and accounts, in a quarterly, half year and yearly basis;
- Monitoring of the 2019 Internal Audit Action Plan and pre-approval of draft prepared for the 2020 Internal Audit Action Plan;
- Monitoring of the recommendations issued by Internal Audit;
- Follow-up and supervision of the quality, integrity and efficiency of the treasury management (finance and debt), the internal control system, risk management and internal auditing;
- Evaluating the strategies and risk policies adopted, and elaborating a report including its assessment about the risk management during 2019;
- Information about Whistle-Blowing;
- Information about the contingencies affecting to the Group;
- Information about the proposal of application of results for the fiscal year ended on December 31<sup>st</sup> 2018 and the distribution of dividends;
- Quarterly and annual report of its activities during 2019 and self-assessment about its performance.

### B) Related Party Transactions Activities:

In 2019, the Audit, Control and Related Party Transactions Committee revised, approved and proposed to the Board of Directors the approval of all agreements and contracts between related parties submitted to its consideration.

Section E – I, topic 90 of Chapter 5 this Annual Report includes a description of the fundamental aspects of the agreements and contracts between related parties.

The Audit, Control and Related Party Transactions Committee found no constraints during its control and supervision activities.

The information regarding the meetings celebrated by this Committee and the attendance of its related members during the year 2019 is described at topic 35.

## NOMINATIONS AND REMUNERATIONS COMMITTEE

### Composition

Pursuant to Article 29 of the Company's Articles of Association and Article 9 the Nominations and Remunerations Committee Regulations, this Committee shall consist of no less than three (3) and no more than six (6) members. At least one of its members must be independent and shall be its Chairman.

In accordance with Recommendation 52 of the Spanish Unified Code of Good Governance ("Código Unificado de Buen Gobierno") approved by the Board of CNMV on February 18<sup>th</sup> 2015, the Nominations and Remunerations Committee must be entirely constituted by Non-Executive Directors and being the majority of them independent. In compliance with this Recommendation, and to the extent possible, also with the recommendation V.2.I. of the Corporate Governance Code of IPCG (as considering that in Spain this committee shall be entirely comprised by members of its Board of Directors), EDPR's Nominations and Remunerations Committee is entirely constituted by non- executive and independent members of its Board of Directors.

As of December 31<sup>st</sup> 2019, the Nominations and Remunerations Committee consists of three (3) independent members, who are the following:

- Antonio Nogueira Leite, who is the Chairman
- Francisco Seixas da Costa
- Conceição Lucas

Additionally, Emilio García-Conde Noriega is the Secretary of the Nominations and Remunerations Committee.

None of the Committee members are spouses or up to third degree relatives in direct line of the other members of the Board of Directors.

The Committee members shall maintain their positions for as long as they are Company Directors. Nonetheless, the Board may decide to discharge members of the Committee at any time and the members may resign said positions while remaining Company Directors.

### Competences

The Nominations and Remunerations Committee is a permanent body belonging to the Board of Directors with an informative and consultative nature and its recommendations and reports are not binding.

The Nominations and Remunerations Committee has no executive functions. The main functions of the Nominations and Remunerations Committee are to assist and report to the Board of Directors about appointments (including by co-option), re-elections, removals and remuneration of the Board Members and its Officers, the composition of the Board delegated Committees, as well as the appointment, remuneration, and removal of executive staff.

The Nominations and Remunerations Committee shall also inform the Board of Directors on general remuneration and incentive policy and incentives for Board members and executive staff. These functions include the following:

- Defining the standards and principles governing the composition of the Board of Directors and the selection and appointment of its members;
- Proposing the appointment and re-election of Directors in cases of appointment (including nominations by co-option) for the submission to the General Shareholders' Meeting by the Board of Directors;
- Proposing to the Board of Directors the candidates for the different Committees;
- Proposing to the Board, within the limits established in the Articles of Association, the remuneration system, distribution method, and amounts payable to the Directors;

- Making proposals to the Board of Directors on the conditions of the contracts signed with Directors;
- Informing and making proposals to the Board of Directors regarding the appointment and/or removal of executives and the conditions of their contracts and generally defining the hiring and remuneration policies of executive staff;
- Reviewing and reporting on incentive plans, pension plans, and compensation packages;
- Any other functions assigned in the Articles of Association or by the Board of Directors I.

In accordance with the personal law of EDPR, all the Board Members shall attend to the General Shareholder's Meeting, and as exposed in topic 15 of this Chapter 5 of the Annual Report, all the Delegated Committees are composed Directors. As such, the Chairperson of the Nominations and Remunerations Committee shall attend the Shareholder's Meetings, and in case its agenda includes any topic related to remuneration of the company's governing bodies, this Director will be most adequate to answer. During 2019 only one Shareholders' Meeting was held on April 11, and the Chairperson of the Remuneration Committee, Antonio Nogueira Leite, attended.

### Functioning

In addition to the Articles of Association, the Nominations and Remunerations Committee is governed by its Regulations approved on June 4<sup>th</sup> 2008.

This committee shall meet at least once every quarter and also whenever its Chairman sees fit. The notices and supporting documents of the topics to be discussed in each meeting of this Committee are sent to its members in advance to their proper discussion during the meeting. Additionally, this Committee shall draft minutes of every meeting held and inform the Board of Directors of its decisions at the first Board held after each Committee meeting. Decisions shall be adopted by majority and the Chairperson shall have the deciding vote in the event of a tie.

### 2019 activity

In 2019 the Nominations and Remunerations Committee held four (4) meetings, and the main activities performed were:

- In view of the vacancies left by João Paulo Costeira and Maria Teresa Costa Campi after the resignations to their positions as members of the Board, analyzing the profile, background and expertise of the potential candidates perform these roles;
- Proposing to the Board of Directors the appointment by cooption of Spyridon Martinis and Vera Pinto as new members of the Board of Directors;
- Proposing to the Board of Directors the appointment and remuneration conditions of Spyridon Martinis as new member of the Executive Committee;
- Performance evaluation of the Board of Directors and its Executive Committee;
- Drafting of the Declaration of the Board of Directors Remuneration Policy for 2019 as well as the proposal to approve a Complementary Long Term Program for the COO NA, the COO Europe&Brasil and the COO Offshore&CDO to be proposed to the Board of Directors;
- Development of an analysis regarding the independence of the members of the Board of Directors;
- Proposing to the independent Members of Board the appointment Antonio Nogueira Leite as a Lead Independent Director, as well as the functions to be performed under this position;
- Drafting the report of its activities performed during the year 2018;
- Analysis and issuance of a reflection on the Corporate Governance system adopted by EDPR;

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I On its meeting held on December 14<sup>th</sup>, 2016, the Board of Directors approved to delegate the functions related to the reflection on the Corporate Governance structure and on its efficiency, in the Nominations and Remunerations Committee.

- Proposing to the Board of Directors the appointment of María Gonzalez Rodríguez as Vice-Secretary of the Board of Directors of the Company;
- In view of the vacancy left by Gilles August after his resignation to the position as member of the Board, analyzing the profile, background and expertise of potential candidates to assume this role, and proposing to the Board of Directors the appointment by co-option of Rui Teixeira as new member of the Board of Directors;
- In view of the new appointments, proposing to the Board of Directors to jointly analyze with the Audit, Control and Related Party Transactions Committee, the potential amendments of the Executive Management Services Agreement signed with EDP.

### III. SUPERVISION

#### a) COMPOSITION

#### 30. SUPERVISORY BOARD MODEL ADOPTED

EDPR's governance model, as long as it is compatible with its personal law (Spanish law), corresponds to the so -called "Anglo-Saxon" model set forth in the Portuguese Commercial Companies Code, in which the management body is a Board of Directors, and the supervision and control duties are of the responsibility of an Audit, Control and Related Party Transactions Committee.

#### 31. COMPOSITION OF THE AUDIT, CONTROL AND RELATED PARTY TRANSACTIONS COMMITTEE

The Audit, Control and Related Party Transactions Committee is comprised only by non-executive and independent members who as of December 31<sup>st</sup>, 2019, are the following:

BOARD MEMBER	POSITION	DATE OF FIRST APPOINTMENT
Acacio Piloto	Chairman	27/06/2018
Antonio Nogueira Leite	Vocal	6/11/2018
Francisca Guedes de Oliveira	Vocal	27/06/2018

#### 32. INDEPENDENCE OF THE MEMBERS OF THE AUDIT, CONTROL AND RELATED PARTY TRANSACTIONS COMMITTEE

Information concerning the independence of the members of the Audit, Control and Transactions Party Committee is available on the chart of topic 18 of this Chapter 5 of the Annual Report. As mentioned on the first paragraph of topic 18, the independence of the members of the Board and of its Committees is evaluated according to the Company's personal law, the Spanish law.

#### 33. PROFESSIONAL QUALIFICATIONS AND BIOGRAPHIES OF THE MEMBERS OF THE AUDIT, CONTROL AND RELATED PARTY TRANSACTIONS COMMITTEE

Professional qualifications of each member of the Audit, Control and Related Party Transactions Committee and other important curricular information, are available in the Annex I of this Chapter 5 of the Annual Report.

#### b) FUNCTIONING

#### 34. AUDIT, CONTROL AND RELATED PARTY TRANSACTIONS COMMITTEE REGULATIONS

The Audit, Control and Related Party Transactions Committee regulations are available at the Company's website ([www.edpr.com](http://www.edpr.com)) and at the Company's Headquarters at Plaza del Fresno, 2, Oviedo, Spain.

#### 35. NUMBER OF MEETINGS HELD BY THE AUDIT, CONTROL AND RELATED PARTY TRANSACTIONS COMMITTEE

The Audit, Control and Related Party Transactions Committee regularly meets representatives of the internal specialized departments involved in the areas under Committee's competences in order to discuss the information periodically reported about, among others, work plans and resources of the internal auditing service (including Compliance), Company accounts, detection of potential irregularities (whistleblowing), global risk management and audit and non-audit services provided by the External Auditor (including the appraisal about its independence). This relationship provides a wider information to the Committee that would be taken into account for the development of its functions and in particular, for the assessments issued under the elaboration of the Internal Control Report, the SCIRF Report and the Risk Management Report, that this Committee delivers for every fiscal year.



During 2019, the Audit, Control and Related Party transactions Committee held a total of nine (9) meetings, of which, Internal Audit participated in eight (8), SCIRF in four (4) and Global Risk in five (5). Likewise, the Committee invited the External Auditors to four (4) of these meetings.

The following tables reflect the attendance of the members of the Audit, Control and Related Party Transactions Committee to its meetings held during 2019:

BOARD MEMBER	POSITION	ATTENDANCE
Acacio Piloto	Chairman	100%
Francisca Guedes de Oliveira	Vocal	88.88%
Antonio Nogueira Leite	Vocal	88.88%

### 36. AVAILABILITY OF THE MEMBERS OF THE AUDIT, CONTROL AND RELATED PARTY TRANSACTIONS COMMITTEE

The members of the Audit, Control and Related Party Transactions Committee are fully available for the performance of their duties having no constraints for the execution of this function simultaneously with positions in other companies. The positions held simultaneously in other companies inside and outside the Group and other relevant activities undertaken by members of this Committee throughout the financial year are listed in Annex I of this Chapter 5 of the Annual Report.

#### c) POWERS AND DUTIES

### 37. PROCEDURES FOR HIRING ADDITIONAL SERVICES TO THE EXTERNAL AUDITOR

In accordance to the Recommendation VII.2 of the IPCG Corporate Governance Code, in EDPR there is a policy of pre- approval by the Audit, Control and Related Party Transactions Committee of the the provision of non-audit services to be provided by the External Auditor and any related entity. This policy was strictly followed during 2019.

The non–audit services provided by the External Auditor and entities in a holding relationship with or incorporated in the same network as the External Auditor were previously approved by the Audit, Control and Related Party Transactions Committee according to Article 8.A), b) of its Regulations and upon review of each specific service, which considered the following aspects: (i) such services having no effect on the independence of the External Auditor and any safeguards used; and (ii) the position of the External Auditor in the provision of such services, notably the External Auditor’s experience and knowledge of the Company.

Furthermore, although hiring services other than auditing services to the External Auditor is admissible, it is envisaged as an exception. In 2019 such services reached only around 7.8% of the total amount of services provided to the Company.

### 38. OTHER DUTIES OF THE AUDIT, CONTROL RELATED PARTY TRANSACTIONS COMMITTEE

Apart from the competences expressly delegated on the Audit, Control and Related Party Transactions Committee according to Article 8 of its Regulations, and in order to safeguard the independence of the External Auditor, the following competences of this Committee were exercised during the 2019 financial year and should be highlighted:

- Pre-approval of any services to be hired from the External Auditor and perform its direct and exclusive supervision;
- Assessment of the qualifications, independence, and performance of the External Auditors, and obtaining, yearly and directly from the External Auditors, written information on all relations existing between the Company and the Auditors or associated persons, including all services rendered and all services in progress. In order to evaluate independence, the Audit Committee, obtained the information regarding External Auditors’ independence in light of the Spanish Law no. 22/2015 of July 20<sup>th</sup>, 2015 (“Ley de Auditoría de Cuentas”);
- Review of the transparency report, signed by the Auditor and disclosed at its website. This report covers the matters provided for under Law no. 22/2015 of July 20<sup>th</sup>, 2015 (“Ley de Auditoría de Cuentas”); including those regarding the quality control internal system of the audit firm and the quality control procedures carried out by the competent authorities;
- Review with the External Auditors their scope, planning, and resources to be used in their provision of services;

## IV-V. STATUTORY AND EXTERNAL AUDITORS

### 39-41.

According to the Spanish law, the External Auditor (“Auditor de Cuentas”) is appointed by the General Shareholders’ Meeting and corresponds to the statutory auditor body (“Revisor Oficial de Contas”) described on the Portuguese Law.

The information about the External Auditor is available in topics 42 to 47 of Section V of this Chapter 5 of the Annual Report.

### 42. EXTERNAL AUDITOR IDENTIFICATION

The main criteria considered in the selection of the most suitable and competitive firm to be appointed as External Auditor are the following:

- Recognized technical and professional track record as External Auditor;
- Consolidated *Know-How* about the business developed by the whole Group;
- Tailored and highly prepared working team;
- Competitive contractual conditions and working methodology (including but without limitation, the total estimation of hours required for the development of the services- both as a total for the complete provision of services, and per each professional category of the proposed team);
- Competitive Fee proposal, including the final cap and a breakdown referring the price average per hour, and the remuneration per hour for each professional category of the proposed team.

As a result of a competitive process launched in 2017, during which the above criteria were exhaustively analyzed, PricewaterhouseCoopers Auditores, S.L., was appointed as EDPR SA External Auditor by the Shareholder’s Meeting held on April 3<sup>rd</sup>, 2018. PricewaterhouseCoopers Auditores, S.L., is a Spanish Company registered at the Spanish Official Register of Auditors under number S0242 with Tax Identification Number B-79031290 and whose audit partner in charge of EDPR is Iñaki Goiriena.

### 43. NUMBER OF YEARS OF THE EXTERNAL AUDITOR

PricewaterhouseCoopers Auditores, S.L. is in charge of the audit of EDPR SA accounts for the years 2018, 2019 and 2020, being 2018 the first year performing these duties.

### 44. ROTATION POLICY

According to the personal Law of EDPR -the Spanish Law- the maximum term for an audit firm as the External Auditor of a company is established in a 10-year term from the date the company is declared as a “Public Interest Entity”. In the case of EDPR, this date is when the IPO was launched in 2008.

Following the proposal of the Audit, Control and Related Party Transactions Committee presented to the Board of Directors to its submission to the General Shareholders’ Meeting, on its meeting held on 3<sup>rd</sup> April 2018, it was approved to appoint PricewaterhouseCoopers Auditores, S.L as EDPR’s External Auditor for the years 2018, 2019 and 2020.

### 45. EXTERNAL AUDITOR EVALUATION

The Audit, Control and Related Party Transactions Committee is responsible for the monitorization and annual evaluation of the services provided by the External Auditor according to the competences granted by its Regulations. In order to perform this assessment, this Committee periodically includes in the agenda of its meetings a topic regarding the review of the services provided by the External Auditor (both audit and *non-audit*) and the fees already incurred and those estimated until year end. Likewise, and as exposed in topic 35 of this Chapter 5 of the Annual Report, the External Auditor attends and participates in some of the meetings held by this Committee, mainly in order to analyze the results of their audit reports. As such, the Audit, Control and related Party Transactions Committee acts as the company speaker with the External Auditor, with whom establishes a permanent contact throughout the year to assure the proper conditions for the provision of both the statutory audit services and non-audit services, and being also the body in charge of monitoring its independence along the year. Likewise, the External Auditor shall sign an annual statement declaring its independence.

During 2019, according to the Audit, Control and Related Party Transactions Committee’s competences and in line with Recommendation VII.2.2, the Committee was the first and direct recipient and the corporate body in charge of the permanent contact with the External Auditor on matters that may pose a risk to their independence as well as any other matters related to the auditing

of accounts. Additionally, in compliance with the auditing standards in effect, it also receives and maintains the record of information about other matters as provided in the applicable auditing and accounting legislation. The External Auditor, within the scope of its duties, verified the implementation of the remuneration policies and systems of the corporate bodies as well as the efficiency and effectiveness of the internal control mechanisms and report any shortcomings to the Audit, Control and Related Party Transactions Committee of the Company.

#### 46. NON-AUDIT SERVICES CARRIED OUT BY THE EXTERNAL AUDITOR

On 3 March 2016, it was approved the regulation on the provision of services by the Statutory Auditor or Statutory Audit Firm, which defines and promotes criteria and methodologies to safeguard the independence of the audit and non-audit services (SDA). In accordance with such regulation, the Audit, Control and Related Party Transactions Committee closely follows the requests of non-audit services, each of which necessarily require the preapproval of this Committee before its provision as per exposed in topic 29 of this Chapter 5 of the Annual Report and Article 8.A),b) of its Regulations.

The identification of such non-audit services that will eventually be provided by the External Auditors, in particular, tax consultancy services and services other than “audit and audit related” services, is performed under the rules issued by the European Union on this matter, in particular under Regulation 537/2014 and the Spanish Auditing Law n° 22/2015, of 20<sup>th</sup> July, as well as when applicable, in line with the particularities of the local regulations where the service is to be provided.

During 2019 the non-audit services provided by PricewaterhouseCoopers Auditores, S.L the External Auditor for EDP Renováveis S.A. consisted mostly on i) limited review as of June 30, 2019 of the EDPR Consolidated Financial Statements; ii) review of the internal control system on financial reporting for the EDPR Group; and iii) review of the non-financial information related to sustainability included in the EDPR Group’s annual report. Other non-audit services provided by the External Auditor or its network to EDPR’s subsidiaries mainly refer to i) quarterly reviews as of March 31, 2019 and September 30, 2019 for EDP Group’s consolidation purposes; and ii) agreed-upon procedures, mainly related to the review of covenants in the context of bank financing agreements and external auditor’s certifications for share capital transactions as required by local Laws.

PricewaterhouseCoopers Auditores, was engaged to provide the above-mentioned services due to its in-depth knowledge of the Group’s activities and processes. These engagements did not risk their independence as External Auditors and were pre-approved by the Audit, Control and Related Party Transactions Committee prior to rendering the services.

#### 47. EXTERNAL AUDITOR REMUNERATION IN 2019 FOR EDP RENOVÁVEIS S.A. AND SUBSIDIARIES

TYPE OF SERVICES	PORTUGAL	SPAIN	BRAZIL	US	OTHER	TOTAL	%
Statutory Audit	161,802	493,930	174,842	1,238,251	607,073	2,675,898	91.3%
Other audit related services	-	-	26,460*	-	-	26,460	0.9%
<b>Total audit related services</b>	<b>161,802</b>	<b>493,930</b>	<b>201,302</b>	<b>1,238,251</b>	<b>607,073</b>	<b>2,702,358</b>	<b>92.2%</b>
Tax consultancy services							
Other services un related to statutory auditing	-	163,882	4,265	30,924	28,179	227,250	7.8%
<b>Total non-audit related services</b>	<b>-</b>	<b>163,882**</b>	<b>4,265</b>	<b>30,924</b>	<b>28,179</b>	<b>227,250</b>	<b>7.8%</b>
<b>TOTAL</b>	<b>161,802</b>	<b>657,812***</b>	<b>205,567</b>	<b>1,269,175</b>	<b>635,252</b>	<b>2,929,608</b>	<b>100,00%</b>

\* This amount includes the interim audit of the financial statements for a portfolio of Brazilian companies, as of June 30, 2019.

\*\* This amount includes, among others, services that refer to the entire Group such as the review of the internal control system on financial reporting and review of the non-financial information related to sustainability included in the EDPR Group’s annual report, which are invoiced to a European company. This amount also includes the limited review as of June 30, 2019 of the EDPR Consolidated Financial Statements and other reviews for Group consolidation purposes which are considered non-audit services according to the respective local regulation.

\*\*\* This amount includes 644 thousand Euros of services provided by PricewaterhouseCoopers Auditores S.L. from which 494 thousand Euros refer to audit services and 150 thousand Euros refer to non-audit services.

## C. INTERNAL ORGANISATION

### I. ARTICLES OF ASSOCIATION

#### 48. AMENDMENTS TO THE ARTICLES OF ASSOCIATION

The amendments of the Articles of Association of the Company are of the responsibility of the General Shareholders' Meeting. According to Article 17 of the Company's Articles of Association ("Constitution of the General Shareholders' Meeting, Adoption of resolutions"), to validly approve any amendment to the Articles of Association, the Ordinary or Extraordinary Shareholders' Meeting will need:

- On first call, that the Shareholders either present or represented by proxy, represent at least fifty percent (50%) of the subscribed voting capital.
- On second call, that the Shareholders either present or represented by proxy, represent at least twenty-five percent (25%) of the subscribed voting capital.

In the event that the shareholders attending represent more than fifty percent (50%) of the subscribed voting capital, the resolutions referred to in the present paragraph will be validly adopted when reached absolute majority. If the shareholders attending represent between twenty-five percent (25%) and fifty percent (50%) – but without reaching it – the favorable vote of two-thirds (2/3) of the present or represented capital in the General Shareholders' Meeting will be required in order to validly approve these resolutions.

### II. REPORTING OF IRREGULARITIES

#### 49. IRREGULARITIES COMMUNICATION CHANNELS

##### WHISTLEBLOWING

EDPR has always carried out its activity by consistently implementing measures to ensure the good governance of its companies, including the prevention of incorrect practices, particularly in the areas of accounting and finance.

On this basis, and in compliance with the provisions of IPCG Corporate Governance Code, EDPR provides the Group workers with a channel enabling them to report directly and confidentially to the Audit, Control and Related Party transactions Committee any practice presumed illicit or any alleged accounting and/or financial irregularity in their Company.

With this channel for reporting irregular accounting and financial practices, EDPR aims to:

- Guarantee conditions that allow workers to freely report any concerns they may have in these areas to the Audit, Control, and Related Party Transactions Committee;
- Facilitate the early detection of irregular situations, which, if practiced, might cause serious damage to the EDPR Group, its workers, customers and shareholders.

Contact with the Company's Audit, Control and Related Party Transactions Committee to this extent is only possible by email and post, and access to information received is restricted.

Any complaint addressed to the Audit, Control and Related Party Transactions Committee will be kept strictly confidential and the whistle-blower will remain anonymous, provided that this does not prevent the investigation of the complaint. He/she will be assured that the Company will not take any retaliatory or disciplinary action as a result of exercising his/her right to blow the whistle on irregularities, provide information, or assist in an investigation. The process and functioning rules of this channel are explained in the Welcome Presentation organized every year for the new hires of EDPR and also published on the intranet and website of the Company. The bylaws of this channel are available at the intranet of the Company, which includes, among other issues, the regulation of the suitable means and procedure of communication and treatment of irregularities, and the terms of safeguarding the confidentiality of the information transmitted and the identity of its provider.

The Secretary of the Audit, Control and Related Party Transactions Committee receives all the communications and presents a quarterly report to the members of the Committee.

In 2019 there were no communications through this channel regarding any irregularity at EDPR.

## CODE OF ETHICS AND ETHICS CHANNEL

EDPR has a strong commitment in relation to the dissemination and promotion of compliance with ethic guidelines and principles like transparency, honesty, integrity, non-discrimination, equal opportunity, and sustainability, which is encouraged to all employees through its Ethics Code and its regulations. This Code lays down principles of action that are either the result of legal obligations incumbent on the EDPR or every member of the organisation or an assertion of values of ethics and citizenship reflected by management options that, in the organisational and market setting in which EDPR operates, are believed to be those that most foster long-term sustainability of its business and the achievement of excellence.

Both the Code and its regulations are published on its intranet and website and attached to the labour agreements of the new hires to their written acknowledgement when they join the Company. Likewise, this Code has been widely circulated to the employees of the Group through internal communications and introduced in Welcome Presentation organized every year for the new hires of EDPR. Additionally, with the objective that every employee of the Company receive an specific training on Ethics at least once, the Company periodically, , provides an online course ("Ética EDP") to all the new employees who joined the Company that year and to the ones that having joined EDPR prior to such, were outstanding to receive it.

In order to support and achieve its Ethics Code and Ethics commitments and initiatives, and with the aim of minimizing the risk of unethical practices, generating transparency and trust in relationships, EDPR has also approved and implemented the following:

- Ethics Committee: is a standing non - executive committee of the Board of Directors, whose objective is to ensure the Code of Ethics compliance within the Company, processing all information received to this extent and establishing, if appropriate, corrective actions.

The main functions of the Ethics Committee are the receipt, registration, processing and reporting to the Board of Directors of information and reports received by the employees regarding infractions of the Code in matters of legislation and ethics, conduct in the work environment, human rights and equal opportunities, integrity, relations with customers and suppliers, the environment and sustainability. These functions include the following:

- Proposing corporate ethics instruments, policies, goals and targets;
- Monitoring application of the Code of Ethics, laying down guidelines for its regulation and overseeing its proper application by the Company and its subsidiaries;
- Analysing reported infractions of the Code of Ethics, deciding on their relevance and admissibility;
- Deciding if there is any need for a more in-depth investigation to ascertain the implications and persons involved. The Ethics Committee may, for this purpose, use internal auditors or hire external auditors or other resources to assist in the investigation;
- Appointing the Ethics Ombudsperson;
- Any other functions assigned to it in the Articles of Association or by the Board of Directors.

The Ethics Committee shall be composed by three members: the Chairman of the Audit, Control and Related Party Transactions Committee, the Chairman of the Appointments and Remuneration Committee, and the Compliance Officer. As of December 31<sup>st</sup>, 2019, the members of the Ethics Committee are as follows:

- Acacio Piloto, Chairman of the Ethics Committee as Chairman of the Audit, Control and Related Party Transactions Committee;
- Antonio Nogueira Leite, vocal of the Ethics Committee as Chairman of the Nominations and Remunerations Committee;
- Emilio Garcia- Conde Noriega, vocal of the Ethics Committee as Compliance Officer of EDPR;

The Ethics Committee shall meet at least once a year and whenever the Chairman deems it is necessary, and its meetings shall be validly convened when one-half plus one of its members are present or represented at the meeting. The resolutions of the Ethics Committee shall be approved by majority vote with the Chairman casting deciding vote in the event of a tie. This Committee shall also inform the Board of Directors of the resolutions it approves at the first meeting of the Board following the Committee meeting in which the resolution was agreed.

- **Ethics Ombudsperson:** is an external person from the Company that receives complaints and doubts submitted through the Ethics Channel and investigates and documents the procedure for each of them, with guaranteed confidentiality in relation to the identity of the claimant. The appointment for this position is made by the Ethics Committee. Its main functions are therefore as follows:
  - Receiving the doubts and claims submitted through the Ethics channel and preparing and documenting the cases;
  - Submitting the related reports of the claims received to the Ethics Committee;
  - Monitoring each case analyzed until its conclusion, liaising with the complainant whenever necessary.

Since January 2019, the Ombudsperson of EDPR is Maria Manuela Casimiro da Silva.

- **Ethics Channel:** is an internal and external channel made available for the submission of claims and doubts about the infringements of the Ethics Code in matters of legislation and ethics, conduct in the work environment, human rights and equal opportunities, integrity, relations with customers and suppliers, environment and sustainability. This channel is available on the intranet and Website of the Company and its existence and functioning is also introduced in Welcome Presentation organized every year for the new hires of EDPR.

The procedure and workflow of the claims and queries submitted through this channel is regulated under the Regulations of the Code of Ethics and the regulations of the Ethics Committee, and is as follows:

1. The claimant (internal or external) submits its communication through the Ethics Channel (by email or letter through the template available at the Website an intranet), which is received by the Ethics Ombudsperson.
2. The Ethics Ombudsperson starts the investigation and drafts the related report.
3. The Ethics Ombudsperson submits the summary of the investigation to the Ethics Committee (omitting the identity of the complainant) for its deliberation about the effective infringement of the Ethics Code or not and, to analyse if additional information is needed. If the latest were the case, an investigation will be carried out with the support of internal or external means as appropriate.
4. The final decision about the query or claim is communicated to the claimant. The Ethics Ombudsperson will make further contact with the complainant to report the opinion of the Ethics Committee.

In 2019, there were three (3) claims submitted through the Ethics Channel. These claims were analyzed by the Ethics Ombudsman and determined there were not an unethical behavior within the Ethics scope. The nature of the claims was commercial; these claims were forwarded to the pertinent teams for its resolution.

## ANTI-CORRUPTION POLICY

In order to ensure compliance with the standards of Anti-Corruption Regulation in every geography where EDPR operates, the Company developed in 2014 an Anti-Bribery Policy of application to all EDPR Group, which was approved by its Board of Directors on December 19<sup>th</sup> 2014, and last updated in 2017. A new revision of the Anti-Corruption Policy was performed in July 2019, the revised version was approved by EDPR Executive Committee on July 2019 and communicated to all EDPR Employees.

This Anti-Corruption Policy implies a series of procedures regarding the relationships of EDPR employees with external parties, namely the approval of certain actions regarding hospitality to and from external parties, donations, and sponsorships. This Policy was implemented in the Group in 2015, through the introduction of several approval systems in the corporate's employee channels in order to ensure transparency and prevent any corrupt business practice, and since then, has been periodically communicated EDPR employees. Once this implementation was finished, the corresponding training sessions were organized for part of our employees, and made available the Policy in the intranet and Website, in order to ensure appropriate knowledge and understanding of the Policy. It is also attached to the labor agreements of the new hires to their written acknowledgement when they join the Company, and besides that, in the Welcome Presentation organized every year for the new hires of EDPR, they are also explained the main contents of this documents and its functioning.

### III. INTERNAL CONTROL AND RISK MANAGEMENT

#### 50. INTERNAL AUDIT

EDPR's Internal Audit Department is composed by eight (8) members. The function of EDPR's Internal Audit is to carry out an objective and independent assessment of the Group's activities and of its internal control situation, in order to make recommendations to improve the internal control mechanisms over systems and management processes in accordance with the Group's objectives.

Additionally, EDPR has a Responsibilities Model and a SCIRF Manual (Internal Control System over Financial Reporting), in which individuals, governing bodies and committees responsible for implementing and managing the internal control system are indicated.

The Responsibilities Model includes the functions and main activities in the management and maintenance of the system at all levels of the organisation including monitoring activities related to the annual cycle, the implementation of controls and documentation of evidence and supervision activities.

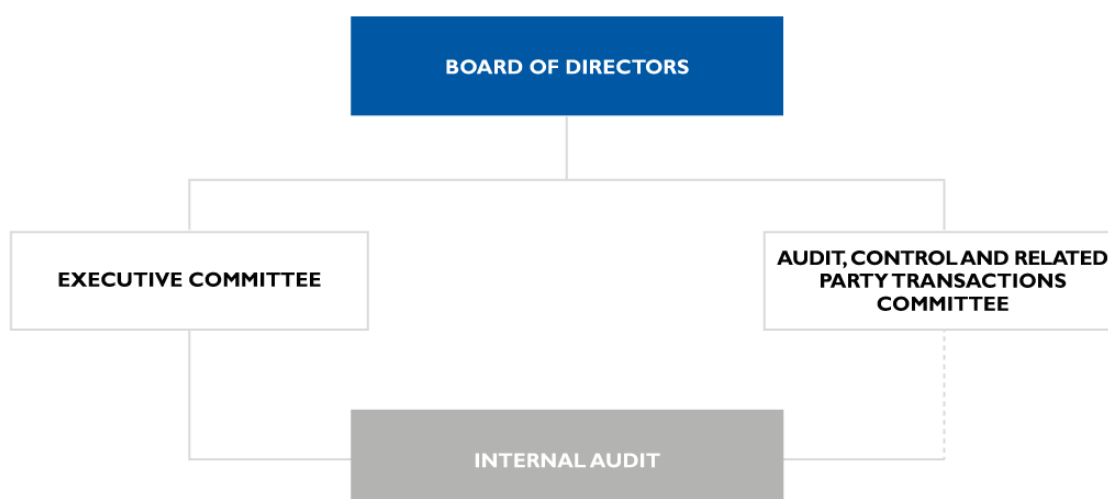
The SCIRF Manual incorporates the general principles of the Internal Control System over Financial Reporting as well as the methodology used, the procedures for ensuring the effectiveness of internal control and design of models, documentation, evaluation and reporting.

In line with the general principles of the model adopted by EDPR for the management of the SCIRF, the COSO Internal Control integrated Framework 2013 (Committee of Sponsoring Organisations of the Treadway Commission), the responsibility for supervising the Internal Control System lies in the Board of Directors and the Audit, Control and Related Party Transactions Committee. The CEO is accountable before the Board and must ensure the proper functioning and effectiveness the SCIRF, promoting its design, implementation and maintenance. The Executive Committee must support the CEO in this task, guiding the development of the Entity Level Controls of the Company and the controls in their areas of responsibility, relying when necessary on other levels of the organisation. Also, the Senior Managers are responsible for evaluating any deficiencies and implementing appropriate improvement opportunities.

To fulfil these responsibilities, EDPR's Internal Audit offers support and advice for the management and development of the SCIRF.

#### 51. ORGANISATIONAL STRUCTURE OF INTERNAL AUDIT

The Internal Audit function in EDPR Group is a corporate function carried out by the Internal Audit Department, which reports both to the Chairman of EDPR's Executive Committee and to EDPR's Audit, Control and Related Party Transactions Committee.



## 52. RISK MANAGEMENT

EDPR's Enterprise Risk Management Process is an integrated and transversal management model that ensures the minimization of the effects of risk on EDPR's capital and earnings, as well as the implementation of best practices of Corporate Governance and transparency. The process aligns EDPR's risk exposure with the company's desired risk profile.

The Enterprise Risk Management Framework was approved in 2016, in accordance with the guidelines agreed at its Board of Directors level. Based on this risk framework, the Company develops a Risk Management System through individual risk policies and procedures for most relevant risks, where it is defined the methodology to calculate probability of occurrence and impacts, as well as mitigation measures and additional thresholds. In addition, these risk policies and procedures establish the process for control, periodic evaluation and eventual adjustments. The approvals necessary to proceed with this system are normally submitted and reported to the Executive Committee, which will inform the Board of Directors of these progresses. Likewise, the Risk Management System is closely followed and supervised by the Audit, Control and Related Party Transactions Committee, an independent supervisory body composed of non-executive members that reports to the Board of Directors, in charge among others, of the monitorization of the compliance and progresses of the Risk Management Plan, and of the status and possible improvements to the measures and controls for the mitigation/hedge of the potential risks identified for EDPR.

Market, counterparty, operational, business and strategic risks are identified and assessed and, following the result of the assessment, Risk Policies are defined and implemented across the company. These policies are aimed to mitigate risks without compromising potential opportunities, thus, optimizing return versus risk exposure.

In 2019, EDPR updated the Enterprise Risk Management Framework and Counterparty Risk Policy, following Risk Committees discussions:

- Enterprise Risk Management Framework: Update of risk limits that set the risk appetite, following the recent growth of the company.
- Counterparty Risk Policy: Update of global limits and included specific limits to Community Choice Aggregators in the US.

During 2019, EDPR reassessed the Operational Risk for the company executing a bottom-up analysis across all departments, as stated in EDPR's Operational Risk Policy. In addition, a review of existing Business Continuity Management System was performed, with the main purpose of aligning it to the recently published ISO 22301.

Also in 2019, EDPR back-tested the risk limits of 2016's Enterprise Risk Management Framework, which concluded that an adjustment in some of the limits was needed, due to the increased size of the company.

## 53. RISK MAP

Risk Management at EDPR is focused on covering all risks of the company. In order to have a holistic view of risks, they are grouped in Risk Categories, which are Market, Counterparty, Operational, Business and Strategic. The definition of Risk Categories at EDPR is as follows:

1. **Market Risk** – It refers to the risk to EDPR resulting from movements in market prices. Due to the relationship between wind production and electricity price, production risk is considered within market risk. In particular, market risk are changes in electricity prices, production risk, interest rates, foreign exchange rates and other commodity prices;
2. **Counterparty Risk (credit and operational)** – Risk that counterparty to a transaction could default before final settlement of the transaction's cash flows. A direct economic loss would occur if transactions with the counterparty had positive economic value at the time of default. Even in the case of not defaulting, it may not comply with its contract obligations (timing, quality, etc.), implying additional higher costs due to its replacement or to delays in fulfilling the contract;
3. **Operational Risk (other than counterparty)** – Defined as the risk of loss resulting from inadequate or failed internal processes, people and systems or from external events (such as an increase in equipment default rates, increasing O&M, or natural disasters);
4. **Business Risk** – Potential loss in the company's earnings due to adverse changes in business margins. Such losses can result above all from a serious increase in equipment prices or changes in the regulatory environment. Changes in electricity prices and production are considered market risks;



5. **Strategic Risk** – It refers to risks coming from macroeconomic, political, social or environmental situation in countries where EDPR is present, as well as those coming from a change in competitive landscape, from technology disruptions, from changes in energy markets or from governance decisions (investment decisions criteria, Corporate Governance and Reputational issues).

Within each Risk Category, risks are classified in Risk Groups.

## **I. Market Risk**

### **I. i) Energy price risk**

EDPR faces limited electricity price risk as it pursues a strategy of being present in countries or regions with long -term visibility on revenues. In most countries where EDPR is present, prices are determined through regulated framework mechanisms. In those countries with no regulated tariffs, power purchase agreements are negotiated with different off- takers to eliminate electricity and Green Certificate or Renewable Energy Credit (REC) price risks.

Despite EDPR's strategy of eliminating market price risk, EDPR still has some plants with merchant exposure.

In Europe, EDPR operates in countries where the selling price is defined by a feed-in-tariff (Portugal, France and Italy) or in markets where, on top of the electricity price, EDPR receives either a pre-defined regulated premium or a green certificate, whose price is achieved on a regulated market (Spain, Belgium, Poland and Romania). EDPR is also developing projects in the UK and in Greece, under contract for differences remuneration schemes.

In countries with a predefined regulated premium or a green certificate scheme, EDPR is exposed to electricity price fluctuations. Considering current Power Purchase Agreements (PPAs) in place, EDPR is exposed to electricity price risk in Romania, in Poland, in Belgium and partially in Spain. Additionally, in European countries with a green certificate scheme (Romania, Belgium and Poland), EDPR is exposed to fluctuation on the price of green certificates.

The US market does not provide a regulated framework system for the electricity price. Nevertheless, renewable generation is incentivized through PTCs (Production Tax Credits) and regional Renewable Portfolio Standard (RPS) programs that allow receiving RECs for each MWh of renewable generation. REC prices are very volatile and depend on the regional supply/demand equilibrium in the relevant market.

Most of EDPR's capacity in the US has predefined prices determined by bundled (electricity + REC) long-term contracts with local utilities in line with the Company's policy of avoiding electricity price risk. Despite existing long term contracts, some EDPR's plants in the US do not have PPA and are selling merchant with exposure to electricity and REC prices. Additionally, some plants with existing PPAs do not sell their energy where it is produced and are therefore exposed to basis risk (difference in price between the location where energy is produced and that where energy is sold).

In Ontario (Canada), the selling price is defined by a long-term feed-in-tariff, thus, there is no electricity price exposure.

In Brazilian and Colombian operations, the selling price is defined through a public auction which is later translated into a long -term contract. Electricity price exposure is almost null, with little exposure for the production above or below the contracted production.

Under EDPR's global approach to minimize the exposure to market electricity prices, the Company evaluates on a permanent basis, if there are any deviations to the pre-defined limits (measured through EBITDA at risk, Net Income at risk and total merchant exposure).

EDPR intends to eliminate Green Certificates and REC price risk with the signing of bundled PPAs with private off-takers, which include the sale of the electricity and the Green Certificate or REC. In some cases, the off-taker may be interested in contracting only the Green Certificate or the REC, thus a GCPA (Green Certificate Purchase Agreement) or a RECPA (REC Purchase Agreement) is signed.

In those geographies with remaining merchant exposure, EDPR uses various commodity-hedging instruments in order to minimize the exposure to fluctuating market prices. In some cases, due to the lack of liquidity of financial derivatives, it may not be possible to successfully hedge all existing merchant exposure, after considering PPAs in place.

In 2019 EDPR had financially hedged most of its remaining merchant exposure in Poland, Romania, Spain, Brazil and the US.

As aforementioned, some US plants have exposure to REC price risk and/or basis risk (difference in electricity price between locations). EDPR hedges REC prices through forward sales and basis exposures through financial swaps or FTR (Financial Transmission Rights).

### **I. ii) Energy Production Risk**

The amount of electricity generated by EDPR's renewable plants is dependent on weather conditions, which vary across locations, from season to season and from year to year. Variation on the amount of electricity that is generated affects EDPR's operating results and efficiency.

Not only the total wind or solar production in a specific location is relevant, but also the profile of production. Wind usually blows more at night than at daytime, when energy prices are lower and the opposite for solar. Generation profile will affect the discount or add-on in price of a plant versus a baseload generation.

Finally, curtailment of a plant will also affect its production. Curtailment occurs when the production of a plant is stopped by the TSO (Transmission System Operators) for external reasons to the Company. Examples of cases of curtailment are upgrades in transmission lines or exceptional congestion (high level of electricity generation for available transmission capacity).

EDPR mitigates wind and solar resource volatility and seasonality through geographical diversification of its asset base in different countries and regions.

EDPR acknowledges the correlation between different plants in its portfolio that allows for this geographical diversification, which enables EDPR to partially offset production variations in each region and to keep the total energy generation relatively steady. Currently, EDPR is present in 14 countries: Spain, Portugal, France, Belgium, Poland, Romania, Italy, UK (no generation), Greece (no generation), Colombia (no generation), US, Canada, Brazil and Mexico.

Nevertheless, 2019 was a year with slightly below the expected average generation for EDPR, although European assets almost compensated the lower production of North American plants.

EDPR has analyzed the potential use of financial products to hedge wind risk and might use this product to mitigate risk in specific cases.

Profile risk and curtailment risk are managed ex-ante. For every new investment, EDPR factors the effect that expected generation profile and curtailment will have on the output of the plant. Generation profile and curtailment of EDPR's plants are constantly monitored by EDPR's Risk department to detect potential future changes.

### **I. iii) Risks related to financial markets**

EDPR finances its plants through project finance or corporate debt. In both cases, a variable interest rate might imply significant fluctuations in interest payments.

On the other hand, due to EDPR's presence in several countries, revenues are denominated in different currencies. Consequently, exchange rate fluctuations may have a material adverse effect on financial results or on the value of the foreign investment.

#### **I. iii) a) Interest rate risk**

Given the policies adopted by EDPR Group, current exposure to variable interest rate is not significant and financial cash flows are substantially independent from the fluctuation of interest rates.

The purpose of interest rate risk management policies is to reduce the exposure of long-term debt cash flows to market fluctuations, mainly by contracting long term debt with a fixed rate.

- When long-term debt is issued with floating rates, EDPR settles derivative financial instruments to swap from floating to fixed rate.
- EDPR has a portfolio of interest-rate derivatives with maturities of up to 14 years. Sensitivity analyses of the fair value of financial instruments to interest-rate fluctuations are periodically performed.

With most of interest rate being fixed, main exposure to interest rates arises at refinancing. To protect against this risk, EDPR intends to maintain a balanced maturity profile for its corporate fixed debt, thus, diversifying the risk of bad timing when refinancing occurs.

Repricing calendar of debt is continuously monitored together with interest rates in order to detect good timing for restructuring debt.

Taking into account risk management policy and approved exposure limits, Global Risk Area supports the Finance team in interest rate hedging decisions and the Finance team submits the financial strategy appropriate to each project/location for Executive Committee's approval.

### **I. iii) b) Exchange rate risk**

EDPR has international operations and is exposed to the exchange-rate risk resulting from investments in foreign subsidiaries. Currency exposure in operating plants is to U.S. dollar, Romanian leu, Polish zloty, Brazilian real, British pound, Canadian dollar and Colombian pesos.

EDPR hedges risk against currency fluctuations by financing in the same currency as the revenues of the project. When local financing is not available, EDPR hedges debt cash flows through cross currency interest rate swaps.

EDPR also hedges net investment (investment after deducting local debt) in foreign currency through cross currency interest rate swaps.

Finally, EDPR contracts foreign exchange forwards to hedge the risk in specific transactions, mainly in payments to suppliers which may be denominated in different currencies.

EDPR's hedging efforts minimize exchange rate volatility, but do not eliminate completely this risk due to high costs associated to hedging FX in certain situations.

### **I. iii) c) Inflation risk**

In specific projects, regulated remuneration is linked to inflation. Additionally, O&M costs are considered to be linked to inflation in most cases.

Exposure to inflation in revenues may be naturally hedged with exposure to interest rates and EDPR regularly analyses inflation exposure and its relationship with interest rates to adjust level of interest rate coverage in project finance structures.

Exposure to inflation in O&M costs is managed at the moment of the investment decisions, by executing sensitivity analyses.

### **I. iii) d) Liquidity risk**

Liquidity risk is the risk of EDPR not meeting its financial obligations. Liquidity risk is mainly related to extreme market movements in electricity prices, interest or exchange rates, which may change the expected cash flow generation.

EDPR tracks liquidity risk in the short term (margin calls, etc.) and in the long term (financing sources) in order to meet strategic targets previously set (EBITDA, debt ratio and others).

EDPR's strategy to manage liquidity risk is to ensure that its liquidity is sufficient to meet financial liabilities when due, under both normal and stressed conditions, and without incurring unacceptable losses or risking damage to EDPR's reputation.

Different funding sources are used such as Tax Equity investors, multilateral organisations, project finance, corporate debt and asset rotation in order to ensure long-term liquidity to finance planned projects and working capital.

The Directors have estimated cash flows that show that the Group will meet the commitments existing at the close of the 2019 financial year and those foreseen for 2020.

### **I.iv) Commodity price risk (other than electricity)**

In projects in which there is a significant number of years between investment decision and start of construction, EDPR may be exposed to the price of the materials used in turbine manufacturing, foundations and interconnection through escalation formulae included in the contracts with suppliers.

In order to manage this risk, EDPR may hedge the market exposure in OTC/future commodity markets, considering the risks (potential losses) and the cost of the hedge.

## 2. Counterparty Risk

Counterparty credit risk is the risk that the counterparty to a transaction could default before the final settlement of the transaction's cash flows. An economic loss could occur, either a direct economic loss if the transaction has a positive value at the moment of default (counterparty credit risk) or a replacement cost due to change of the counterparty (counterparty operational risk).

### 2. i) Counterparty Credit Risk

If the transactions or portfolio of transactions with the counterparty has a positive economic value at the time of default, an economic loss would occur.

To control credit risk at EDPR, thresholds of Expected Loss and Unexpected Loss are established at company level as defined under Basel Standards and re-evaluated monthly. If the threshold is surpassed by the company as a whole, mitigation measures are implemented in order to remain within the pre-established limit.

Additionally, Expected Loss limits are established for each individual counterparty or Group of counterparties (parent and subsidiaries).

### 2.ii) Counterparty Operational Risk

If the transactions or portfolio of transactions with the counterparty do not have a positive economic value at the time of default, it will impact operations. Despite no direct loss at the time of default, the replacement of the counterparty could imply a cost to EDPR due to potential delays, higher contract value with a new counterparty (replacement costs), etc.

Construction and O&M subcontractors are counterparties to which EDPR is exposed from an operational point of view.

To minimize the probability of incurring in potential replacement costs with counterparties, EDPR's policy concerning counterparty operational risk is managed by an analysis of the technical capacity, competitiveness, credit quality and replacement cost of the counterparty.

## 3. Operational Risk

### 3. i) Development Risk

Renewable plants are subject to strict regulations at different authority levels (international, national, state, regional and local) relating to the development, construction, grid interconnection and operation of power plants. Among other things, these laws regulate landscape and environmental aspects, building licenses, land use and land securing and access to the grid issues.

While level of exigency might be different depending on the geographies, EDPR acknowledges a trend for legislations to align towards concentrating the most restrictive rules and development risks on the consenting (environmental and urban permissions) and interconnection (electricity connection of the plant to the national grid).

In this context, EDPR's experience gathered in different countries is useful to anticipate and deal with similar situations in other countries.

During the development and design phase, EDPR focuses on the optimization of its projects. By mastering the variables, such as choice of locations, layout, etc., the objective is to make our projects more resilient to permitting risks.

Additionally, EDPR mitigates development risk by generating optionality, with development activities in 14 different countries (Spain, Portugal, France, Belgium, Poland, Romania, UK, Italy, Greece, US, Canada, Colombia, Brazil and Mexico) and a portfolio of projects in several stages of maturity. EDPR has a large pipeline of projects that provide a "buffer" to overcome potential delays in the development of prioritized projects, ensuring growth targets and being able to compensate permitting delays in some geographies.

### 3. ii) Execution Risk

During the construction of the foundations, interconnection and substation of a plant, and the installation of the equipment, different events (bad weather, accidents, etc.) might occur that could imply an over cost or a delay in the commercial operation date of the plant:

- The delay implies a postponement of cash flows, affecting profitability of the investment.
- When a plant has a PPA, a delay of the commercial operation date might imply the payment of LDs, with the consequent loss of revenues and the impact on annual financial results.

During the design phase, EDPR engineering teams supervise the engineering and the installation method. Construction is subcontracted to technically capable construction companies.

In both cases, a critical path analysis is performed to assess the reliability of construction and installation plan. Also, collaterals may be required to the counterparty following EDPR's Counterparty Risk Policy.

### **3.iii) Operation Risk**

#### **Damage to Physical Assets Risk**

Renewable plants in construction and in operation are exposed to weather hazards, natural disasters, etc. These risks depend on the location.

All plants are insured the physical damage during construction and operation. During operation, any natural disaster, weather hazard or accident will be partially insured to revenue losses due to the event.

#### **Equipment Performance Risk (O&M costs)**

Output from renewable plants depends upon the operating availability of the equipment.

EDPR mitigates this risk by using a mix of suppliers which minimizes technological risk, avoiding exposure to a unique manufacturer.

EDPR also engages suppliers through medium-term full-scope maintenance agreements during the first years of operation to ensure alignment with supplier in minimizing technology risk.

Finally, for older plants, EDPR has created an Operation and Maintenance (O&M) program with an adequate preventive and scheduled maintenance program. EDPR externalizes non-core technical O&M activities of its renewable plants, while primary and value added activities continue to be controlled by EDPR.

### **3. iv) Information Technology Risk**

IT (Information Technologies) risk may occur in the technical network (information network for plants operation) or in the office network (information network of corporate services: ERP, accounting...)

EDPR mitigates this risk creating redundancy of servers and control centers of renewable plants. Redundancy is created in a different location to anticipate potential natural disasters, etc.

### **3. v) Legal claims Risk (compliance, corruption, fraud)**

EDPR faces potential claims of third parties, corruption and fraud of its employees.

EDPR has implemented an internal "Code of Ethics" and an Anticorruption Policy where the company commits to comply with legal obligations in every community where EDPR is established.

Additionally, the company Ombudsperson receives all the complaints sent through the "Code of Ethics" channel and decides the appropriate procedure for each one of them. An anticorruption mailbox is also available to report any questionable practice.

### **1.3. vi) Personnel Risk**

EDPR identifies four main risk factors regarding personnel: turnover, health and safety, human rights, and discrimination, violence or behavior against human dignity.

- **Turnover:** A high turnover implies direct costs of replacement and indirect costs of knowledge loss. EDPR mitigates turnover through constant reassessment and benchmarking of remuneration schemes in different geographies. Additionally, EDPR offers flexibility to its employees to improve work life balance. In 2018, EDPR was elected as "Top Employer" in Spain by the Top Employers Institute.
- **Health and safety:** EDPR has deployed an H&S management system, complying with OHSAS 18001, pursuing the "zero accidents" target,
- **Human rights:** EDPR has committed, through its "Code of Ethics", to respect international human rights treaties and best work practices. All counterparties which sign a contract with EDPR are committed to respect EDPR's "Code of Ethics".

- Discrimination, violence or behavior against human dignity: EDPR forbids any kind of discrimination, violence or behavior against human dignity, as stated in its “Code of Ethics”. Strict compliance is enforced, not only through the reporting channel of the Ombudsperson, but also through constant awareness from all employees of the company.

### **3.vii) Processes Risk**

Internal processes are subject to potential human errors that may negatively affect the outcome.

Internal Audit Department regularly reviews internal processes and recommends the establishment of new controls or the improvement in the implementation of existing procedures.

## **4. Business Risk**

### **4. i) Regulatory Risk (renewables)**

The development and profitability of renewable energy projects are subject to policies and regulatory frameworks. The jurisdictions in which EDPR operates provide different types of incentives supporting energy generated from renewable sources.

Remuneration schemes have become less competitive in some countries due to the financial crisis and it cannot be guaranteed that current support will be maintained in all EDPR’s geographies or that future renewable energy projects will benefit from current support measures. Regulation promoting green energy has been revised or is under revision in some of the countries where EDPR is present.

In the US, renewable generation from wind will be incentivized through Production Tax Credits (PTC) at a Federal level for all projects beginning of construction up to 2019. Level of incentives will be progressively fading out. Additionally, wind and solar production is also incentivized through State RPS Programs that allow receiving RECs (Renewable Energy Credit) for each MWh of renewable generation.

EDPR is managing its exposure to regulatory risks through diversification, by being present in several countries and through participation as an active member in several wind and solar associations.

Regulatory Risk in each of EDPR’s countries is monitored continuously, considering current regulation, potential drafts of new laws, feedback from associations, evolution of installed renewable generation capacity and other inputs. EDPR has developed an internal quantitative assessment of Regulatory Risk that serves as an indicator for changes in supporting schemes. This measure is updated annually in all EDPR’s geographies.

Regulatory Risk is also considered ex-ante, at the moment of the investment, through sensitivity analyses that are performed to evaluate its impact in project profitability under different scenarios.

### **4.ii) Equipment Market Risk Equipment Price Risk**

Price of equipment is affected, not only by market fluctuations of the materials used, but also by the demand of this equipment or a possible increase in trade tariffs and levies

For every new project, EDPR secures the demand risk by engaging in advance with manufacturers, elected through a competitive process.

### **Equipment Supply Risk**

The demand for new plants may offset the offer of equipment. Currently, the local component requirement in some geographies (Ex: Brazil) may create this shortfall situation. In the event of a trade war, supply chain of equipment suppliers may be affected, creating further imbalances in local component requirements.

EDPR currently faces limited risk to the availability and price increase of equipment due to existing framework agreements with major global suppliers. The Company uses a large mix of suppliers in order to diversify equipment supply risk. For geographies with specific requirements of local component, EDPR does not engage in a project before securing the supply of the equipment. This risk is further explained on EDPR’s annual report due to its current relevance in the business.

## **5. Strategic Risk**

### **5. i) Country Risk**

Country Risk is defined as the probability of occurrence of a financial loss in a given country due to macroeconomics, political or natural disasters. EDPR has defined a Country Risk Policy that assesses country risk through an internal scoring based on publicly

available data. This internal scoring is compared with external assessments from renowned organisations. Each risk factor affecting country risk is evaluated independently to decide on potential mitigating actions:

- **Macroeconomic Risk:** risks from the country's economic evolution, affecting revenue or cost time of the investments
- **Political Risk:** all possible damaging actions or factors for the business of foreign companies that emanate from any political authority, governmental body or social group in the host country
- **Natural disaster risk:** natural phenomena (seismicity, weather) that may impact negatively in the business conditions

Before approving a project in a new geography, EDPR analyses the risk of the new country and compares it to our existing portfolio. Mitigation measures may be decided when this risk is above a certain threshold.

### 5. ii) Competitive landscape

In the renewable business, size can be an advantage or disadvantage in specific situations. For example, in development of renewable plants, small and dynamic companies are usually more competitive than larger companies.

On the other hand, when participating in tender processes for offshore wind farms, the size of the investment benefits larger companies.

Additionally, the consequences of a change in the competitive landscape due to mergers and acquisitions may also be a risk.

To mitigate the risks, EDPR has a clear knowledge of its competitive advantages and tries to leverage on them. When EDPR has no advantage versus its competitors, alternatives are considered in order to become competitive. For example, for offshore wind farms, EDPR has partnered with large companies with previous experience in large electricity generation projects, in order to become a more competitive consortium.

### 5. iii) Technology disruptions

Most renewables are relatively recent technologies, which are continuously evolving and improving efficiency. As such, some initially expensive technologies can become competitive in a relatively short time.

EDPR growth focuses in the most competitive renewable technologies at the moment, which are onshore wind, offshore wind and PV solar, but also participates in other innovative projects such as floating offshore wind.

### 5. iv) Meteorological changes

Future estimations of wind and solar production are based on analysis of historical measurements for more than 20 years, and they are considered to be representative of the future. Relevant unexpected meteorological changes could lead to a lower production than the one expected from historical data.

When evaluating a new investment, EDPR considers potential changes in the production forecasted, however, the size of the potential deviation in the case of relevant meteorological changes is uncertain.

### 5. v) Investment decisions criteria

Not all projects have the same risk profile. This will depend on merchant exposure of remuneration, construction risk, etc.

In order to take proper business decisions, EDPR uses Risk Adjusted Metrics for investment decisions, which take into consideration the different risks inherent of each project.

### 5. vi) Energy Planning

Assumptions in future evolution of energy markets affect the profitability of the investments for the period after the fixed remuneration (regulated tariff or PPAs). Structure of electricity markets in most of EDPR geographies (marginal setting price) were not designed to consider a great share of generation from renewable sources with zero marginal price. Thus, the increase in renewable generation could lead to lower pool prices in medium term if reforms of electricity markets are not properly undertaken.

When investing, EDPR performs sensitivity analyses to stress pool price scenarios for the period without fixed remuneration to understand the robustness of the profitability of the investment.

## 5. vii) Corporate Organisation and Governance

Corporate governance systems should ensure that a company is managed in the interests of its shareholders and other relevant stakeholders.

In particular, EDPR has an organisation in place with a special focus on transparency, where the management body (Board of Directors) is separated from the supervision and control duties (Audit and Control Committee). Members of the Audit Committee are invited to the General Risk Committee of EDPR.

## 5. viii) Reputational risk

Companies are exposed to public opinion and today's social networks are a rapid mean to express particular opinions.

A bad reputation could eventually harm financial results of a company in the short and in the long term.

Sustainability makes part of the essence of EDPR. EDPR is not only committed in building a better future, but also in doing it well, in an ethical and sustainable manner, consequently limiting reputational risk.

## 54. RISK FUNCTIONS AND FRAMEWORK

A corporation can manage risks in two different ways, one risk at a time on a largely and compartmentalized basis, or all risks together within a coordinated and strategic framework. The latter approach is called "Enterprise Risk Management" and is the approach used at EDPR.

Risk Management at EDPR is supported by three distinct organisational functions, each one with a different role: Strategy (Risk Profiler), Management (Risk Manager) and Controlling (Risk Controller).

RISK FUNCTIONS	DESCRIPTION
Strategy – General risk strategy & policy	<ul style="list-style-type: none"> <li>Global Risk Department provides analytically supported proposals to general strategic issues</li> <li>Responsible for proposing guidelines and policies for risk management within the company</li> </ul>
Management – Risk management & risk business decisions	<ul style="list-style-type: none"> <li>Implement defined policies by Global Risk</li> <li>Responsible for day-to-day operational decisions and for related risk taking and risk</li> </ul>
Controlling – Risk monitoring	<ul style="list-style-type: none"> <li>Responsible for follow-up of the results of risk taking decisions and for contrasting alignment of operations with general risk policy approved by the board</li> </ul>

The Risk Committee is the forum where the different Risk Functions discuss the policies to be implemented and control the risk exposure of the company. EDPR's Risk Committee integrates and coordinates all Risk Functions and assures the link between corporate's risk appetite and defined strategy and the operations of the company.

EDPR created three distinct meetings of the Risk Committee in order to separate discussions on execution of mitigation strategies from those on the definition of new policies:

- Restricted Risk Committee:** Held every month, it is mainly focused on development risk and market risk from electricity price (market, basis, profile, GCs and RECs). It is the forum to discuss the evolution of projects under development and construction and the execution of mitigation strategies to reduce merchant exposure. It also monitors the limits of defined risk policies, with regards to counterparty risk, operational risk and country risk.
- Financial Risk Committee:** Held every quarter, its objective is the review of the main financial risks and to discuss the execution of mitigation strategies. Exchange rate risk, interest rate risk and credit risk from financial counterparties are most relevant risks reviewed by this committee.
- Risk Committee:** Held every quarter, it is the forum where new strategic analyses are discussed and new policies are proposed for approval to the Executive Committee. Additionally, EDPR's overall risk position is reviewed, together with EBITDA@Risk and Net Income@Risk.



## **55. DETAILS ON THE INTERNAL CONTROL AND RISK MANAGEMENT SYSTEMS IMPLEMENTED IN THE COMPANY REGARDING THE PROCEDURE FOR REPORTING FINANCIAL INFORMATION**

With the purpose of not only controlling risks, but also managing them ex-ante, EDPR has created Global Risk policies that are enforceable at a Global Level. These policies are proposed and discussed in the Risk Committee and approved by the Executive Committee.

EDPR's Enterprise Risk Management Process is inspired on Basel Committee on Banking Supervision's principles, guidelines and recommendations and is similar to other risk management frameworks. In this respect, performance of risk metrics at EDPR and their compliance with established internal risk limits are assessed on a monthly basis. Additionally, a formal review and update of each Risk Policy, and the adequacy of its limits, is performed every two years.

### **INTERNAL CONTROL SYSTEM OVER FINANCIAL REPORTING**

EDPR has an Internal Control System over Financial Reporting (SCIRF) updated and monitored in line with international standards of Internal Control.

This system covers the main aspects of the COSO framework: maintaining a control environment for the preparation of qualified financial information, assessment of the risks of financial reporting, existence of control activities to mitigate risks of error, information and communication and evaluation mechanisms.

### **SCOPE REVISION AND UPDATE**

The SCIRF Manual includes the annual update of the scope that aims to identify companies, areas and processes that must be included in the scope of SCIRF, according to criteria of materiality and risk, including the risk of error or fraud.

The risk analysis included in the scoping process for SCIRF, includes both the different types of risk (operational, economic, financial, technological or legal) and the control objectives of financial reporting (existence and occurrence, completeness, measurement, presentation, disclosure and comparability, and rights and obligations in terms of their potential impact on the financial statements).

The results of the updated scope with the methodology outlined are communicated at all levels of the organisation involved in the SCIRF and supervised by the Audit, Control and Related Party Transactions Committee.

### **CONTROL ACTIVITIES**

In documented SCIRF processes and controls, information capture mechanisms are established (including identification of the scope of consolidation) and are specified the steps and checks that are carried out for the preparation of the financial information that will be part of consolidated financial statements.

The procedures for the review and approval of financial information are provided by the areas of Planning and Control, and Administration, Consolidation and Tax. Financial information is supervised in the scope of its competences by the Audit, Control and Related Party Transactions Committee, prior to the formulation of the accounts by the Board of Directors.

The SCIRF includes control activities related to these processes, embodied in Entity Level Controls, Process Controls and General Computer Controls. These processes include review and approval activities of the financial information which are described in the processes of elaboration of individual accounts, preparation of consolidated accounts and processing of consolidated financial statements.

EDPR has descriptions of Competency Profiles for the Positions to be carried out in the exercise of the main features of each position that includes a description of the main responsibilities. These include the descriptions of the key positions of those involved in the preparation of financial information. These descriptions include responsibilities in the preparation of financial information and compliance with internal control procedures.

The documentation of processes and associated controls designed include among others, the completion of closure activities by completing monthly closing checklists by entity, setting time limits for the closures, the identification of the relevance of the operations in order to be reviewed at the appropriate level, conducting analytical reviews of financial information, the existence of limitations in systems to prevent erroneous records or access by unauthorized persons, analysis of deviations from the budget, the analysis in Executive Committees of relevant and significant facts that could cause a significant impact on the accounts, or the allocation of responsibilities for calculating amounts to be provisioned for them to be carried out by authorized personnel with the right skills.

In addition to the mentioned processes, major transactional processes resulting from the scope are documented. The description of the activities and controls are designed with the aim of ensuring the registration, evaluation, appropriate presentation and disclosure of transactions in financial reporting.

Control activities of EDPR's SCIRF also include those relating to systems and information technology (Computer General Controls) following an international reference, the COBIT framework (Control Objectives for Information and related Technologies). The importance of this area is that information systems are the tools with which financial information is prepared, and is therefore relevant for transactions conducted with them.

These control activities include those related to access control to applications and systems, segregation of duties, management of corrective and preventive maintenance, new projects implementation, administration and management of the systems, facilities and operations (back-ups, security incidents) and their proper monitoring and planning. These activities are developed taking into account the requirements of control and supervision.

Among the activities of SCIRF's scope update, there is a periodic analysis of the existence of service suppliers that perform relevant activities in relation to the processes of preparing financial information.

#### SCIRF SUPERVISION

The Audit, Control and Related Party Transactions Committee supervises the SCIRF in the scope of the exercise of their activities through the monitoring and supervision of the developed mechanisms for SCIRF's implementation, evolution and evaluation, and the results of the scope analysis and the extent of the situation in terms of coverage. To this extent, the Internal Audit Department assists the Audit, Control and Related Party Transactions Committee.

EDPR has an Internal Audit Department under the Chairman of the Executive Committee. The Audit, Control and Related Party Transactions Committee supervises the Internal Audit Department as establishes the Basic Internal Audit Act.

The main functions of the Internal Audit Department are set out in the Basic Internal Audit Act, which includes, among others, the evaluation of the activities of internal control systems, including the internal control system over financial reporting.

The annual work plans of the Internal Audit Department obtain the opinion of the Audit, Control and Related Party Transactions Committee. The Internal Audit Department reports to the Audit, Control and Related Party Transactions Committee about the status and the performance of the audit works.

Among these activities, Internal Audit supports the Audit, Control and Related Party Transactions Committee in supervising the implementation and maintenance of SCIRF and reports the results of the evaluation, improvement actions identified and their evolution.

The entity has action plans for improvement actions identified in SCIRF's assessment processes, which are accompanied and supervised by the Internal Audit Department, considering their impact on the financial information.

Also in the year 2019, as in previous years, a process of self-certification was made by the heads of the various process and Entity Level Control owners regarding proper documentation update on SCIRF controls and processes in their area of responsibility and the implementation of controls with corresponding evidence.

#### SCIRF EVALUATION

Besides the monitoring and evaluation activities described in the preceding paragraph, in case the auditors identified internal control weaknesses in the scope of their financial audit work, they are expected to communicate these circumstances to the Audit, Control and Related Party Transactions Committee, which regularly monitors the results of the audit work.

Additionally, in 2019 the EDPR Group decided to have its SCIRF audited by the external auditor. As a result of its evaluation, the external auditor issued a report with a favorable opinion on the SCIRF of the EDPR Group, according to ISAE 3000 (International Standard on Assurance Engagements 3000), included in Annex II of this Chapter 5 of the Annual Report.

#### CORPORATE COMPLIANCE

The implementation of a solid corporate culture of integrity and transparency has always been a priority for EDPR, structuring its supervision and monitoring, through a regulatory compliance conduct basis and through the adoption of ethical values and principles; both consolidated as central elements of its business model. In order to lead and manage the necessary measures and initiatives required to this implementation and its functioning, on the Board of Directors held on April 14<sup>th</sup>, 2016, it was agreed to appoint Emilio García-Conde Noriega as Compliance Officer of EDPR.

Since then, EDPR has been working with the support of specialized advisors in the evaluation of the potential corporate criminal liability risks of the Company in all its geographies and in the assessment of the compliance structure to be adopted in order to comply with the requirements of the applicable criminal regulations.

In this context, the Board of Directors of EDPR approved the Criminal and Legal Risk Prevention Model (Compliance Model) on December 2017 with the goal of promoting, establishing, developing and maintaining an adequate ethical business culture. The Compliance Model is constantly updated according to the most demanding national and international standards.

During 2018, the Company completed the first update of the Compliance Model and started working on the definition of a criminal risk matrix at an international level including an inventory of the potential risks and its controls in each of the geographies where EDPR operates.

In June 2019, the Compliance Area was created to support and provide assistance to the Compliance Officer. The Compliance Area main responsibilities are promoting a culture of prevention based on the principle of “absolute rejection” towards the commission of illegal acts and fraud situations, guaranteeing the dissemination of the principles of the Compliance Model and managing the cases of complaints from employees or collaborators.

Among the activities performed during 2019, main were 1) the review and update of the Spanish Compliance matrix, as a result of a change of the Spanish Criminal Code, 2) the creation of the Compliance Channel and 3) the training of EDPR Spain-based employees.

The Compliance Channel allows any employee, supplier, contractor, client or any person or entity outside the Company, who has indications or doubts of behavior contrary to the law and / or that may imply the materialization of a criminal risk, must immediately inform it, through [complianceofficer@edpr.com](mailto:complianceofficer@edpr.com). The bylaws of this Channel are available at the intranet and website of the Company and only have access to it the Compliance Officer and the Compliance Area. In 2019, no claims were submitted through the Compliance Channel.

In regard to Compliance training, an online training course was launched to introduce employees to the fundamentals of Compliance, highlighting the importance of Compliance at EDPR and identifying the main criminal risks that EDPR could be potentially exposed in the exercise of its activity. As of December 31<sup>st</sup>, 2019, the Compliance training was completed by 363 employees, which represent the 73% of all staff based in Spain.

## **IV. INVESTOR ASSISTANCE**

### **56. INVESTOR RELATIONS DEPARTMENT**

EDPR seeks to provide to shareholders, investors, financial analysts and other stakeholders and the market in general, all the relevant information about the Company and its business environment, on a regular basis and whenever a relevant fact takes place. The promotion of transparent, consistent, rigorous, easily accessible, and high-quality information is essential to an accurate perception of the Company's strategy, financial situation, accounts, assets, prospects, risks, and significant events.

EDPR, therefore, looks to provide the market with accurate information that can support them in making informed, clear and concrete investment decisions.

The Investor Relations Department was created to ensure a direct and permanent contact with all market related agents and stakeholders, to guarantee effective communication, equality between shareholders and to prevent imbalances in the information access.

The EDPR Investor Relations Department (IR) is the intermediary between EDPR and its actual and potential shareholders, the financial analysts that follow Company's activity, all investors and other members of the financial community. The main purpose of the department is to guarantee the principle of equality among shareholders, by preventing asymmetries in the access of the information and reducing the gap between market perception and Company's strategy and intrinsic value. The Investor Relations department centralizes all relevant and material information that could impact EDPR share price. This information is prepared by the different departments of EDPR, with the support when necessary of external experts, and always managed in a strictly confidential basis. The department responsibility also comprises developing and implementing EDPR's communication strategy and preserving an appropriate institutional and informative relationship with the financial market, the stock exchange at which EDPR shares trade and the regulatory and supervisory entities (CMVM – Comissão de Mercado de Valores Mobiliários – in Portugal and CNMV – Comisión Nacional del Mercado de Valores – in Spain).

EDPR is clearly aware of the importance of detailed and transparent information, delivered on-time to the market. Consequently, EDPR publishes Company's price sensitive information before the opening or following the closing of the Euronext Lisbon stock exchange through CMVM's information system and, simultaneously, make that same information available on the website investors' section and through the IR department's mailing list. In 2019, EDPR made 31 market notifications, in addition to quarterly, semi-annual and annual results presentations, handouts and operating data statement elaborated by the IR Department. In addition, the IR Department also elaborates key data files and interim presentations which are available on the website investors' section.

On each earnings announcement, EDPR promotes a conference call and webcast, opened to the market in general, at which the Company's management updates the market on EDPR's activities. On each of these events, shareholders, investors and analysts had the opportunity to directly submit their questions and to discuss EDPR's results as well as the Company's outlook and strategy.

EDPR IR Department is coordinated by Rui Antunes and is located at the Company's head offices in Madrid, Spain. The department structure and contacts are as follows:

#### IR Contacts:

- Rui Antunes, Head of Planning & Control, Investor Relations and Sustainability
- Calle Serrano Galvache, 56; Centro Empresarial Parque Norte; Edificio Olmo – 7<sup>th</sup> floor; 28033 – Madrid – España
- Website: [www.edpr.com/en/investors-1](http://www.edpr.com/en/investors-1)
- E-Mail: [ir@edpr.com](mailto:ir@edpr.com)
- Phone: +34 902 830 700 / +34 914 238 429

EDPR IR Department was in continuous contact with capital markets agents, namely shareholder and investors, along with financial analysts who evaluate the Company. In 2019, as far as the Company is aware, sell-side analysts issued more than 60 reports evaluating EDPR's business and performance.

At the end of the 2019, as far as the Company is aware of, there were 21 institutions elaborating research reports and following actively EDPR activity. As of December 31<sup>st</sup> 2019, the average price target of those analysts was of Euro 10.24 per share with 8 "Neutral" and 11 "Buy" recommendations.

COMPANY	ANALYST	PRICE TARGET	DATE	RECOMENDATION
Bank of America Merrill Lynch	Mikel Zabala	€ 11.60	04-Sep-19	Buy
Barclays	Jose Ruiz	€ 10.00	26-Sep-19	Equal Weight
BBVA	Daniel Ortea	€ 10.00	28-May-19	Outperform
Berenberg	Lawson Steele	€ 10.00	18-Sep-19	Hold
Bernstein	Meike Becker	€ 11.00	04-Sep-19	Outperform
BPI	Gonzalo Sanchez	€ 11.35	25-Nov-19	Neutral
Commerzbank	Tanja Markloff	€ 11.00	11-Dec-19	Hold
Caixa BI	Helena Barbosa	€ 8.35	27-Feb-19	Neutral
Exane BNP	Manuel Palomo	€ 11.60	13-Nov-19	Outperform
Fidentiis	Daniel Rodríguez	€ 8.20	06-Dec-18	Hold
Goldman Sachs	Alberto Gandolfi	€ 10.60	09-May-19	Buy
JB Capital	Jorge Guimarães	€ 10.00	24-Jan-19	Buy
JP Morgan	Javier Garrido	€ 10.50	21-Oct-19	Overweight
Kepler Cheuvreux	Jose Porta	€ 10.30	03-Jun-19	Buy
Macquarie	Jose Ruiz	€ 9.16	10-May-19	Neutral
MedioBanca	Sara Piccinini	€ 11.00	06-Sep-19	Outperform
RBC	Fernando Garcia	€ 11.00	07-Oct-19	Outperform
Santander	Bosco Muguero	€ 9.75	22-May-19	Buy
Société Générale	Jorge Alonso	€ 11.00	11-Dec-19	Hold

## 57. MARKET RELATIONS REPRESENTATIVE

EDPR representative for relations with the market is Rui Antunes, Head of Planning & Control, Investor Relations and Sustainability Department.

## 58. INFORMATION REQUESTS

During the year, IR Department received more than 2000 information requests and interacted more than 80 times with institutional investors. On average, information requests were replied in less than 24 hours, with complex requests being replied within one-week time. As of December 31<sup>st</sup> 2019 there was no pending information request.

## V. WEBSITE – ONLINE INFORMATION

### 59-65.

EDPR considers online information a powerful tool in the dissemination of material information, updating its website with all the relevant documents. Apart from all the required information by CMVM and CNMV regulations, EDPR website also carries financial and operational updates of Company's activities ensuring an easy access to the information.

EDPR website: [www.edpr.com](http://www.edpr.com)

INFORMATION	LINK
Company information	<a href="http://www.edpr.com/en/edpr/our-company/who-we-are">www.edpr.com/en/edpr/our-company/who-we-are</a>
Corporate by-laws and bodies/committees' regulations	<a href="http://www.edpr.com/en/investors/corporate-governance/company-data">www.edpr.com/en/investors/corporate-governance/company-data</a>
Members of the corporate bodies	<a href="http://www.edpr.com/en/investors/corporate-governance/governing-bodies">www.edpr.com/en/investors/corporate-governance/governing-bodies</a>
Market relations representative, IR department	<a href="http://www.edpr.com/en/investors">www.edpr.com/en/investors</a>
Information channels	<a href="http://www.edpr.com/en/edpr">www.edpr.com/en/edpr</a>
Financial statements documents	<a href="http://www.edpr.com/en/investors/investors-information/reports-and-results">www.edpr.com/en/investors/investors-information/reports-and-results</a>
Corporate events Agenda	<a href="http://www.edpr.com/en/investors-l">www.edpr.com/en/investors-l</a>
General Shareholders' Meeting information	<a href="http://www.edpr.com/en/investors/corporate-governance/general-meetings">www.edpr.com/en/investors/corporate-governance/general-meetings</a>

## **D. REMUNERATION**

### **I. POWER TO ESTABLISH**

#### **66. COMPETENCES TO DETERMINE THE REMUNERATION OF THE CORPORATE BODIES**

The Nominations and Remunerations Committee is a permanent body belonging to the Board of Directors with an informative and advisory nature. Its recommendations and reports are non-binding.

The Nominations and Remunerations Committee has no executive functions. The main functions of the Nominations and Remunerations Committee are to assist and inform the Board of Directors regarding the nominations (including by co-option), re-elections, dismissals, and the remuneration of the Board Members and its position about the composition of the Board of Directors, as well as the nominations, remuneration, and removal of senior management personnel.

The Nominations and Remunerations Committee is the body responsible for proposing to the Board of Directors the determination of the remuneration of the Executive management of the Company; the Declaration on Remuneration Policy; the evaluation and compliance of the KPI's (Key Performance Indicators); the annual and multi annual variable remuneration, if applicable, and also proposes the remuneration of the Non-Executive Directors and members of the Board Committees.

The Board of Directors is responsible for the approval of the above-mentioned proposals except to the extent it concerns the Declaration on the Remuneration Policy which is approved by the General Shareholders' Meeting. The Board of Directors also evaluates with an annual periodicity its own performance and the performance of its delegated Committees. The evaluation of the performance of the Board of Directors and its Executive Committee, is then additionally submitted for the approval of the General Shareholder Meeting.

The Declaration on the Remuneration Policy is submitted by the Board of Directors to the approval of the General Shareholders' Meeting as an independent proposal. According to the Company's Articles of Association the Board of Directors remuneration is subject to a maximum value that can only be modified by a Shareholders agreement.

### **II. NOMINATIONS AND REMUNERATION COMMITTEE**

#### **67. NOMINATIONS AND REMUNERATIONS COMMITTEE**

The Composition of the Nominations and Remunerations Committee is reflected on topic 29 of the report.

The Company has not established any restrictions within its Articles of Association, Regulations or internal policies limiting the competence of the Nominations and Remunerations Committee of hiring any consulting services that may find necessary to carry out its duties; additionally in case such services would be hired, it should be noted that they should be rendered independently, ensuring that the service provider do not provide any other services to EDPR or to any company in controlling or group relationship.

#### **68. KNOWLEDGE AND EXPERIENCE REGARDING REMUNERATION POLICY**

The Chairman of the Nominations and Remunerations Committee has knowledge and experience regarding Remuneration Policy.

### **III. REMUNERATION STRUCTURE**

#### **69. REMUNERATION POLICY**

Pursuant to Article 26.1 of the Company's Articles of Association the Directors shall be entitled to a remuneration which consists of (i) a fixed amount to be determined annually by the General Shareholders' Meeting for the whole Board of Directors and of (ii) attendance fees regarding the Board Meetings.

The above-mentioned article also establishes the possibility of the Directors being remunerated with Company shares, share options, or other securities granting the right to obtain shares or by means of share-indexed remuneration systems. In any case, the system chosen must be approved by the General Shareholders' Meeting and comply with current legal provisions.

The total amount of the remunerations that the Company will pay to its Directors under the terms provided in the previous paragraphs shall not exceed the amount determined by the General Shareholders' Meeting. The maximum remuneration approved by the General Shareholders' Meeting for all the members of the Board of Directors was EUR 2,500,000 per year.

Pursuant to Article 26.4 of the Company's Articles of Association, the rights and duties of any kind derived from the condition of Board Member shall be compatible with any other rights and obligations either fixed or variable that could correspond to the Board Members as a consequence of other employment or professional engagements, if any, carried out in the Company. Variable

remuneration resulting from said contracts or from any other relationship, including being a Board Member, will be limited to a maximum annual amount to be established by the General Shareholders' Meeting.

The maximum annual amount approved by the General Shareholders' Meeting for the variable remuneration for all the executive members of the Board of Directors was EUR 1,000,000 per year.

EDPR, in line with EDP Group corporate governance practices, has signed an Executive Management Services Agreement with EDP, under which the Company bears the cost for such services to some of the members of the Board of Directors to the extent their services are devoted to EDPR.

The Non-Executive Directors only receive a fixed remuneration, which is calculated on the basis of their work exclusively as Directors or with their membership on the Nominations and Remunerations Committee and to the Audit, Control and Related Party Transactions Committee. Those members who are seated in two different Committees do not accumulate two remunerations. In these cases, the remuneration to be received is the one that corresponds to the highest value.

EDPR has not incorporated any share remuneration or share purchase options plans as components of the remuneration of its Directors.

No Director has entered into any contract with the Company or third parties that have the effect of mitigating the risk inherent in the variability of the remuneration established by the Company.

In EDPR there are not any payments for the dismissal or termination of Director's duties.

The remuneration policy for the Directors of the Company is submitted each year to the General Shareholders' Meeting for approval.

## **70. REMUNERATION STRUCTURE**

The remuneration policy applicable for 2017-2019, proposed by the Nominations and Remuneration Committee and approved by the General Shareholders' Meeting held on April 6<sup>th</sup>, 2017 (the "Remuneration Policy"), defines a structure with a fixed remuneration for all members of the Board of Directors, whereas for the members of the Executive Committee defines a fixed and a variable remuneration, with an annual component and a multi-annual component.

Additionally, on its meeting dated October 16, 2019 the Appointments and Remunerations Committee agreed to propose to the Board of Directors a Complementary Long Term Program homogeneous for the three COOs and for the 2019-2022 term. Such Complementary Long Term Program was approved at the Board of Directors' meeting dated October 29, 2019. Such plan substituted the Complementary Long Term Program approved on 2017.

On the topic below can be found the KPIs ("Key Performance Indicators") stated in the Remuneration Policy for variable annual and multi-annual variable components.

## **71. VARIABLE REMUNERATION**

Variable annual and multi-annual remuneration applies to the members of the Executive Committee.

The variable annual remuneration may range from 0 to 68% of the annual fixed remuneration and the multi-annual remuneration from 0 to 120% of the annual fixed remuneration.

There is also a qualitative evaluation of the CEO about the annual performance of the members of the Executive Committee. This evaluation will have a weight of 20% for the final calculation in the annual variable remuneration and of 32% in the multi-annual variable remuneration. The other 80% will be calculated based on the weights indicated in the next paragraph for the annual variable remuneration and 68% for the multi-annual variable.

The key performance indicators (KPIs) used to determine the amounts of the annual and multi -annual variable remuneration regarding to each year of the term are aligned with the strategic grounds of the Company: growth, risk control and efficiency. These are the same for all members of the Executive Committee, although with specific targets for the platforms in the case of COOs NA and EU/BR. For the year 2019 the KPIs were:

KEY PERFORMANCE INDICATOR		CEO/CFO/CDO/COO OFFSHORE			COOS NA EU/BR*		
		Percentages 2019	Group	Platform	Percentages 2019	Group	Platform
	TSR vs. Wind peers & Psi 20	15%	100%	0%	15%	100%	0%
<b>Growth</b>	Incremental MW (EBITDA+ENEOP)	10%	30%	70%	10%	30%	70%
<b>Self-Funding Strategy</b>	Asset Rotation+ Tax Equity	10.0%	100%	0%	7,5%	100%	0%
<b>Risk - Return</b>	ROIC Cash %	8%	50%	50%	8%	50%	50%
	EBITDA + Sell down Gains (in €)	15%	50%	50%	12%	50%	50%
	Net Profit (excl. Minorities)	12,5%	100%	0%	12%	100%	0%
<b>Efficiency</b>	Technical Availability	6%	40%	60%	6%	40%	60%
	Opex /Av. EBITDA MW (in €k)	0%	0%	0%	6%	0%	100%
	Capex /MW (in €k)	6%	50%	50%	6%	50%	50%
<b>Additional KPIs</b>	Sustainability	7.5%	100%	0%	7.5%	100%	0%
	Employee Satisfaction	5%	100%	0%	5%	100%	0%
	Appreciation of the Remuneration Committee	5%	100%	0%	5%	100%	0%
<b>TOTAL</b>		<b>100,0%</b>			<b>100,0%</b>		

\*In respect of COO's annual and multiannual KPIs, both are calculated using the Group achievement, that weights 100%.

According to the Remuneration Policy approved by the General Shareholders' Meeting, the maximum variable remuneration (annual and multi-annual) is applicable if all the above mentioned KPI's were achieved and the performance evaluation is equal or above 110%.

As mentioned above a Complementary Long Term Program homogeneous for the three COOs (COO NA, COO EU & BR and COO Offshore) and for the 2019-2022 term was approved in 2019.

The conditions of such Complementary Long Term Program are: (i) four year period (2019-2022); (ii) Target Award will be 4 x 50% of base annual remuneration of each COO; (iii) KPIs are consistent through the whole term and specific for each COO; and (iv) payments will be done in accordance with the percentage of the achieved fulfilment with a limit of 120% of the Target Award.

## 72. MULTI-ANNUAL REMUNERATION

In line with corporate governance practices, the Remuneration Policy incorporates the deferral for a period of three years of the multi-annual variable remuneration, being the relevant payment conditioned to the lack of any willful illicit action, known after the appraisal and which endangers the sustainable performance of the company.

In application of such deferral policy, during 2019 an amount of €131,000 (gross amount) to Miguel Dias Amaro (former EDPR CFO) corresponding to the performance achieved during the year 2016.

## 73. VARIABLE REMUNERATION BASED ON SHARES

EDPR has not allocated variable remuneration on shares and does not maintain Company shares that the Executive Directors have had access to.

## 74. VARIABLE REMUNERATION BASED ON OPTIONS

EDPR has not allocated variable remuneration on options.

## 75. ANNUAL BONUS AND NON-MONETARY BENEFITS

The key factors and grounds for any annual bonus scheme are described on topics 71 and 72. Additionally, the Officers, with the exception of the CEO, received the following non-monetary benefits: retirement savings plan (as described in the following topic), company car and Health Insurance. In 2019, the non-monetary benefits amounted to EUR 96,538.

The Non-Executive Directors do not receive any relevant non-monetary benefits as remuneration.



## 76. RETIREMENT SAVINGS PLAN

The retirement savings plan for the members of the Executive Committee that are also Officers, acts as an effective retirement supplement with a range between 3% to 6% of their annual salary. The percentage is defined according with the retirement savings plan applicable in their home country. The retirement savings plan applicable to 2019, which is included within the Remuneration Policy applicable for the term office 2017-2019, was defined and proposed by the Nominations and Remunerations Committee to the Board of Directors for its submission to the General Shareholder's Meeting, which approved it on its meeting held on April 6th 2017.

## IV. REMUNERATION DISCLOSURE

### 77. BOARD OF DIRECTORS REMUNERATION

The remuneration paid by EDPR to the members of its Board of Directors for the year ended on December 31<sup>st</sup> 2019 was as follows:

REMUNERATION	TOTAL FIXED(€)
<b>EXECUTIVE DIRECTORS</b>	
João Manso Neto*	0
João Paulo Costeira**	10,301
Duarte Bello**	61,804
Miguel Ángel Prado**	0
Spyridon Martinis**	51,503
<b>NON-EXECUTIVE DIRECTORS</b>	
Antonio Mexia*	0
Vera Pinto*	0
Rui Teixeira*	0
Manuel Menéndez Menéndez	45,000
António Nogueira Leite	60,000
Acácio Jaime Liberado Mota Piloto	80,000
Gilles August	37,500
Allan J.Katz	45,000
Francisca Guedes de Oliveira	60,000
Francisco Seixas da Costa	55,000
Conceição Lucas	55,000
Alejandro Fernández de Araoz Gómez-Acebo	22,500
<b>TOTAL</b>	<b>606,108</b>

\* António Mexia, João Manso Neto, Vera Pinto and Rui Teixeira do not receive any remuneration from EDPR. EDPR and EDP signed an Executive Management Services Agreement according to which EDPR pays to EDP a fee for the services rendered by these Board Members.

\*\* Duarte Bello, Miguel Ángel Prado, João Paulo Costeira, and Spyridon Martinis, as Officers and members of the Executive Committee, and for the relevant period of 2019 corresponding to each of them, received their remuneration as Directors as described on the table above and as other Group companies' employees, as described on the table below.

According to the Executive Management Services Agreement signed with EDP, EDPR is due to pay an amount to EDP, for the services rendered by the Executive Managers and the Non-Executive Managers. The amount due under said Agreement for the management services rendered by in 2019 is EUR 853,794, of which EUR 763,794 refers to the management services rendered by the Executive Members and EUR 90,000 to the management services rendered by the Non-Executive Members. The retirement savings plan for the members of the Executive Committee, excluding the Officers, acts as an effective retirement supplement and corresponds to 5% of their annual salary.

The Non-Executive Directors may opt between a fixed remuneration or attendance fees per meeting, in a value equivalent to the fixed remuneration proposed for a Director, taking into consideration the duties carried out.

**78. REMUNERATION FROM OTHER GROUP COMPANIES**

The total remuneration of the Officers during the relevant 2019 period corresponding to each of them, ex-CEO, was the following:

REMUNERATION*	PAYER	FIXED	VARIABLE ANNUAL	VARIABLE MULTI-ANUAL	TOTAL
João Paulo Costeira	EDP Energias de Portugal, S.A. Sucursal en España	31,044			31,044
Duarte Bello	EDP Energias de Portugal, S.A. Sucursal en España	228,196	85,000		313,196
Miguel Ángel Prado	EDPR North America LLC	US\$447,666	US\$132,800		US\$580,466
Spyridon Martinis	EDP Energias de Portugal S.A. Sucursal en España	190,303			190,303

\* All the amounts are in EUR, except Miguel Ángel Prado ones, which are in USD.

**79. REMUNERATION PAID IN FORM OF PROFIT SHARING AND/OR BONUS PAYMENTS**

In EDPR there is no payment of remuneration in the form of profit sharing and/or bonus payments and the reasons for said bonuses or profit sharing being awarded.

**80. COMPENSATION FOR RESIGNED BOARD MEMBERS**

In EDPR there is no compensation paid or owed to former executive Directors concerning contract termination during the financial year.

**81. AUDIT, CONTROL AND RELATED PART TRANSACTIONS COMMITTEE REMUNERATION**

COMMITTEE MEMBER	POSITION	REMUNERATION
Acacio Piloto	Chairman	80,000
António Nogueira Leite	Vocal	60,000
Francisca Guedes de Oliveira	Vocal	60,000

\* The Non-Executive Directors receive only a fixed remuneration, which is calculated based on their work exclusively as Directors or with their membership on the Nominations and Remunerations Committee, or the Audit, Control and Related Party Transactions Control Committee.

**82. REMUNERATION OF THE CHAIRPERSON OF THE GENERAL SHAREHOLDERS' MEETING**

In 2019, the remuneration of the Chairman of the General Shareholders' Meeting of EDPR was EUR 15,000.

**V. AGREEMENTS WITH REMUNERATION IMPLICATION****83-84.**

EDPR has no agreements with remuneration implication.

For avoidance of doubt, the Company has not adopted any mechanism that imply payments or assumption of fees in the case of change in the composition of the managing body (Board of Directors), and which could be likely to harm the free transferability of shares and a shareholder assessment of the performance of the members of this managing body.

**VI. SHARE-ALLOCATION AND/OR STOCK OPTION PLANS****85-88.**

EDPR does not have any Share-Allocation and/or Stock Option Plans.

## **E. RELATED-PARTY TRANSACTIONS**

### **I. CONTROL MECHANISMS AND PROCEDURES**

#### **89. RELATED-PARTY TRANSACTIONS CONTROLLING MECHANISMS**

A Framework Agreement was signed in 2008 in order to regulate the Related Party Transactions (understanding as such those relationships performed between companies of EDP Group and those of EDPR Group), stating that in compliance with the transparency purposes for future investors, such shall continue to be developed in line with the market prices, in an arm's length basis, and following certain predefined principles and rules (considering criteria as parties involved, scope and amount). In order to supervise the transactions between the Group Companies and its qualified shareholders, the Board of Directors has created the Audit, Control and Related Party Transactions Committee, a permanent body with delegated functions. Without prejudice to other duties that the Board may assign to this Committee, it shall perform supervisory functions of Audit and Control independently from the Board of Directors, as well as, supervisory functions of the transactions between Related Parties including their compliance with the principles of the Framework Agreement. The detail of the duties of this Committee is included in topic 29 of the Report. Under its Audit and Control competences, it also supervises the transactions with qualified shareholders when requested by the Board of Directors according to Article 8.A), i) of its Regulations. This information is included on the annual report of the Audit, Control and Related Party Transactions Committee.

In light of all the above, and in accordance to the Governance Model detailed in topic 15 of this Chapter 5 of the Annual Report, EDPR has implemented an structure for the evaluation of Related Party Transactions, that involves its Executive Committee (which as the body in charge of the daily activity of Company, will first discuss the commercial and legal viability of the operations) and the Audit Control and Related Party Transactions Committee which, as referred above, analyzes the compliance of each Related Part Transaction with the Framework Agreement and reports them to the Board of Directors, which finally approves the Related Party Transactions.

It should be noted that in accordance with article 13.3 of the Regulations of the Audit, Control and Related Party Transactions Committee, the resolutions adopted by this Committee are reported to the Board of Directors at the first Board meeting held following the meeting of the Committee in which such proposals were discussed. That means that in case there are Related Party Transactions, they are reported to the Board of Directors every quarter (maximum period elapsed between Board of Directors Meeting in accordance with Article 22 of its Regulations).

#### **90. TRANSACTIONS SUBJECT TO CONTROL DURING 2019**

During 2019, EDPR has not signed any contracts with the members of its corporate bodies or with holders of qualifying holdings, excluding EDP, as mentioned below.

The contracts signed between EDPR and its related parties have been analyzed by the Related Party Transactions Committee according to its competences, as mentioned on the previous topic, and have been concluded according to the market conditions.

The total amount of supplies and services in 2019 incurred with or charged by the EDP Group was EUR 18,680,969, corresponding to 6.0% of the total value of Supplies & Services for the year (EUR 310,951,533).

The most significant contracts in force during 2019 are the following:

#### **FRAMEWORK AGREEMENT**

The framework agreement was signed by EDP and EDPR on May 7<sup>th</sup> 2008 and came into effect when the latter was admitted to trading. The purpose of the framework agreement is to set out the principles and rules governing the legal and business relations existing when it came into effect and those entered into subsequently.

The framework agreement establishes that neither EDP nor the EDP Group companies other than EDPR and its subsidiaries can engage in activities in the field of renewable energies without the consent of EDPR. EDPR shall have worldwide exclusivity, with the exception of Brazil, where it shall engage its activities through a joint venture with EDP Energias do Brasil S.A., for the development, construction, operation, and maintenance of facilities or activities related to wind, solar, wave and/or tidal power, and other renewable energy generation technologies that may be developed in the future. Nonetheless, the agreement excludes technologies being developed in hydroelectric power, biomass, cogeneration, and waste in Portugal and Spain.

It lays down the obligation to provide EDP with any information that it may request from EDPR to fulfil its legal obligations and prepare the EDP Group's consolidated accounts. The framework agreement shall remain in effect for as long as EDP directly or indirectly owns more than 50% of the share capital of EDPR or appoints more than 50% of its Directors.

#### EXECUTIVE MANAGEMENT SERVICES AGREEMENT

On November 4<sup>th</sup> 2008 EDP and EDPR signed an Executive Management Services Agreement that has been amended during the last years in accordance of the variations in the services rendered by EDP to the Company.

Through this contract, EDP provides management services to EDP Renováveis, including matters related to the day-to-day running of the Company. Under this agreement EDP appoints four people from EDP to be part of EDPR's Management: (i) one Executive Manager which is member of the EDPR Executive Committee and CEO, and (ii) three Non-Executive Managers, for which EDP Renováveis pays EDP an amount defined by the Related Party Committee, and approved by the Board of Directors and the Shareholders Meeting. Under this contract, EDPR incurred an amount of EUR 853,794 for the management services rendered in 2019.

#### FINANCE AGREEMENTS AND GUARANTEES

The most significant finance agreements between EDP Group companies and EDPR Group companies were established under the above-described Framework Agreement and currently include the following:

##### LOAN AGREEMENTS

EDPR and EDPR Servicios Financieros SA (as the borrower) have loan agreements with EDP Finance BV and EDP Servicios Financieros España (as the lender), companies 100% owned by EDP Energias de Portugal S.A. Such loan agreements can be established both in EUR and USD, up to 10-year tenor and are remunerated at rates set at an arm's length basis. As of December 31<sup>st</sup> 2019, such loan agreements totalled USD 2,143,967,282 and EUR 705,935,000.

##### CURRENT ACCOUNT AGREEMENT

EDPR Servicios Financieros (EDPR SF) and EDP Servicios Financieros España (EDP SFE) signed an agreement through which EDP SFE manages EDPR SF's cash accounts. The agreement also regulates the current account (cc) scheme on arm's length basis. As of December 31<sup>st</sup> 2019, there are two different current accounts with the following balance and counterparties:

- in USD, for a total amount of USD 250,117,181.35 in favour of EDPR SFE;
- in EUR, for a total amount of 153,334,755.64 in favour of EDP SFE.

The agreements in place are valid for one year as of date of signing and are automatically renewed for equal periods.

##### COUNTER-GUARANTEE AGREEMENT

A counter-guarantee agreement was signed, under which EDP or EDP Energias de Portugal S.A., Sucursal en España (hereinafter guarantor or EDP Sucursal) undertakes on behalf of EDPR, EDP Renewables Europe SLU (hereinafter EDPR EU), and EDP Renewables North America LLC (hereinafter EDPR NA) to provide corporate guarantees or request the issue of any guarantees, on the terms and conditions requested by the subsidiaries, which have been approved on a case by case basis by the EDP's Executive Board.

EDPR will be jointly liable for compliance by EDPR EU and EDPR NA. The subsidiaries of EDPR undertake to indemnify the guarantor for any losses or liabilities resulting from the guarantees provided under the agreement and to pay a fee established in arm's length basis. Nonetheless, certain guarantees issued prior to the date of approval of these agreements may have different conditions. As of December 31<sup>st</sup> 2019, such counter-guarantee agreements totalled EUR 256,687,641 and USD 352,565,000.

A counter-guarantee agreement was signed between EDPR Group and EDP España, under which, EDPR group can request the issue of any guarantee, on the terms and conditions requested by the subsidiaries of EDPR. EDPR group undertake to indemnify the guarantor for any losses or liabilities resulting from the guarantees provided under this agreement and to pay a fee established in arm's length basis. As of December 31<sup>st</sup> 2019, the amount of guarantees issued under this agreement totalled EUR 68,905,977.

##### CROSS CURRENCY INTEREST RATE SWAPS

Due to the net investments in EDPR NA, EDPR Canada, EDPR Brazil, EDPR UK, and Polish companies, EDPR's accounts were exposed to the foreign exchange risk. With the purpose of hedging this foreign exchange risk, EDPR Group companies settled the following Cross Currency Interest Rate Swap (CIRS). As of December 31<sup>st</sup> 2019, the total amount of CIRS by geography and currency are as following:

- in USD/EUR, with EDP Finance B.V. for a total amount of USD 2,398,096,866
- in CAD/EUR, with EDP Energias de Portugal SA for a total amount of CAD 67,250,000
- in BRL/EUR, with EDP Energias de Portugal SA for a total amount of BRL 122,500,000
- in GBP/EUR, with EDP Energias de Portugal SA for a total amount of GBP 21,700,000
- in PLN/EUR, with EDP Energias de Portugal SA for a total amount of PLN 849,635,447

#### HEDGE AGREEMENTS – EXCHANGE RATE

EDPR Group companies entered into several hedge agreements with EDP Energias de Portugal S.A., with the purpose of managing the transactional exposure related to the short term or transitory positions, in Colombian, Polish and United Kingdom subsidiaries, fixing the exchange rate for USD/EUR, EUR/PLN and GBP/EUR in accordance to the prices in the forward market in each contract date. As of December 31<sup>st</sup> 2019, the total amount of Forwards and Non Delivery Forwards by geography and currency are as following:

- Colombian operations, for USD/EUR a total amount of EUR 22,887,013 (FWDs)
- Polish operations, for EUR/PLN, a total amount of PLN 218,467,872 (FWDs)
- United Kingdom operations, for GBP/EUR a total amount of EUR 32,300,000 (FWDs)

#### HEDGE AGREEMENTS – COMMODITIES

EDP and EDPR EU entered into hedge agreements for 2019 for a total volume of 2,595,725 MWh (sell position) at the forward market price at the time of execution related with the expected sales of energy in the Spanish market.

#### CONSULTANCY SERVICE AGREEMENT

On June 4<sup>th</sup> 2008, EDP and EDPR signed a consultancy service agreement. Through this agreement, and upon request by EDPR, EDP (or through EDP Sucursal) shall provide consultancy services in the areas of legal services, internal control systems, financial reporting, taxation, sustainability, regulation and competition, risk management, human resources, information technology, brand and communication, energy planning, accounting and consolidation, corporate marketing, and organisational development.

The price of the agreement is calculated as the cost incurred by EDP plus a margin. For the first year, it was fixed at 8% based on an independent expert on the basis of market research. For 2019 the estimated cost of these services is EUR 5,065,919. This was the total cost of services provided for EDPR, EDPR EU, and EDPR NA.

The duration of the agreement is one (1) year tacitly renewable for equal periods.

#### RESEARCH AND DEVELOPMENT AGREEMENT

On May 13<sup>th</sup> 2008, EDP Inovação S.A. (hereinafter EDP Inovação), an EDP Group Company, and EDPR signed an agreement regulating relations between the two companies regarding projects in the field of renewable energies (hereinafter the R&D Agreement).

The object of the R&D Agreement is to prevent conflicts of interest and foster the exchange of knowledge between companies and the establishment of legal and business relationships. The agreement forbids EDP Group companies other than EDP Inovação to undertake or invest in companies that undertake the renewable energy projects described in the agreement.

The R&D Agreement establishes an exclusive right on the part of EDP Inovação to project and develop new renewable energy technologies that are already in the pilot or economic and/or commercial feasibility study phase, whenever EDPR exercises its option to undertake them.

The fee corresponding to this agreement in 2019 is EUR 378,255.

The agreement shall remain in effect for as long as EDP directly or indirectly maintains control of more than 50% of both companies or appoint the majority of the members of the Board and Executive Committee of the parties to the agreement.

#### MANAGEMENT SUPPORT SERVICES AGREEMENT BETWEEN EDP RENOVÁVEIS PORTUGAL S.A., AND EDP VALOR – GESTÃO INTEGRADA DE RECURSOS S.A.

On January 1<sup>st</sup> 2003, EDPR – Promoção e Operação S.A., and EDP Valor – Gestão Integrada de Recursos S.A. (hereinafter EDP Valor), an EDP Group Company, signed a management support service agreement.

The object of the agreement is the provision to EDPR – Promoção e Operação S.A. by EDP Valor of services in the areas of procurement, economic and financial management, fleet management, property management and maintenance, insurance, occupational health and safety, and human resource management and training.

The remuneration accrued by EDP Valor by EDPR Promoção e Operação S.A. and its subsidiaries for the services provided in 2019 totalled EUR 1,675,158. The initial duration of the agreement was five (5) years from date of signing on January 1<sup>st</sup> 2008, and tacitly renewable for equal periods of one (1) year. Either party may renounce the contract with one (1) year's notice.

#### INFORMATION TECHNOLOGY MANAGEMENT SERVICES AGREEMENT BETWEEN EDP RENOVÁVEIS S.A. AND EDP ENERGIAS DE PORTUGAL S.A.

On January 1<sup>st</sup> 2010 EDPR and EDP signed an IT management services agreement.

The object of the agreement is to provide to EDPR the information technology services described on the contract and its attachments by EDP.

The amount incurred for the services provided in 2019 totalled EUR 1,067,812.

The initial duration of the agreement is one (1) year from date of signing and it is tacitly renewed for a new period of one (1) year.

Either party may renounce the contract with one (1) month notice.

#### CONSULTANCY AGREEMENT BETWEEN EDP RENOVÁVEIS BRASIL S.A., AND EDP ENERGIAS DO BRASIL S.A.

The object of the agreement is to provide to EDP Renováveis Brasil S.A. (hereinafter EDPR Brasil) the consultancy services described on the contract and its attachments by EDP – Energias do Brasil S.A. (hereinafter EDP Brasil). Through this agreement, and upon request by EDPR Brasil, EDP Brasil shall provide consultancy services in the areas of legal services, internal control systems, financial reporting, taxation, sustainability, regulation and competition, risk management, human resources, information technology, brand and communication, energy planning, accounting and consolidation, corporate marketing, and organisational development.

The amount incurred by EDP Brasil for the services provided in 2019 totalled BRL 234,620.

The initial duration of the agreement is one (1) year from the date of signing and it is tacitly renewed for a new period of one (1) year.

#### 91. DESCRIPTION OF THE PROCEDURES APPLICABLE TO THE SUPERVISORY BODY FOR THE ASSESSMENT OF THE BUSINESS DEALS

The most significant contracts signed between EDPR and its Qualified Shareholders are analyzed by the Audit, Control and Related-Party Transactions Committee according to its competences, as mentioned on topic 89 of the Chapter 5 of this Annual Report.

#### II. DATA ON BUSINESS DEALS

#### 92. DETAILS OF THE PLACE WHERE THE FINANCIAL STATEMENTS INCLUDING INFORMATION ON BUSINESS DEALINGS WITH RELATED PARTIES ARE AVAILABLE, IN ACCORDANCE WITH IAS 24, OR ALTERNATIVELY A COPY OF SAID DATA.

The information on business dealings with related parties is available on Note 38 of the Financial Statements.

## PART II – CORPORATE GOVERNANCE ASSESSMENT

### 1. DETAILS OF THE CORPORATE GOVERNANCE CODE IMPLEMENTED

Following the protocol signed between the CMVM and the Portuguese Institute of Corporate Governance (IPCG) on October 13, 2017, the CMVM revoked its Corporate Governance Code (2013), which was replaced by a single applicable code, the new Corporate Governance Code of the IPCG, which entered into force on January 1<sup>st</sup> 2018.

For the purposes of the proper preparation of corporate governance reports for the year beginning in 2019, and to be reported in 2020, they should continue to be prepared in accordance with the structure of contents referred the annex to CMVM Regulation No. 4/2013 available at the CMVM website ( [www.cmvm.pt](http://www.cmvm.pt)). The report template is divided into two parts:

- Part I - mandatory information on shareholder structure, organisation and governance of the company. This information shall be referred within points 1 to 92 of this Corporate Governance Report in accordance with the structure included in that Annex.
- Part II - Corporate governance assessment: should include a declaration in which they must: (i) identify the applicable code, (ii) state whether or not they adhere to each of the recommendations of this code and, (iii) with respect to recommendations that do not follow, explain reasonably why.

The agreement between CMVM and IPCG on the new Corporate Governance Code may be found on the Protocol signed on 13 October 2017, presented and available on the website of CMVM (<http://www.cmvm.pt>) and the Corporate Governance Code of the IPCG is published on the websites of IPCG and of the Monitoring Committees (<https://cam.cgov.pt/>)

### 2. ANALYSIS OF COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE IMPLEMENTED

The following table shows the recommendations set forth in the Corporate Governance Code of the IPCG and indicates EDPR's compliance with it and the place in this report in which they are described in more detail.

Also in order to comply with the best Corporate Governance recommendations, and according to the results of the reflection made by the Nominations and Remunerations Committee, the governance model that was adopted has been ensuring an effective performance and articulation of EDPR Governing Bodies and proved to be adequate to the Company's governance structure without any constraints to the performance of its checks and balances system adopted to justify the changes made in the governance practices of EDPR.

The explanation of the Corporate Governance Code of the IPCG recommendations that EDPR does not adopt or that the Company deems not applicable, reasoning and other relevant comments as well as reference to the part of the report where the description may be found, are in the table below.

In this context, EDPR states that it has adopted the Corporate Governance recommendations on the governance of listed companies provided in the Corporate Governance Code of the IPCG, with the exceptions indicated below.

## ANNEX I: CURRICULUM VITAE OF THE MEMBERS OF THE BOARD OF DIRECTORS



**ANTÓNIO MEXIA**

Born: 1957

### Current positions in EDPR or EDP group of companies:

- Chairman of the Board of Directors of EDP Renováveis, S.A.
- Chairman and CEO of the Executive Board of Directors of EDP – Energias de Portugal, S.A.
- Permanent Representative of EDP – Energias de Portugal, Sociedade Anónima, Sucursal en España, and Representative of EDP Finance BV
- Chairman of the Board of Directors of EDP – Energias do Brasil, S.A.
- Chairman of the Board of Directors of Fundação EDP

### Current positions in companies outside EDPR and EDP group of companies:

- Sustainable Energy for All-Chairman

### Other previous positions:

- Minister of Public Works, Transport and Communication for Portugal's 16th Constitutional Government
- Chairman of the Portuguese Energy Association (APE)
- Executive Chairman of Galp Energia
- Chairman of the Board of Directors of Petrogal, Gás de Portugal, Transgás and Transgás-Atlântico
- Vice-Chairman of the Board of Directors of Galp Energia
- Director of Banco Espírito Santo de Investimentos
- Vice-Chairman of the Board of Directors of ICEP (Portuguese Institute for Foreign Trade)
- Assistant to the Secretary of State for Foreign Trade
- Assistant Lecturer in the Department of Economics at Université de Genève (Switzerland)

### Education:

- BSc in Economics from Université de Genève (Switzerland)
- Postgraduate lecturer in European Studies at Universidade Católica





## **JOÃO MANSO NETO**

Born: 1958

### **Current positions in EDPR or EDP group of companies:**

- Executive Vice-Chairman of the Board of Directors and Chairman of the Executive Committee (CEO) of EDP Renováveis, S.A.
- Chairman of the Board of Directors of EDP Renewables Europe, S.L.U., EDP Renováveis Brasil S.A., EDP Renováveis Servicios Financieros, S.A. and EDPR FS Offshore, S.A.
- Executive Director of EDP Energias de Portugal, S.A.
- Member of the Board of Directors of EDP España, S.A.U.
- Permanent Representative of EDP Energias de Portugal, S.A. Sucursal en España, and Representative of EDP Finance BV
- Chairman of the Board of Directors of EDP Gás.com Comércio de Gás Natural, S.A.

### **Current positions in companies outside EDPR and EDP group of companies:**

- Member of the Board of the Operador del Mercado Ibérico de Energía, Polo Español (OMEL)
- Member of the Board of OMIP – Operador do Mercado Ibérico (Portugal), SGPS, S.A.
- Member of the Board of MIBGAS

### **Main positions in the last five years:**

- Member of the Executive Board of Directors of EDP Energias de Portugal, S.A.
- Chairman of EDP Gestão da Produção de Energia, S.A.
- CEO and Vice-Chairman of EDP España, S.A.U.
- Vice-Chairman of Naturgás Energía Grupo, S.A.
- Member of the Board of the Operador del Mercado Ibérico de Energía, Polo Español (OMEL)
- Member of the Board of OMIP – Operador do Mercado Ibérico (Portugal) SGPS, S.A.

### **Other previous positions:**

- Head of the International Credit Division, and General Manager responsible for Financial and South Retail areas at Banco Português do Atlântico
- General Manager of Financial Management, General Manager of Large Corporate and Institutional Businesses, General Manager of the Treasury, Member of the Board of Directors of BCP Banco de Investimento  
Vice-Chairman of BIG Bank Gdansk in Poland at Banco Comercial Português and
- Member of the Board of Banco Português de Negócios
- General Manager and Member of the Board of EDP Produção

### **Education:**

- Degree in Economics from Instituto Superior de Economia
- Post-graduate degree in European Economics from Universidade Católica Portuguesa
- Program in Economics at the Faculty of Economics, Universidade Nova de Lisboa
- Advanced Management Program for Overseas Bankers at the Wharton School in Philadelphia

**DUARTE BELLO**

Born: 1979

**Current positions in EDPR or EDP group of companies:**

- Chief Operating Officer of EDP Renováveis, S.A. for Europe and Brazil
- Member of the Board of Directors of EDP Renováveis, S.A.
- Member the Executive Committee of EDP Renováveis, S.A.

**Current positions in companies outside EDPR and EDP group of companies:**

- (none)

**Main positions in the last five years:**

- Head of EDP Group M&A and Corporate Development
- Member of EDP Group Investment Committee

**Other previous positions:**

- Chief of Staff for EDP's CEO
- Project Manager in EDP Group M&A and Corporate Development
- Financial Analyst at Schroder Salomon Smith Barney in London and Lisbon
- Financial analyst in Citigroup's Investment Banking division in London

**Education:**

- Business and Administration from Faculdade de Economia da Universidade Nova de Lisboa
- MBA from INSEAD (Singapore and France)



### **MIGUEL ÁNGEL PRADO**

Born: 1975

#### **Current positions in EDPR or EDP group of companies:**

- Chief Operating Officer of EDP Renováveis, S.A. for North America and CEO EDP Renewables North America LLC
- Member of the Board of Directors of EDP Renováveis, S.A.
- Member of the Executive Committee of EDP Renováveis, S.A.
- Responsible for Corporate Procurement at EDP Renováveis, S.A.

#### **Current positions in companies outside EDPR and EDP group of companies:**

- (none)

#### **Main positions in the last five years:**

- Head of Investments, Mergers and Acquisitions at EDP Renováveis, S.A.
- Leadership of the asset rotation strategy of EDP Renováveis, S.A.
- Member of EDPR Group Investment Committee

#### **Other previous positions:**

- He has worked in EDP and EDPR for nearly 17 years, investing more than 18 Billion by executing a significant number of relevant acquisitions in 12 different countries
- Manager at Arthur Andersen/Deloitte Corporate Finance department

#### **Education:**

- PhD in Business and Management by the University of Oviedo and Bradford (UK)
- Executive MBA by the IE (Instituto de Empresa, Madrid)



### **SPYRIDON MARTINIS SPETTEL**

Born: 1979

#### **Current positions in EDPR or EDP group of companies:**

- Chief Operating Officer of EDP Renováveis, S.A. for Offshore
- CDO of EDP Renováveis, S.A.
- Member of the Board of Directors of EDP Renováveis, S.A.
- Member of the Executive Committee of EDP Renováveis, S.A.

#### **Current positions in companies outside EDPR and EDP group of companies:**

- (none)

#### **Main positions in the last five years:**

- Executive Business Initiatives Director, EDP Renováveis, S.A.
- Executive Operating Director – Europe, EDP Renováveis, S.A.
- Asset Management & Business Development Director – Europe, EDP Renováveis, S.A.
- Director of EDPR Polska, France and Belgium
- Business Development Director & Coordinator – Europe, EDP Renováveis, S.A.

#### **Other previous positions:**

- Head of Business Development, Eastern & Northern Europe, EDPR
- Project Finance specialist, Corporate Finance, Energy Division, BANKIA
- Business Development Coordinator, Gamesa
- EMEA Planning and Budgeting Financial Analyst, AVON, Madrid
- Financial Analyst, CEMEX Group, Madrid
- Junior Financial Manager, Alpha Bank, Thessalonica, Greece

#### **Education:**

- Executive Global Leadership Vanguard Program, Xynteo
- International Executive MBA, IE Business School
- Full time MBA, IEDE-Laureate University Researcher, Cambridge MA, Harvard Law School
- Postgraduate degree in Finance, CESMA
- University Degree in Economic & Business Sciences, Aristotle University



## **VERA PINTO PEREIRA**

Born: 1974

### **Current positions in EDPR or EDP group of companies:**

- Executive Board Member at EDP Energias de Portugal SA
- President of the Board at EDP Comercial
- President of the Board at EDP Soluções Comerciais
- Board Member at EDP España, S.A.U.
- Board Member at EDP Renováveis, S.A.
- Board Member at Fundação EDP

### **Current positions in companies outside EDPR and EDP group of companies:**

- (none)

### **Main positions in the last five years:**

- Executive Vice President – Managing Director for Spain and Portugal at Fox Network Group
- Non-executive Board Member at Pulsa Media

### **Other previous positions:**

- MEO TV Business Director – at Portugal Telecom (Altice)
- TV Service Director – at TV Cabo Portugal – PT Multimedia (NOS)
- Founding Partner of Innovagency Consulting
- Associate in Mercer Management Consulting

### **Education:**

- Master in Business Administration (M.B.A.), Fontainebleau – INSEAD
- Graduate & Post-Graduate Degrees in Economics – Universidade NOVA de Lisboa – NOVA School of Business and Economics

**RUI MANUEL RODRIGUES LOPES TEIXEIRA**

Born: 1972

**Current positions in EDPR or EDP group of companies:**

- Member of the Board of Directors of EDP Renováveis, S.A.
- Member of the Board of Directors of EDP Energias de Portugal, S.A.
- CEO of EDP Gestão da Produção de Energia, S.A.
- CEO of EDP España, S.L.U.

**Current positions in companies outside EDPR and EDP group of companies:**

- (none)

**Main positions in the last five years:**

- Member of the Board of Directors of EDP Renováveis, S.A.
- Member of the Executive Committee of EDP Renováveis, S.A.
- Chief Financial Officer of EDP Renováveis, S.A.
- Member of the Board of Directors of several subsidiaries of EDP Renováveis' Group
- Member of the Board of Directors of EDP Energias de Portugal, S.A.
- CEO of EDP Gestão da Produção de Energia, S.A.
- CEO of EDP España, S.L.U.

**Other previous positions:**

- Assistant director of the commercial naval department of Gellweiler – Sociedade Equipamentos Marítimos e Industriais, Lda
- Project manager and ship surveyor for Det Norske Veritas
- Consultant at McKinsey & Company, focusing on energy, shipping, and retail banking

**Education:**

- Graduate of Harvard Business School's Advanced Management Program
- Master in Business and Administration from the Universidade Nova de Lisboa
- Master degree in Naval Architecture and Marine Engineering from the Instituto Superior Técnico de Lisboa



## **MANUEL MENÉNDEZ MENÉNDEZ**

Born: 1959

### **Current positions in EDPR or EDP group of companies:**

- Member of the Board of Directors of EDP Renováveis, S.A.
- Chairman of the Board of Directors of EDP España, S.A.U.

### **Current positions in companies outside EDPR and EDP group of companies:**

- CEO of Liberbank, S.A.

### **Main positions in the last five years:**

- Chairman and CEO of Liberbank, S.A.
- Chairman of Cajastur
- Chairman of EDP España, S.A.U.
- Chairman of Naturgás Energía Grupo, S.A.
- Member of the Board of Confederación Española de Cajas de Ahorro (CECA)
- Member of the Board of AELÉC

### **Other previous positions:**

- Member of the Board of Directors of EDP Renewables Europe, S.L.U.
- University Professor in the Department of Business Administration and Accounting at the University of Oviedo

### **Education:**

- BSc in Economics and Business Administration from the University of Oviedo
- PhD in Economic Sciences from the University of Oviedo



### **ANTÓNIO NOGUEIRA LEITE**

Born: 1962

#### **Current positions in EDPR or EDP group of companies:**

- Member of the Board of Directors of EDP Renováveis, S.A.
- Chairman of the Nominations and Remunerations Committee of EDP Renováveis, S.A.
- Member of the Audit, Control and Related Party transactions Committee of EDP Renováveis, S.A.

#### **Current positions in companies outside EDPR and EDP group of companies:**

- Member of the Board at Hipogeslberia – Advisory, S.A.
- Chairman of the Board, Embopar, SGPS, S.A.
- Chairman of the Board, Sociedade Ponto Verde, S.A.
- Vice-Chairman of “Fórum para a Competitividade”
- Chairman of the Board at Forum Oceano

#### **Main positions in the last five years:**

- Director of Sagasta, STC, S.A.
- Member of the Advisory Committee at Incus CapitalAdvisors

#### **Other previous positions:**

- Vice-Chairman of the Executive Committee of Caixa Geral de Depósitos, S.A.
- Chairman of the Board at Caixa Banco de Investimento, S.A., Caixa Capital SCRSGPS, S.A., Caixa Leasing e Factoring, S.A. Partang, SGPS, S.A.
- Director, Group José de Mello (one of Portugal's leading private groups)
- Director of Soporcel, S.A. (1997-1999)
- Director of Papercel SGPS, S.A. (1998-1999)
- Director of MC Corretagem, S.A. (1998-1999)
- Chairman of the Board, Lisbon Stock Exchange (1998-1999)
- Secretary of State for Treasury and Finance and Alternate Governor (IMF, EBRD, EIB, WB)
- Member of the Economic and Financial Committee of the European Union
- Advisor GE Capital (2001-2002)
- Director of Brisal, S.A. (2002-2011)
- Director of CUF, SGPS, S.A. (2002-2011)
- Director of CUF Químicos, S.A. (2005-2011)
- Director of Efacec Capital, S.A. (2005-2011)
- Director of José de Mello Saúde, SGPS, S.A. (2005-2011)
- Director of José de Mello Investimentos, SGPS, S.A. (2010-2011)
- Chairman of the Board of Directors, OPEX, S.A. (2002-2011)

#### **Education:**

- Degree, Universidade Católica Portuguesa, 1983
- Master of Science in Economics, University of Illinois at Urbana-Champaign
- PhD in Economics, University of Illinois at Urbana-Champaign





## **ACÁCIO PILOTO**

Born: 1957

### **Current positions in EDPR or EDP group of companies:**

- Member of the Board of Directors of EDP Renováveis, S.A.
- Chairman of the Audit, Control and Related-Party Transactions Committee of EDP Renováveis, S.A.

### **Current positions in companies outside EDPR and EDP group of companies:**

- (none)

### **Main positions in the last five years:**

- Member of the Supervisory Board and Chairman of the Risk Committee of Caixa Económica Montepio Geral
- Member of the Nominations and Remunerations Committee of EDP Renováveis, S.A.
- Member of the Related-Party Transactions Committee of EDP Renováveis, S.A.

### **Other previous positions:**

- International Division of Banco Pinto e Sotto Mayor
- International and Treasury Division of Banco Comercial Português
- Head of BCP International Corporate Banking
- Member of the Executive Committee of AF Investimentos SGPS and Chairman of the following group companies: AF Investimentos, Fundos Mobiliários; AF Investimentos, Fundos Imobiliários; BPA Gestão de Patrimónios; BCP Investimentos International; AF Investimentos International and Prime International
- Member of BCP Investment Committee
- Executive Board Member of BCP – Banco de Investimento, in charge of Investment Banking
- Millennium BCP Group Treasurer and Head of Capital Markets
- Millennium BCP Chair of Group ALCO
- CEO of Millennium Gestão de Ativos SGFIM
- Chairman of Millennium SICAV
- Chairman of BII International
- Member of the Board of Directors and Member of the Audit Committee of INAPA IPG, S.A.

### **Education:**

- Law degree by the Law Faculty of Lisbon University
- During 1984 and 1985 he was a scholar from the Hanns Seidel Foundation, Munich where he obtained a Post-Graduation in Economic Law by Ludwig Maximilian University
- Post- Graduation in European Community Competition Law by Max Planck Institut
- Trainee at the International Division of Bayerische Hypoteken und Wechsel Bank
- Professional education courses, mostly in banking, financial and asset management, namely the International Banking School (Dublin, 1989), the Asset and Liability Management Seminar (Merrill Lynch International) and the INSEAD Executive Program (Fontainebleau)
- Nova SBE Executive Program on Corporate Governance and Leadership of Boards

**FRANCISCA GUEDES DE OLIVEIRA**

Born: 1973

**Current positions in EDPR or EDP group of companies:**

- Member of the Board of EDP Renováveis, S.A.
- Member of the Audit, Control and Related-Party Transactions Committee of EDP Renováveis, S.A.

**Current positions in companies outside EDPR and EDP group of companies:**

- Associate Dean at Católica Porto Business School (responsibility of Faculty Management)
- Associate Dean for the Master Programmes at Católica Porto Business School
- Member of the Social and Economic Council
- President of the Tax Comitee of Unilabs Portugal

**Main positions in the last five years:**

- Coordinator of the MSc programme in Business Economics at Católica Porto Business School
- Coordinator of the seminars in economics at the Master of Public Administration at Católica Porto Business School
- Coordinator of the PhD in Economics at the Universidade Católica de Moçambique
- Coordinator of the work group appointed by the Finance Minister dedicated to evaluate Tax Expenditures

**Other previous positions:**

- Assistant Professor at Católica Porto Business School
- Researcher at the National Statistics Institute

**Education:**

- Executive programme at London School of Economics
- PhD in Economics at Nova School of Business and Economics
- Master in Economics at Faculdade de Economia da Universidade do Porto
- Undergraduate degree in Economics at Faculdade de Economia da Universidade do Porto
- PhD scholarship from Fundação para a Ciência e Tecnologia



### **ALLAN J. KATZ**

Born: 1947

#### **Current positions in EDPR or EDP group of companies:**

- Member of the Board of EDP Renováveis, S.A.

#### **Current positions in companies outside EDPR and EDP group of companies:**

- Founder of the American Public Square
- Executive Committee Chair of the Academic and Corporate Board to ISCTE Business School in Lisbon Portugal
- Board Member of the International Relation Council of Kansas City
- Board Member of the WWI Commission Diplomatic Advisory Board
- Creator of Katz, Jacobs and Associates LLC (KJA)
- Frequent speaker and moderator on developments in Europe and on American Politics

#### **Main positions in the last five years:**

- Ambassador of the United States of America to the Republic of Portugal
- Distinguished Professor at University of Missouri Kansas City

#### **Other previous positions:**

- National Director of the Public Policy practice group at the firm of Akerman Senterfitt
- Assistant Insurance Commissioner and Assistant State Treasurer for the State of Florida
- Legislative Counsel to Congressman Bill Gunter and David Obey
- General Counsel to the Commission on Administrative Review of the US House of Representatives
- Member of the Board of the Florida Municipal Energy Association
- President of the Brogan Museum of Art & Science in Tallahassee, Florida
- Board member of the Junior Museum of Natural History in Tallahassee, Florida
- First Chair of the State Neurological Injury Compensation Association
- Member of the State Taxation and Budget Commission
- City of Tallahassee Commissioner

#### **Education:**

- BA from UMKC in 1969
- JD from Washington College of Law at American University in Washington DC in 1974

**FRANCISCO SEIXAS DA COSTA**

Born: 1948

**Current positions in EDPR or EDP group of companies:**

- Member of the Board of EDP Renováveis, S.A.
- Member of the Nominations and Remunerations Committee of EDP Renováveis, S.A.

**Current positions in companies outside EDPR and EDP group of companies:**

- Member of the Board of Directors of Mota Engil SGPS, S.A.
- Member of the Board of Directors of Mota Engil Africa, S.A.
- Member of the Strategic Council of Mota Engil SGPS, S.A.
- Chairman of the Nominations and Remuneration Committee of Mota Engil Africa, S.A.
- Member of the Audit Committee of Mota Engil Africa, S.A.
- Chairman of the Fiscal Council of PMM SGPS, S.A.
- Chairman of the Advisory Council of A.T. Kearney Portugal

**Main positions in the last five years:**

- Chairman of the Consultative Council of Calouste Gulbenkian Foundation, Paris Delegation
- Member of the Independent General Council Radio e Televisão de Portugal, S.A.
- University professor, Universidade Autónoma, Lisbon, Portugal

**Other previous positions:**

- Portuguese ambassador to the United Nations to OSCE, to UNESCO, to Brazil and to France
- Secretary of State for European Affairs (1995/2001), Portuguese government, Lisbon

**Education:**

- Degree in Political and Social Sciences, Lisbon University



## CONCEIÇÃO LUCAS

Born: 1956

### Current positions in EDPR or EDP group of companies:

- Member of the Board of EDP Renováveis, S.A.
- Member of the Nominations and Remunerations Committee of EDP Renováveis, S.A.

### Current positions in companies outside EDPR and EDP group of companies:

- Chairwoman of Banco Atlantico Europa, S.A.
- Member of the Nominations and Remunerations Committee of Banco Atlantico Europa, S.A.
- Chairwoman of Atlantico Europa, SGPS, S.A

### Main positions in the last five years:

- Executive Board Member of Millennium BCP, for Corporate and Investment Banking
- Member of the Board of BCP Capital
- Manager of BCP Africa SGPS
- Vice-Chairman of the Board of Directors and Chairman of the Audit Board of Medis
- Vice-Chairman of the Board of Directors and Chairman of the Audit Board of Ocidental
- Vice-Chairman of the Board of Directors and Chairman of the Audit Board of Millennium BCP Ageas insurance group
- Vice-Chairman of the Board of Directors and Chairman of the Audit Board of Ocidental Vida
- Member of the Supervisory Board of Bank Millennium S.A. (Poland) (2012-2015)
- Member of the Board of Banco Millennium Angola (BMA), in Angola
- Member of the Board and Member of the Remunerations Commission of BIM – Banco Internacional de Moçambique
- Member of the Remuneration Commission of SIM – Seguradora Internacional de Moçambique
- Board member and Vice-Chairman of Banque Privée, Geneve, Switzerland

### Other previous positions:

- Chairman of the Board of Directors of Millennium BCP Gestão de Ativos (MGA)
- Member of the Board of Fundação Millennium BCP
- Executive Board Member of Banco Privado Atlantico – Europa
- Co-head of Société Générale, Rep. Office, in Portugal
- Senior Manager, Banco Espírito Santo, Portugal
- Manager of Petrogal, S.A.
- Générale Bank, branch in Portugal

### Education:

- Degree in Management and Business Administration, Portuguese Catholic University (UCP), Lisbon
- Post-graduate degree in Hautes Etudes Européennes, major in Economics, College of Europe, Bruges
- MSc, London School of Economics, London University

**ALEJANDRO FERNÁNDEZ DE ARAOZ GÓMEZ-ACEBO**

Born: 1962

**Current positions in EDPR or EDP group of companies:**

- Member of the Board of EDP Renováveis, S.A.

**Current positions in companies outside EDPR and EDP group of companies:**

- Partner of Araoz & Rueda, Abogados
- Member of the Board of Inversiones Doalca Socimi, S.A.
- Member of the Board of Bodegas Benjamin de Rothschild & Vega-Sicilia, S.A
- “Patrono” and Secretary of Fundación Arlene de Rothschild
- Representative in Spain of Fundación Daniel y Nina Carasso

**Main positions in the last five years:**

- (none)

**Other previous positions:**

- Secretary and legal advisor of Fundación José Ortega y Gasset-Gregorio Marañón
- Associate Professor of Commercial Law in Instituto de Estudios Bursátiles
- Associate-Professor of Commercial Law in Facultad de Derecho Universidad Complutense de Madrid
- Professor in Instituto de Empresa

**Education:**

- Law Degree from the Complutense University, Madrid
- Master in Law, London School of Economics and Political Science, University of London
- Master in Law, New York University School of Law
- Researcher, Cambridge MA, Harvard Law School
- Researcher, Ludwig-Maximilian Universität, Munich
- PhD in Law, Complutense University, Madrid



## **EMILIO GARCÍA-CONDE NORIEGA**

Born: 1955

### **Current positions in EDPR or EDP group of companies:**

- General Secretary and General Counsel of EDP Renováveis, S.A.
- Member/Chairman and/or Secretary of several Boards of Directors of EDPR's subsidiaries in Europe
- Compliance Officer of EDP Renováveis, S.A.

### **Current positions in companies outside EDPR and EDP group of companies:**

- (none)

### **Main positions in the last five years:**

- General Counsel of Hidrocantábrico and member of the management committee
- General Secretary and General Counsel of EDP Renováveis, S.A.
- Member and/or Secretary of several Board of Directors of EDPR's subsidiaries in Europe

### **Other previous positions:**

- Legal Counsel of Soto de Ribera Power Plant (consortium comprising Electra de Viesgo, Iberdrola and Hidrocantábrico)
- General Counsel of Soto de Ribera Power Plant
- Chief of administration and human resources of the consortium
- Legal Counsel of Hidrocantábrico

### **Education:**

- Law Degree from the University of Oviedo

**Report from Management concerning responsibility for**  
**the System of Internal Control over Financial Reporting**

The board of directors and management are responsible for establishing and maintaining an adequate System of Internal Control over Financial Reporting (SCIRF).

The SCIRF of EDP Renováveis Group is a set of processes designed to provide reasonable assurance as to the reliability of the financial information and the preparation of the consolidated annual accounts for external purposes, in accordance with the applicable financial information reporting framework.

Due to the limitations inherent to all internal control systems, it is possible that the system of internal control over financial reporting does not prevent or detect all errors that could occur and may only provide reasonable assurance with respect to the presentation and preparation of the consolidated annual accounts. Furthermore, extrapolating the effectiveness assessment to future years entails a risk that controls may cease to be adequate due to changing conditions or erosion in the level of compliance with policies and procedures.

Management has assessed the effectiveness of the SCIRF at 31<sup>st</sup> December 2019 based on the criteria established in the Internal Control – Integrated Framework issued in 2013 by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

As a result of this assessment, and based on the aforementioned criteria, management concludes that at 31<sup>st</sup> December 2019 EDP Renováveis Group had an effective system of internal control over financial reporting.

The SCIRF of EDP Renováveis Group at 31<sup>st</sup> December 2019 has been audited by the independent auditors PricewaterhouseCoopers Auditores, S.L., as indicated in their report included in the Annual Corporate Governance Report.

  
Chief Executive Officer

  
Board Member

20 February 2020





## **EDP Renováveis, S.A.**

Independent Reasonable Assurance Report on the  
design and effectiveness of the Internal Control System  
Over Financial Reporting (ICSFR) as of December 31, 2019



## Independent reasonable assurance report on the design and effectiveness of the Internal Control System over Financial Reporting (ICSFR)

To the Board of Directors of EDP Renováveis, S.A.:

We have carried out a reasonable assurance engagement of the design and effectiveness of the Internal Control System over Financial Reporting (hereinafter, ICSFR) and the description of it that is included in the attached Report that forms part of the corresponding section of the Annual Corporate Governance Report of the Directors Report, prepared according to the applicable Portuguese regulation, accompanying the consolidated annual accounts of EDP Renováveis, S.A., and its subsidiaries (hereinafter, the EDPR Group) as at December 31, 2019. This system is based on the criteria and policies defined by the EDPR Group in accordance with the guidelines established by the Committee of Sponsoring Organizations of the Treadway Commission (COSO) in its "Internal Control-Integrated Framework" report.

An Internal Control System over Financial Reporting is a process designed to provide reasonable assurance over the reliability of financial information in accordance with the applicable financial reporting framework and includes those policies and procedures that: (i) enable the records reflecting the transactions performed to be kept accurately and with a reasonable level of detail; (ii) provide reasonable assurance as to the proper recognition of transactions to make it possible to prepare the financial information in accordance with the accounting principles and standards applicable to it and that they are made only in accordance with established authorizations; and (iii) provide reasonable assurance in relation to the prevention or timely detection of unauthorised acquisitions, use or sales of the Group's assets that could have material effect on the financial information.

### Inherent Limitations

In this regard, it should be borne in mind that, given the inherent limitations of any Internal Control System over Financial Reporting, regardless of the quality of the design and operation of the system, it can only allow reasonable, but not absolute security, in relation to the objectives it pursues, which may lead to errors, irregularities or fraud that may not be detected. On the other hand, the projection to future periods of the evaluation of internal control is subject to risks such that said internal control being inadequate as a result of future changes in the applicable conditions, or that in the future the level of compliance of the established policies or procedures may be reduced.

### Director's responsibility

The Directors of EDP Renováveis, S.A., are responsible for taking the necessary measures to reasonably ensure the implementation, maintenance and supervision of an appropriate Internal Control System over Financial Reporting, as well as the evaluation of its effectiveness, the development of improvements to that system and the preparation and establishment of the content of the information relating to the ICSFR attached.

### Our Responsibility

Our responsibility is to issue a reasonable assurance report on the design and effectiveness of the EDPR Group Internal Control System over Financial Reporting, based on the work we have performed and on the evidence we have obtained. We have performed our reasonable assurance engagement in accordance with International Standard on Assurance Engagements 3000 (ISAE 3000) (Revised), "Assurance Engagements other than Auditing or Reviews of Historical Financial Information", issued by the International Auditing and Assurance Standards Board (IAASB) of the International Federation of Accountants (IFAC).





A reasonable assurance engagement includes the understanding of the Internal Control System over Financial Reporting, assessing the risk of material weaknesses in the internal control, that the controls are not properly designed or they do not operate effectively, the execution of tests and evaluations on the design and effective implementation of this ICSFR, based on our professional judgment, and the performance of such other procedures as may be deemed necessary.

We believe that the evidence we have obtained provides a sufficient and adequate basis for our opinion.

#### Our Independence and Quality Control

We have complied with the independence requirements and other ethical requirements of the Accounting Professionals Code of Ethics issued by the International Ethics Standards Board for Accountants (IESBA), which is based on the fundamental principles of integrity, objectivity, professional competence and diligence, confidentiality and professional behavior.

Our firm applies the "International Standard on Quality Control 1 (ISQC 1)" and maintains an exhaustive qualitative control system that includes documented policies and procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory provisions.

#### Opinion

In our opinion, the EDPR Group maintained, as at December 31, 2019, in all material respects, an effective Internal Control System over Financial Reporting for the period ended at December 31, 2019, which is based on the criteria and the policies defined by the EDP Renováveis Group's management in accordance with the guidelines established by the Committee of Sponsoring Organizations of the Treadway Commission (COSO) in its "Internal Control-Integrated Framework" report.

In addition, the attached description of the ICSFR Report as at December 31, 2019 has been prepared, in all material respects, in accordance with the requirements established by the Code of Recommendations of the IPCG and the Appendix I to CMVM Regulation nº 4/2013 for the purposes of the description of the ICSFR in the Annual Reports of Corporate Governance.

This work does not constitute an audit nor is it subject to the regulations governing the audit activity in force in Spain, so we do not express any audit opinion in the terms provided in the aforementioned regulations.

PricewaterhouseCoopers Auditores, S.L.



Iñaki Gortien Basualdu

20 February 2020

The Members of the Board of Directors of the Company EDP Renováveis, S.A.

**DECLARE**

To the extent of our knowledge, the information referred to in sub-paragraph a) of paragraph 1 of Article 245 of Decree-Law no. 357-A/2007 of October 31<sup>st</sup>, in sub-paragraph a) of paragraph 1 of Article 8 of the Royal Decree 1362/2007 of October 19<sup>th</sup>, and other documents relating to the submission of annual accounts required by current regulations (including, among others, article 253 of the *Spanish Companies' Act* and article 34 of the *Spanish Commercial Code*), have been prepared in accordance with applicable accounting standards and principles, reflecting a true, faithful and appropriate view of the equity, assets, liabilities, financial position and results of EDP Renováveis, S.A. and the management report fairly presents the business evolution, the performance, the business results and the position of EDP Renováveis, S.A., containing a description of the principal risks and uncertainties that it faces.

Lisbon, February 19<sup>th</sup>, 2020.

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António Luís Guerra Nunes Mexia

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João Manuel Manso Neto

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Duarte Melo de Castro Belo

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Miguel Ángel Prado Balboa

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Spyridon Martinis

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Vera de Moraes Pinto Pereira Carneiro

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Rui Manuel Rodrigues Lopes Teixeira

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Manuel Menéndez Menéndez

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António do Pranto Nogueira Leite

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Acácio Jaime Liberado Mota Piloto

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Francisca Guedes de Oliveira

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Allan J. Katz

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Francisco Seixas da Costa

\_\_\_\_\_  
Maria da Conceição Mota Soares de Oliveira Callé  
Lucas

\_\_\_\_\_  
Alejandro Fernández de Araoz Gómez Acebo

ENERG  
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ERGIA



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edp renováveis  
ENED