



EDP RENOVÁVEIS, S.A.

**REPORT ON THE PROPOSED UPDATE OF THE
REMUNERATION POLICY 2023-2025
OF THE BOARD OF DIRECTORS
OF EDP RENOVÁVEIS, S.A.**

**ISSUED BY THE APPOINTMENTS AND REMUNERATIONS' COMMITTEE
AT ITS MEETING HELD ON 22 FEBRUARY 2023.**

English translation for information purposes only. In the event of discrepancies between the English and the Spanish version, the Spanish version shall prevail.

1. PURPOSE OF THE REPORT

The Appointments and Remunerations' Committee (hereinafter, the "**Committee**") of EDP Renováveis, S.A. (hereinafter, "**EDPR**" or the "**Company**", alternately) issues this report with regard to the proposal for the updating of the Remunerations' Policy of the Board of Directors of EDPR pertaining to the period 2023-2025 (henceforth, the "**Remuneration Policy**"), which was approved by the Ordinary General Shareholders' Meeting held on 31 March 2022 pursuant to the provisions set forth by article 529 novodecies.1 of the Royal Decree Law, from 2 July 2010, which approves the consolidated text of the Spanish Companies Act (henceforth, the "**Spanish Companies Act**").

2. RATIONALE OF THE PROPOSALS

On 25 October 2022 the Board of Directors of the Company incorporated a new Environmental, Social and Corporate Governance Committee as a new dependent body, which was assigned environmental, social and corporate governance duties (hereinafter, the "**ESG Committee**"). In light of the fact that the ESG Committee will perform those powers pertaining to corporate governance which, until said date, the present Committee had been delegated, there was a change in the nomenclature of the present Committee, previously called the "Appointments, Remunerations and Corporate Governance Committee", which shall be hereinafter called the "Appointments and Remunerations Committee".

Likewise, the Board of Directors also approved to determine a remuneration for the members of the ESG Committee on identical terms as those foreseen for the members of the Committee, being this, 20,000 euros per annum for the Chairman and 10,000 euros per annum for each of the members. In any case, the remuneration of the position of Chairman of the Committee shall not apply in the event that it is performed by the Chairman of the Board of Directors.

On the other hand, it has been deemed appropriate to include a reference to the fact that the Remuneration Policy will apply, if deemed appropriate by the Board of Directors, to any other delegated committees or other advisory bodies which, where applicable, may be incorporated by the Board of Directors during the term of validity of the Remuneration Policy.

In addition, in accordance with the provisions set forth by article 529 novodecies.6 of the Spanish Companies Act, the Committee deems appropriate to include in the present Remuneration Policy a specific provision regarding the possibility of applying temporary exceptions thereunto, with a view to providing the Company with sufficient flexibility to be able to face up to certain situations when this is necessary to serve the long-term interests and sustainability of the Company as a whole or to ensure its feasibility. Said exceptions shall apply as long as they are not of a material nature and have been duly justified, and provided that they do not entail the exceeding of the total maximum remuneration amount determined by the General Shareholders' Meeting for the Board of Directors of the Company.

Finally, taking into consideration the best market practices followed by the main ESG indexes (i.e. Dow Jones Sustainability Index) it has been considered appropriate to define quantitative key performance indicators focused on returns and relative metrics to allow comparability with peers and further detail qualitative indicators (hereinafter, the "**Objective KPIs**"). In addition, distinguish between those targets applicable to the annual variable component and the multi-year variable component in line with market practice

By dint of the foregoing, it has been deemed appropriate to update the text of the Remunerations' Policy (i) adjusting its content to the new name of this Committee, (ii) indicating the remunerated nature of the members of the ESG Committee under the terms set out above, (iii) including a generic reference to the possibility of remunerating the members of any delegated committees of the Board of Directors under the terms that said body deems appropriate, (iv) incorporating the possibility of applying temporary exceptions to the Remunerations' Policy and (v) adjusting the Objective KPIs in order to align them with the best market practice followed in the main ESG indexes, and distinguishing between those applicable to the annual variable component and those applicable to the multi-annual variable component.

Accordingly, the Committee deems it necessary to propose to the Ordinary General Shareholders' Meeting which will be held, foreseeably, on 4 April 2023, on first call, or on 14 April 2023, on second call (hereinafter, the "**General Shareholders' Meeting 2023**"), the amendment of section 2.a) (Structure and applicable components. Fixed Remuneration) of the Remunerations' Policy, the amendment of Section 2.b) (Structure and applicable components. Annual and multi-annual variable remuneration), the inclusion of a new section 4 (Temporary exceptions), the amendment of the references contained in the Remunerations Policy to the former "Appointments, Remunerations and Corporate Governance Committee (ARCBG)", replacing it with the "Appointments and Remunerations' Committee (ARC)", as well as the introduction of the references that are appropriate pertaining to the new "Environmental, Social and Corporate Governance Committee (ESGC)".

The remuneration scheme for Directors originally provided for in the Remunerations' Policy does not undergo any variation. Likewise, the proposed updates derived from the remuneration of the members of the new ESG Committee and the update of the Objective KPIs do not imply in any case exceeding the maximum remuneration amount for the Board of Directors approved by the General Shareholders' Meeting.

As from the approval, if applicable, of this proposal at the 2023 General Shareholders' Meeting, the Remuneration Policy will be rewritten in accordance with the consolidated text attached as **Schedule I**. For information purposes, a comparison between the current text and the proposed update of the Remuneration Policy is also attached as **Schedule II**, incorporating the proposed updates consisting of: (i) amendment of section 2.a) (Structure and applicable components. Fixed remuneration) of the Remuneration Policy, with express derogation of its current wording; (ii) 2.b) (Structure and applicable components. Annual and multi-annual variable remuneration), of the Remuneration Policy, with express derogation of its current wording; (iii) introduction of a new section 4 (Temporary exceptions); and (iv) replacement of the references to



the former "Appointments, Remuneration and Corporate Governance Committee (CNRGC)" contained in the Remuneration Policy by "Appointments and Remuneration Committee (CNR)".

3. OPINION OF THE APPOINTMENTS AND REMUNERATIONS' COMMITTEE

In light of the above, the Appointments and Remunerations' Committee unanimously agrees to report favourably to the Board of Directors of the Company to submit to the next General Shareholders' Meeting 2023 the proposed approval of the update of the Remuneration Policy under the terms whereunder it appears in Annex I to this report, so that it is applicable to the Company during the financial years of 2023, 2024 and 2025.

Madrid, 22 February 2023

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SCHEDULE I

CONSOLIDATED TEXT OF THE REMUNERATION POLICY 2023-2025 OF THE BOARD OF DIRECTORS OF EDP RENOVÁVEIS, S.A. INCORPORATING THE PROPOSED UPDATES

This document in English is provided for informative purposes only. In the event of a discrepancy between the content of the English version and the original Spanish version the latter will prevail.

Remuneration Policy for 2023-2025 of the Board of Directors of EDP Renováveis S.A.

1. Applicable framework and policy's contribution to the company's business strategy and its long-term interests and sustainability

This Remuneration Policy for 2023-2025 is presented in compliance with the requirements included in Articles 529 *septdecies* and following of the Spanish Companies Act, approved by Decree-Law no. 1/2010, of July 2nd and amended by Law 5/2021, of 12th April.

The definition of the proposed remuneration policy for members of the EDP Renováveis S.A. Board of Directors (**EDPR**) is incumbent upon the Appointments and Remunerations' Committee (**ARC**) designated by the Board of Directors. In order to ensure the absence of conflicts of interest, this Committee is composed entirely by independent Directors. This proposal is then submitted to the Board of Directors for approval at the General Shareholders' Meeting, which is presented as an independent item on the agenda.

The ARC defined the remuneration to be paid to Directors, seeking to ensure that it reflects each of their performances by establishing - for Executive members - a variable component consistent with maximising the Company's long-term profits (annual and multi-annual variable remuneration for a three-year period), to meet the most demanding objectives of the Business Plan, thus guaranteeing the alignment of the performance of the management bodies with the interests of the shareholders. This policy is consequently based on the principles of balance, relation to their actual service and alignment with the strategies, interests and long-term sustainability of EDPR and its shareholders by taking into consideration the responsibilities assumed by the members of the Board of Directors and its delegated committees, best practices in remuneration, the conclusions of comparative analyses carried out by specialised external consultants and the Company's profits.

2. Structure and applicable components

The remuneration policy proposed for 2023-2025 to be approved by shareholders sets out principles that are very similar to those governing previous remuneration policies, consisting of (i) a fixed component for all

members of the Board of Directors and (ii) additionally, a variable component (with an annual and a multi-annual part) for Executive Directors.

As was the case during the term of the previous remuneration policies, and in accordance with the information submitted to the Shareholders' Meeting in previous years, EDP Renováveis has entered into a Management Services Agreement with EDP Energias de Portugal, S.A. (**EDP**), according to which EDP Renováveis pays EDP the corresponding amount (*management fee*) for the management services provided by EDP, which include executive and non-executive services. Currently, through this contract, EDP provides EDP Renováveis with the services corresponding to the two executive directors and the three non-executive dominical directors, receiving in consideration a management fee that is considered appropriate by the ARC.

a.) Fixed remuneration

Non-executive directors may receive a fixed remuneration or attendance allowance per meeting, equivalent in value to the fixed remuneration proposed for the director, taking into account the duties performed.

With the exception of the Chairman of the Board of Directors, directors who are members of the Delegated Committees may, where applicable, receive a supplement to their remuneration as members of the Board, under the terms and for the amounts deemed appropriate to this end by the Board of Directors due to their office as member or chairman of the Audit, Control and Related Party Transactions Committee (**ACRPC**), of the of the Appointments and Remuneration Committee (**CNR**), and of the Environment, Social and Corporate Governance Committee (**CESG**), as well as of any other delegated committees or other advisory bodies dependent on the Board of Directors that may be incorporated by it during the period of validity of this Remuneration Policy. This supplement for each of the Committees is indicated in the table below and, where appropriate, may be adjusted in a reasoned manner and, if deemed appropriate, by the Board of Directors following a favourable report from the Appointments and Remuneration Committee.

The amounts corresponding to the fixed annual component are shown below, calculated considering the occupation and responsibility that each of these positions entails as well as the annual allowance for membership of committees:

FIXED ANNUAL COMPONENT		
POSITION	FIXED REMUNERATION	MANAGEMENT FEE PAID BY EDPR TO EDP UNDER MANAGEMENT SERVICES AGREEMENT
Chairman of the Board	Euros 230,000	
Chief Executive Officer (CEO)		Euros 550,000
Chief Financial Officer (CFO)		Euros 360,000
Non-Executive Dominical Directors		Euros 65,000
Non-Executive Independent or External Directors	Euros 65,000	

ANNUAL SUPPLEMENT FOR COMMITTEES			
	ARCGC	ARC	ESGC
Chairman	Euros 55,000	Euros 20,000	Euros 20,000
Member	Euros 25,000	Euros 10,000	Euros 10,000

b.) Annual and multiannual variable remuneration

The annual and multiannual variable remuneration applies only to Executive Directors.

The payment of variable remuneration is conditional upon the Executive Director remaining at EDPR until the end of the relevant annual or three-year performance period, notwithstanding the provisions of the remuneration policy.

The variable remuneration will be a percentage of the annual fixed component, with a weighting ranging from 0% to 80% for the annual component, and from 0% to 145% for the multi-annual component. Such percentages apply on the annual fixed component of CEO and CFO.

The indicators that serve as the basis for determining the amounts of annual and multi-annual variable remuneration in relation to each year of the period are proposed by the ARC.

The policy has taken into account the working conditions and remuneration of the company's employees when determining its terms, and has specifically established a KPI relating to people and organisation, under which, among others, the results of the employee climate surveys are collected, reflecting their level of satisfaction with the performance and conditions applied.

The indicators thus established, as shown below, apply to the financial years covered by the policy, notwithstanding any adjustments that may be proposed by the ARC for each year (**Objective KPIs**):

The Key performance indicators and their weighting regarding the annual variable remuneration are the following:

Quantitative: 90%

- Growth: earnings per share recurring (20%)
- Shareholder remuneration – TSR vs Eurostoxx utilities (20%)
- Balance sheet solidity- FFO/Net Debt (10%)
- Operational efficiency – Adjusted Core OPEX/MW (10%)
- ESG (20%): Dow Jones Sustainability Index performance (10%), Total Frequency rate (5%) Climate Survey results (5%)

Qualitative: 10% (appraisal by the CNR)

- Implementation of the BP in the year (25%)
- Team management (25%)
- Team work (25%)
- Stakeholder Management (25%)

The Key performance indicators and their weighting regarding the multiannual variable remuneration are the following:

Quantitative: 90%

- Growth: earnings per share cumulative recurring (20%)
- Shareholder remuneration – TSR vs Eurostoxx utilities (40%)
- ESG (20%): Total renewables MWs build-out (15%), Bloomberg GEI (5%)

Qualitative: 10% (appraisal by the CNR)

- Strategy and Execution (25%)
- Employee development (25%)
- Team work and new forms of working (25%)
- Stakeholder Management (25%)

The evaluation of compliance with the indicators is carried out by EDPR's ARC which, in turn, submits it to the Board of Directors for approval.

When assessing annual and multi-annual performance and determining the value of the accrued variable component, the ARC may take into account exceptional circumstances whereby a KPI cannot be met as a result of political or administrative decisions beyond the control of the Executive Directors, which have an impact on EDPR's performance and the level of achievement of its objectives, neutralising their impact on annual and multi-annual performance metrics, provided that they ensure that, in case of reversal of the political or administrative decisions in question, by administrative, judicial or arbitral means, these Directors will not benefit from the effects of such reversal decision. Similarly, the ARC may take into account other exceptional conjunctural and exogenous circumstances faced by EDPR that have an impact on the Company's performance and on the level of compliance with the objectives set for the Executive Directors, adjusting or adopting in a reasoned manner appropriate solutions to neutralise, with respect to EDPR or the Executive Directors, as appropriate, in whole or in part, the impact of these consequences on the annual and multi-year performance metrics.

a.) Annual Variable Component

The amount of the annual performance bonus shall be determined within three months of the approval of EDPR's accounts at each year's Ordinary General Shareholder's Meeting in relation to the previous financial year/period of performance.

The maximum annual variable component may not exceed 80% of the annual management fee applicable in the financial year to which it relates, calculated and payable after approval of the accounts for the financial year to which it relates, and allocated according to the following parameters, calculated on a straight-line basis:

- If performance is less than 85% of the set objectives, no annual variable component will be allocated;
- If performance is between 85% and 95% of the set objectives, an amount in the range of 10% to 25% of each Executive Director's annual management fee will accrue;
- If performance is between 95% and 100% of the set objectives, an amount in the range of 25% to 52.5% of each Executive Director's annual management fee will accrue;
- If performance is between 100% and 110% of the set objectives, an amount in the range of 52.5% to 80% of each Executive Director's annual management fee will accrue;
- If performance is over 110% of target, an amount corresponding to 80% of each Executive Director's annual management fee will accrue.

The payment of the annual variable component is partially deferred in a 30% of its value for a period of two years, and 50% of this deferral will be paid each year, with EDPR, through the ARC, reserving the right to not apply this deferral when the value of the deferral does not exceed 20% of the annual management fee.

b.) Multiannual Variable Component

The multi-annual variable remuneration shall be calculated and approved within 3 months of the approval of the accounts for the last financial year of the three-year period to which it relates.

The payment of two-thirds (2/3) of the multi-annual variable component shall be deferred, and shall be paid in two equal and successive annual instalments, ensuring that the payment of the multi-annual variable remuneration is made in the third year following each performance year of the relevant multi-annual plan, the first one year and the second two years respectively after the Ordinary General Shareholder's Meeting at which the accounts of the last year of the relevant remuneration plan are completed.

The maximum multi-annual variable component shall not exceed 145% of the total fixed component for the reference period of the multi-year performance and shall be allocated as per the following parameters, calculated on a straight-line basis:

- If performance is less than 85% of the set objectives, no multi-year variable component will be allocated;
- If performance is between 85% and 95% of the set objectives, an amount in the range of 15% to 40% of each Executive Director's fixed annual management fee will accrue;
- If performance is between 95% and 100% of the set objectives, an amount in the range of 40% to 97.5% of each Executive Director's fixed annual management fee will accrue;
- If performance is between 100% and 110% of the set objectives, an amount in the range of 97.5% to 145% of each Executive Director's fixed annual management fee will accrue;
- If performance is over 110% of the set objectives, an amount corresponding to 145% of each Executive Director's fixed annual management fee will accrue.

c.) Other benefits

The directors do not have a supplementary pension plan paid by EDPR. There are no non-monetary benefits as part of the Board's remuneration, with the exception of: (i) the payment EDPR makes to EDP under the Management Services Contract, corresponding to the Executive Directors' pension plan in the range of 3% to 6% of the annual fixed management fee amount, and (ii) the company car to which the Chairman of the Board of Directors is entitled.

EDPR has no share allocation or stock option plans.

3. Deferral of variable remuneration. Compensation for termination of service. Early termination of office

The 2023-2025 policy includes a deferral of the payment of the multi-annual variable component by three years, as well as subjecting its payment to the fact that no malicious wrongdoing is discovered after the assessment has occurred and endangers the sustainability of the company's performance, and is the subject of a claim for compensation to EDPR, brought by shareholders or third parties.

If the above is confirmed, the variable remuneration paid during the period in which the events occurred, accrued or pending allocation, shall be reimbursed, withheld or not allocated to compensate for the damage caused up to the full amount thereof.

This policy also states that no severance payment shall be made to Directors for termination of their duties before the end of the term of office for which they were appointed, and that Executive Directors shall not sign contracts, either

with EDPR or with third parties, that have the effect of mitigating the risk inherent in the variability of the remuneration set by EDPR.

Considering the terms laid down by law, and market practice on the remuneration of Executive Directors in the event of early termination of office, the following is indicated:

- a) In the event of termination for reasons not attributable to the Executive Director, he/she shall be entitled to receive the full fixed component until the end of the term of office for which he/she was elected, and the variable component accrued until the date of termination of office, but shall lose the right to receive any other benefits inherent to the effective exercise of functions for periods of annual or multi-annual performance not completed in their entirety.
- b) In the event of resignation not arising from an early termination agreement with EDPR, the Executive Director shall be entitled to receive only the fixed and variable remuneration accrued up to the date of resignation, the payment of which shall be made on the same terms and conditions as for serving executive Directors.
- c) In the event of termination of service by agreement with EDPR whereby the Executive Director agrees to resign, the Executive Director shall be entitled to receive the amount agreed at that time, which shall not exceed (i) the amount of the fixed component until the end of the term of office, plus (ii) the full variable component for the annual or multi-year period payable after it is determined at the end of the relevant period, as if the Executive Director had remained in office.

In accordance with market practice, a non-compete agreement may be concluded with a departing Executive Director, whatever the cause of the termination of the service or, in the framework of the termination agreement, a non-compete obligation may be established with EDPR for a specified period of time including, where appropriate, the payment of compensation.

4. Temporary exceptions

The Board of Directors of the Company, following a favourable report from the ARC, may apply temporary exceptions to the remuneration of Directors when this is necessary to serve the long-term interests and the sustainability of the Company as a whole or to ensure its feasibility. Said exceptions shall apply as long as they are not of a material nature and have been duly justified, and provided that they do not entail the exceeding of the total maximum remuneration amount determined by the General Shareholders' Meeting for the Board of Directors of the Company.

In any case, without prejudice to this provision, for the application of a temporary exception to this Remuneration Policy 2023-2025 the prior issuance

of a justifying report from the ARC will be necessary, assessing the circumstances whereunder it is deemed that there are grounds for the application of the temporary exceptions and the specific remunerations that should be subject to exception.

The Board of Directors of the Company, based on the report submitted by the ARC, shall determine whether or not there are grounds to apply the temporary exceptions, as well as the components that are affected by it.

Likewise, the Company will include in its Annual Report on the Directors' Remuneration information about the circumstances whereunder it has been deemed that there are grounds for the application of the temporary exception, as well as the remunerations that would have been affected.

5. Maximum Amounts

EDPR's Articles of Association provide that the total amount of remuneration to be paid to the Board of Directors shall not exceed an amount to be determined for this purpose by the General Shareholders' Meeting, both for fixed remuneration (Article 26.3) and variable remuneration (Article 26.4).

The General Shareholders' Meeting set, at its meeting held on 13 May 2008, a maximum annual amount for fixed remuneration of EUR 2,500,000; it also set at its meeting held on 8 April 2014 a maximum annual amount for variable remuneration of EUR 1,000,000.

The ARC has reflected on the best way to make the use of these amounts more flexible, without increasing the total maximum remuneration of the Board, and has concluded that the amount of EUR 3,500,000 should be applied as the maximum applicable to fixed remuneration plus variable remuneration, eliminating the sub-limits for each type of remuneration.

Therefore, the maximum amount of annual remuneration to be paid to all directors in their capacity as such and for the performance of executive duties during the term of this Policy shall be EUR 3,500,000. The approval of this Policy by the EDPR General Shareholders' Meeting will entail the approval by the same of such maximum amount of annual remuneration to all directors.

6. Conclusion

The principles and criteria of the policy are periodically reviewed by the ARC, with the aim of keeping EDPR's remuneration policy in line with best practices and market trends. In this respect, the Committee regularly reviews, with the advice of leading independent consultants specialised in this field, the remuneration package of the directors, in order to determine its

appropriateness and its alignment with the market situation of comparable companies and with the company's performance.

As a consequence of all the above, the remuneration policy for 2023-2025 complies with all the requirements set out under Article 529 *novodecies* of the Spanish Companies Act, and in particular in that it contains decisive elements to promote a management performance of the Company that does not focus solely on short-term objectives, but integrates in its outcome the interests and sustainability of the Company and of the shareholders in the medium and long term. These elements are: (i) the determination of the indicators, (ii) the relative weights attributed to each of the indicators for the calculation of the annual and multi-annual variable remuneration, (iii) the relevance associated with compliance with the indicators, (iv) the three-year period considered for the determination of the value of the multi-year variable component of the remuneration as well as the subjection of its payment to the fact that no known intentional acts have occurred after the evaluation and that may jeopardize the sustainability of the company's performance, (v) the three-year deferral of the payment of the multi-year variable, (vi) the use of qualitative criteria oriented towards a strategic and medium-term perspective in the development of the Company, and (vii) the existence of a maximum limit for the total remuneration of the Board of Directors.

Madrid, 22 February 2023,

António Sarmiento Gomes Mota

Rosa García García

Jose Félix Morgado



SCHEDULE II

COMPARISON BETWEEN THE CURRENT TEXT AND THE UPDATE PROPOSAL REMUNERATION POLICY 2023-2025 OF THE BOARD OF DIRECTORS OF EDP RENOVÁVEIS, S.A.

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Remuneration Policy for 2023-2025 of the Board of Directors of EDP Renováveis S.A.

1. Applicable framework and policy's contribution to the company's business strategy and its long-term interests and sustainability

This Remuneration Policy for 2023-2025 is presented in compliance with the requirements included in Articles 529 *septdecies* and following of the Spanish Companies Act, approved by Decree-Law no. 1/2010, of July 2nd and amended by Law 5/2021, of 12th April.

The definition of the proposed remuneration policy for members of the EDP Renováveis S.A. Board of Directors (**EDPR**) is incumbent ~~teupon~~ the ~~Appointments, Remuneration and Corporate Governance~~ Remunerations' Committee ~~appointed~~ (ARC) designated by the Board of Directors. In order to ensure the absence of conflicts of interest, this Committee is composed entirely by independent Directors. This proposal is then submitted to the Board of Directors for approval at the General Shareholders' Meeting, which is presented as an independent item on the agenda.

~~The Appointments, Remuneration and Corporate Governance Committee~~ The ARC defined the remuneration to be paid to Directors, seeking to ensure that it reflects each of their performances by establishing - for Executive members - a variable component consistent with maximising the Company's long-term profits (annual and multi-annual variable remuneration for a three-year period), to meet the most demanding objectives of the Business Plan, thus guaranteeing the alignment of the performance of the management bodies with the interests of the shareholders. This policy is consequently based on the principles of balance, relation to their actual service and alignment with the strategies, interests and long-term sustainability of EDPR and its shareholders by taking into consideration the responsibilities assumed by the members of the Board of Directors and its delegated committees, best practices in remuneration, the conclusions of comparative analyses carried out by specialised external consultants and the Company's profits.

2. Structure and applicable components

The remuneration policy proposed for 2023-2025 to be approved by shareholders sets out principles that are very similar to those governing

previous remuneration policies, consisting of (i) a fixed component for all members of the Board of Directors and (ii) additionally, a variable component (with an annual and a multi-annual part) for Executive Directors.

As was the case during the term of the previous remuneration policies, and in accordance with the information submitted to the Shareholders' Meeting in previous years, EDP Renováveis has entered into a Management Services Agreement with EDP Energias de Portugal, S.A. (**EDP**), according to which EDP Renováveis pays EDP the corresponding amount (*management fee*) for the management services provided by EDP, which include executive and non-executive services. Currently, through this contract, EDP provides EDP Renováveis with the services corresponding to the two executive directors and the three non-executive proprietary/dominical directors, receiving in consideration a management fee that is considered appropriate by the AppointmentsARC.

a.) Fixed remuneration

Non-executive directors may receive a fixed remuneration or attendance allowance per meeting, equivalent in value to the fixed remuneration proposed for the director, taking into account the duties performed.

With the exception of the Chairman of the Board of Directors, ~~the~~ directors who are members of the Delegated Committees shall may, where applicable, receive a supplement to their remuneration as members of the Board, under the terms and for the amounts deemed appropriate to this end by the Board of Directors due to their office as member or chairman of the Audit, Control and Related Party Transactions Committee (~~CACPR~~) and/or ACRPC, ~~of the of the~~ Appointments, Remunerations and Remuneration Committee (CNR), and of the Environment, Social and Corporate Governance Committee (CNRGC)-CESG, as well as of any other delegated committees or other advisory bodies dependent on the Board of Directors that may be incorporated by it during the period of validity of this Remuneration Policy. ~~This amount has been~~ supplement for each of the Committees is indicated in the table below and, where appropriate, may be adjusted in a reasoned manner and, if deemed appropriate, by the Board of Directors following a favourable report from the Appointments and Remuneration Committee.

The amounts corresponding to the fixed annual component are shown below, calculated considering the occupation and responsibility that each of these positions entails ~~The amounts corresponding to the fixed annual component as well as to the annual allowance for membership of committees are shown below:~~

FIXED ANNUAL COMPONENT		
POSITION	FIXED REMUNERATION	MANAGEMENT FEE PAID BY EDPR TO EDP UNDER MANAGEMENT SERVICES AGREEMENT
Chairman of the Board	Euros 230,000	
Chief Executive Officer (CEO)		Euros 550,000
Chief Financial Officer (CFO)		Euros 360,000
Non-Executive Dominical Directors		Euros 65,000
Non-Executive Independent or External Directors	Euros 65,000	

ANNUAL SUPPLEMENT FOR COMMITTEES			
	ARCGC	ARC	ESGC
Chairman	Euros 55,000	Euros 20,000	Euros 20,000
Member	Euros 25,000	Euros 10,000	Euros 10,000

b.) Annual and multiannual variable remuneration

The annual and multiannual variable remuneration applies only to Executive Directors.

The payment of variable remuneration is conditional upon the Executive Director remaining at EDPR until the end of the relevant annual or three-year performance period, notwithstanding the provisions of the remuneration policy.

The variable remuneration will be a percentage of the annual fixed component, with a weighting ranging from 0% to 80% for the annual component, and from 0% to 145% for the multi-annual component. Such percentages apply on the annual fixed component of CEO and CFO.

The indicators that serve as the basis for determining the amounts of annual and multi-annual variable remuneration in relation to each year of the period are proposed by the ~~Appointments, Remuneration and Corporate Governance Committee so that they are aligned with the company's strategic pillars: growth, risk control and efficiency~~ [ARC](#).

~~The remuneration policy states that the indicators are to be set based on the clusters of (i) return, (ii) forward-looking organisation and (iii) ESG.~~ The policy has taken into account the working conditions and remuneration of the company's employees when determining its terms, and has specifically established a KPI relating to people and organisation, under which, among others, the results of the employee climate surveys are collected, reflecting their level of satisfaction with the performance and conditions applied.

The indicators thus established, as shown ~~ble~~ below, apply to the financial years covered by the policy, notwithstanding any adjustments that may be proposed by the ~~Appointments, Remuneration and Corporate Governance Committee~~ [ARC](#) for each year (**Objective KPIs**):

CLUSTER	WEIGHTING	KPIS	UNIT	WEIGHTING	EDPR RESULTS
Attractive return	60.00%	Shareholder Return — TSR	%	20.00%	100%
		Growth — Recurring Net Profit	€M	20.00%	100%
		Investment efficiency — Capex per MW	€k	10.00%	100%
		Operational efficiency — Core Opex adjusted per MW	€k	10.00%	100%

Organisat ion & People of the future	20.00%	Working environm ent	Working environment survey (capacity & commitment) + Retention rate (%)	%	10.00%	100%
		Diversity and inclusion	Women in workforce & leadership	%	5.00%	100%
		Safety/he alth	Frequency Ratio employees & Service Providers	#	2.50%	100%
			Total accident rate Employees and service providers		2.50%	100%
ESG	20.00%	Climate Action	Constructed renewable capacity (MW)	MW	10.00%	100%
		Sustainab le Services and Operational Excellence	BP21-25 Secured projects	%	6.00%	100%
		Ethics & Compliance	Ethics & Compliance Index	%	2.00%	100%
		Sustainab le supply chain	Integration of EDPR into EDP's sustainable supply chain processes	%	2.00%	100%
100.00%						

~~The above Objective KPIs will have a maximum weight of 95% of the total 100%, the remaining 5% being subject to the qualitative assessment of the CNRGC.~~

~~This qualitative assessment of the CNRGC will be based on the following indicators:~~

The Key performance indicators and their weighting regarding the annual variable remuneration are the following:

Quantitative: 90%

- Growth: earnings per share recurring (20%)
- Shareholder remuneration – TSR vs Eurostoxx utilities (20%)
- Balance sheet solidity- FFO/Net Debt (10%)
- Operational efficiency – Adjusted Core OPEX/MW (10%)
- ESG (20%): Dow Jones Sustainability Index performance (10%), Total Frequency rate (5%) Climate Survey results (5%)

Qualitative: 10% (appraisal by the CNR)

- Implementation of the BP in the year (25%)
- Team management (25%)
- Team work (25%)
- Stakeholder Management (25%)

~~Accordingly, annual~~The Key performance indicators and ~~multi-annual~~their weighting regarding the multiannual variable remuneration ~~shall be measured according to~~are the following ~~weights:~~

Objective KPIs	95%
CNRGC assessment	5%
Total	100%

Quantitative: 90%

- Growth: earnings per share cumulative recurring (20%)
- Shareholder remuneration – TSR vs Eurostoxx utilities (40%)
- ESG (20%): Total renewables MWs build-out (15%), Bloomberg GEI (5%)

Qualitative: 10% (appraisal by the CNR)

- Strategy and Execution (25%)
- Employee development (25%)
- Team work and new forms of working (25%)
- Stakeholder Management (25%)

The evaluation of compliance with the indicators is carried out by EDPR's ~~Appointments, Remunerations and Corporate Governance Committee~~, ARC which, in turn, submits it to the Board of Directors for approval.

When assessing annual and multi-annual performance and determining the value of the accrued variable component, the CNRGGARC may take into account exceptional circumstances whereby a KPI cannot be met as a result of political or administrative decisions beyond the control of the Executive Directors, which have an impact on EDPR's performance and the level of achievement of its objectives, neutralising their impact on annual and multi-annual performance metrics, provided that they ensure that, in case of reversal of the political or administrative decisions in question, by administrative, judicial or arbitral means, these Directors will not benefit from the effects of such reversal decision. Similarly, the CNRGGARC may take into account other exceptional conjunctural and exogenous circumstances faced by EDPR that have an impact on the Company's performance and on the level of compliance with the objectives set for the Executive Directors, adjusting or adopting in a reasoned manner appropriate solutions to neutralise, with respect to EDPR or the Executive Directors, as appropriate, in whole or in part, the impact of these consequences on the annual and multi-year performance metrics.

a.) Annual Variable Component

The amount of the annual performance bonus shall be determined within three months of the approval of EDPR's accounts at each year's Ordinary General Shareholder's Meeting in relation to the previous financial year/period of performance.

The maximum annual variable component may not exceed 80% of the annual management fee applicable in the financial year to which it relates, calculated and payable after approval of the accounts for the financial year to which it relates, and allocated according to the following parameters, calculated on a straight-line basis:

- If performance is less than 85% of the set objectives, no annual variable component will be allocated;
- If performance is between 85% and 95% of the set objectives, an amount in the range of 10% to 25% of each Executive Director's annual management fee will accrue;
- If performance is between 95% and 100% of the set objectives, an amount in the range of 25% to 52.5% of each Executive Director's annual management fee will accrue;
- If performance is between 100% and 110% of the set objectives, an amount in the range of 52.5% to 80% of each Executive Director's annual management fee will accrue;
- If performance is over 110% of target, an amount corresponding to 80% of each Executive Director's annual management fee will accrue.

The payment of the annual variable component is partially deferred in a 30% of its value for a period of two years, and 50% of this deferral will be paid each year, with EDPR, through the [CNRGCARC](#), reserving the right to not apply this deferral when the value of the deferral does not exceed 20% of the annual management fee.

b.) Multiannual Variable Component

The multi-annual variable remuneration shall be calculated and approved within 3 months of the approval of the accounts for the last financial year of the three-year period to which it relates.

The payment of two-thirds (2/3) of the multi-annual variable component shall be deferred, and shall be paid in two equal and successive annual instalments, ensuring that the payment of the multi-annual variable remuneration is made in the third year following each performance year of the relevant multi-annual plan, the first one year and the second two years respectively after the Ordinary General Shareholder's Meeting at which the accounts of the last year of the relevant remuneration plan are completed.

The maximum multi-annual variable component shall not exceed 145% of the total fixed component for the reference period of the multi-year performance and shall be allocated as per the following parameters, calculated on a straight-line basis:

- If performance is less than 85% of the set objectives, no multi-year variable component will be allocated;
- If performance is between 85% and 95% of the set objectives, an amount in the range of 15% to 40% of each Executive Director's fixed annual management fee will accrue;
- If performance is between 95% and 100% of the set objectives, an amount in the range of 40% to 97.5% of each Executive Director's fixed annual management fee will accrue;
- If performance is between 100% and 110% of the set objectives, an amount in the range of 97.5% to 145% of each Executive Director's fixed annual management fee will accrue;
- If performance is over 110% of the set objectives, an amount corresponding to 145% of each Executive Director's fixed annual management fee will accrue.

c.) Other benefits

The directors do not have a supplementary pension plan paid by EDPR. There are no non-monetary benefits as part of the Board's remuneration, with the exception of: (i) the payment EDPR makes to EDP under the Management Services Contract, corresponding to the Executive Directors' pension plan in the range of 3% to 6% of the annual fixed management fee amount, and (ii) the company car to which the Chairman of the Board of Directors is entitled.

EDPR has no share allocation or stock option plans.

3. Deferral of variable remuneration. Compensation for termination of service. Early termination of office

The 2023-2025 policy includes a deferral of the payment of the multi-annual variable component by three years, as well as subjecting its payment to the fact that no malicious wrongdoing is discovered after the assessment has occurred and endangers the sustainability of the company's performance, and is the subject of a claim for compensation to EDPR, brought by shareholders or third parties.

If the above is confirmed, the variable remuneration paid during the period in which the events occurred, accrued or pending allocation, shall be reimbursed, withheld or not allocated to compensate for the damage caused up to the full amount thereof.

This policy also states that no severance payment shall be made to Directors for termination of their duties before the end of the term of office for which they were appointed, and that Executive Directors shall not sign contracts, either

with EDPR or with third parties, that have the effect of mitigating the risk inherent in the variability of the remuneration set by EDPR.

Considering the terms laid down by law, and market practice on the remuneration of Executive Directors in the event of early termination of office, the following is indicated:

- a) In the event of termination for reasons not attributable to the Executive Director, he/she shall be entitled to receive the full fixed component until the end of the term of office for which he/she was elected, and the variable component accrued until the date of termination of office, but shall lose the right to receive any other benefits inherent to the effective exercise of functions for periods of annual or multi-annual performance not completed in their entirety.
- b) In the event of resignation not arising from an early termination agreement with EDPR, the Executive Director shall be entitled to receive only the fixed and variable remuneration accrued up to the date of resignation, the payment of which shall be made on the same terms and conditions as for serving executive Directors.
- c) In the event of termination of service by agreement with EDPR whereby the Executive Director agrees to resign, the Executive Director shall be entitled to receive the amount agreed at that time, which shall not exceed (i) the amount of the fixed component until the end of the term of office, plus (ii) the full variable component for the annual or multi-year period payable after it is determined at the end of the relevant period, as if the Executive Director had remained in office.

In accordance with market practice, a non-compete agreement may be concluded with a departing Executive Director, whatever the cause of the termination of the service or, in the framework of the termination agreement, a non-compete obligation may be established with EDPR for a specified period of time including, where appropriate, the payment of compensation.

4. Temporary exceptions

The Board of Directors of the Company, following a favourable report from the ARC, may apply temporary exceptions to the remuneration of Directors when this is necessary to serve the long-term interests and the sustainability of the Company as a whole or to ensure its feasibility. Said exceptions shall apply as long as they are not of a material nature and have been duly justified, and provided that they do not entail the exceeding of the total maximum remuneration amount determined by the General Shareholders' Meeting for the Board of Directors of the Company.

In any case, without prejudice to this provision, for the application of a temporary exception to this Remuneration Policy 2023-2025 the prior issuance

of a justifying report from the ARC will be necessary, assessing the circumstances whereunder it is deemed that there are grounds for the application of the temporary exceptions and the specific remunerations that should be subject to exception.

The Board of Directors of the Company, based on the report submitted by the ARC, shall determine whether or not there are grounds to apply the temporary exceptions, as well as the components that are affected by it.

Likewise, the Company will include in its Annual Report on the Directors' Remuneration information about the circumstances whereunder it has been deemed that there are grounds for the application of the temporary exception, as well as the remunerations that would have been affected.

4.5. Maximum Amounts

EDPR's Articles of Association provide that the total amount of remuneration to be paid to the Board of Directors shall not exceed an amount to be determined for this purpose by the General Shareholders' Meeting, both for fixed remuneration (Article 26.3) and variable remuneration (Article 26.4).

The General Shareholders' Meeting set, at its meeting held on 13 May 2008, a maximum annual amount for fixed remuneration of EUR 2,500,000; it also set at its meeting held on 8 April 2014 a maximum annual amount for variable remuneration of EUR 1,000,000.

~~The Appointments, Remunerations and Corporate Governance Committee~~The ARC has reflected on the best way to make the use of these amounts more flexible, without increasing the total maximum remuneration of the Board, and has concluded that the amount of EUR 3,500,000 should be applied as the maximum applicable to fixed remuneration plus variable remuneration, eliminating the sub-limits for each type of remuneration.

Therefore, the maximum amount of annual remuneration to be paid to all directors in their capacity as such and for the performance of executive duties during the term of this Policy shall be EUR 3,500,000. The approval of this Policy by the EDPR General Shareholders' Meeting will entail the approval by the same of such maximum amount of annual remuneration to all directors.

5.6. Conclusion

The principles and criteria of the policy are periodically reviewed by the ~~CNRGC~~ARC, with the aim of keeping EDPR's remuneration policy in line with best practices and market trends. In this respect, the Committee regularly reviews, with the advice of leading independent consultants specialised in this field, the remuneration package of the directors, in order to determine its

appropriateness and its alignment with the market situation of comparable companies and with the company's performance.

As a consequence of all the above, the remuneration policy for 2023-2025 complies with all the requirements set out under Article 529 *novodecies* of the Spanish Companies Act, and in particular in that it contains decisive elements to promote a management performance of the Company that does not focus solely on short-term objectives, but integrates in its outcome the interests and sustainability of the Company and of the shareholders in the medium and long term. These elements are: (i) the determination of the indicators, (ii) the relative weights attributed to each of the indicators for the calculation of the annual and multi-annual variable remuneration, (iii) the relevance associated with compliance with the indicators, (iv) the three-year period considered for the determination of the value of the multi-year variable component of the remuneration as well as the subjection of its payment to the fact that no known intentional acts have occurred after the evaluation and that may jeopardize the sustainability of the company's performance, (v) the three-year deferral of the payment of the multi-year variable, (vi) the use of qualitative criteria oriented towards a strategic and medium-term perspective in the development of the Company, and (vii) the existence of a maximum limit for the total remuneration of the Board of Directors.

Madrid, ~~9th~~ February ~~2022~~2023,

António Sarmiento Gomes Mota

Rosa García García

Jose Félix Morgado