EDP Renováveis, S.A.
and subsidiaries

Independent auditor´s report
Consolidated Annual Accounts at 31 December 2022
Consolidated Management Report

Independent auditor's report on the consolidated annual accounts

To the shareholders of EDP Renováveis, S.A.

Report on the consolidated annual accounts

Opinion

We have audited the consolidated annual accounts of EDP Renováveis, S.A. (the Parent company) and its subsidiaries (the Group), which comprise the statement of financial position as at 31 December 2022, and the income statement, statement of comprehensive income, statement of changes in equity, cash flow statement and related notes, all consolidated, for the year then ended.

In our opinion, the accompanying consolidated annual accounts present fairly, in all material respects, the equity and financial position of the Group as at 31 December 2022, as well as its financial performance and cash flows, all consolidated, for the year then ended, in accordance with International Financial Reporting Standards as adopted by the European Union (IFRS-EU) and other provisions of the financial reporting framework applicable in Spain.

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 consolidated annual accounts* section of our report.

We are independent of the Group in accordance with the ethical requirements, including those relating to independence, that are relevant to our audit of the consolidated 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.

Key audit matters

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

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Key audit matters	How our audit addressed the key audit matters
Assessment of the recovery of the carrying amount of certain non-current assets of the Group	
The accompanying consolidated annual accounts present goodwill, intangible assets, right of use assets, property, plant and equipment and investments in joint venture and associates amounting to €2,329,964, €380,846, €988,302, €17,890,854 and €1,157,249 thousand, respectively at 31 December 2022. These assets are allocated to the cash generating units (CGUs) as indicated in note 19. These assets mainly relate to electricity generating facilities through renewable sources mainly in Europe, North America and Latin America, that are directly affected by the regulatory framework (note 1) applicable in each of the countries in which the Group operates. At each year end, management carries out impairment tests of the carrying amount of these assets at CGU level, as described in note 2.M, by estimating the present value future cash flows generated by these assets, considering the business plans approved by management. The key assumptions used in the preparation of these cash flows are detailed in note 19. In addition, management has carried out a sensitivity analysis on the key assumptions which, based on earlier experience, may reasonably show variations, as detailed in note 19. As a result of the previous analyses, Group management has concluded that is necessary to recognise an impairment during the fiscal year 2022 for an amount of €54,432 thousand (notes 13, 16 and 19). This area is key because it entails the application of critical judgements and significant estimates by management (note 4) 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 Group's consolidated annual accounts.	We started our analysis obtaining an understanding of the process and the relevant controls that the Group has in place to analyse the recovery of these non-current assets. In addition, we considered the adequacy of the allocation of assets to CGUs and the process for identifying those requiring an assessment of impairment, in accordance with accounting legislation. 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. Respect to discount rates, in collaboration with our valuation experts, we verified the methodology used in their estimation is adequate and that their value is within a reasonable range. Also, we have checked the mathematical accuracy of the calculations and models prepared by management and assessed the sensitivity calculations carried out and we have compared the recoverable value calculated by the Group with the assets' carrying amount. Finally, we assessed the sufficiency of the information disclosed in the consolidated annual accounts with respect to the assessment of the recoverable amount of these assets. Based on the procedures carried out, we consider that management's approach and conclusions and the information disclosed in the accompanying consolidated annual accounts, are consistent with the evidence obtained.

Key audit matters	How our audit addressed the key audit matters
Sales transactions of controlling interests in subsidiaries	
As indicated in note 6 to the accompanying consolidated annual accounts, during 2022 the Group sold its interest in different subsidiaries, with the consequent loss of control. These transactions have generated a profit amounting to €411,372 thousand (note 9) recognised in the consolidated income statement at 31 December 2022. Recognition of these transactions according to the accounting policies indicated in note 2.B requires analysing whether the Group maintains control or not, once the transaction is closed, and it entails the application of critical judgments, as indicated in note 4, and assumes the existence of relevant estimates in relation to the results of the sale, and requires special attention in our audit because of the magnitude of the amounts indicated, for which we have therefore considered this a key audit matter.	In auditing the sales transactions carried out by the Group, we applied, among other, the following procedures: • Obtention, reading and analysis of sales-purchase agreements and the accounting analysis performed by management. • Analysis of compliance with the contractual conditions for the loss of control over these subsidiaries by the Group as a result of the operations performed. • Understanding and verifying the calculations performed by management to determine the profit on each operation. • Assessing the disclosures included in the consolidated annual accounts regarding these sales. Based on the procedures performed, we consider that the accounting treatment followed by management for the operations mentioned and the disclosures made in the accompanying consolidated annual accounts, are consistent with the evidence obtained.
Acquisition of businesses	
As indicated in notes 6 and 42 of the accompanying consolidated annual accounts, during 2022 the Group has acquired the following businesses: • 100% of the shares in an electrical generation business with a presence in Asia for the amount of €202,298 thousand. • 100% of the shares in a distributed electricity generation business with a presence in Asia for the amount of €659,658 thousand.	In auditing the business combinations carried out by the Group, we applied, among other, the following procedures: • Obtention, reading and analysis of business purchase agreements and the accounting analyses performed by management. • Analysis of compliance with the contractual conditions for gain of control over the businesses by the Group.

Key audit matters	How our audit addressed the key audit matters
• 100% of the shares in a development, construction and operation of renewable energy projects business with a presence in Europe for the amount of €663,030 thousand. • 100% of the shares in different distributed generation businesses with a presence in North America for the amount of €132,992 thousand. The Group's management has qualified these operations as business combinations and, consequently, has estimated the fair value of the assets acquired and the liabilities assumed, and has assigned the acquisition price of the business to these assets and liabilities as described in note 42. The key assumptions used in determining the fair value of the assets and liabilities acquired in these business combinations are detailed in notes 4 and 42 of the accompanying consolidated annual accounts. This area is key because it entails the application of critical judgments and significant estimates by management (note 4) concerning the key assumptions used, which are subject to uncertainty, and the fact that significant future changes in them could have a significant impact in the Group's consolidated annual accounts.	• Assessment of the information included in the reports of the independent experts engaged, where appropriate, by management to conduct the fair value estimation of the assets and liabilities identified in the business combinations described, along with the experts' competence and objectivity, in order to ensure that they were properly qualified to carry out the engagement. On the other hand, with the collaboration of our valuation experts, we have evaluated the adequacy of the valuation models used to determine the fair value of the assets acquired and liabilities assumed, the assumptions and estimates used in the calculations that include, among others, estimates of the market power prices and coherence with the applicable regulatory framework. Respect to discount rates, in collaboration with our valuation experts, we verified the methodology used in their estimation is adequate and that their value is within a reasonable range. Likewise, we have verified the mathematical accuracy of the calculations and models prepared by management and we have verified the allocation of the acquisition price to the fair value of the assets and liabilities acquired, as well as the accounting record of the associated impacts. Based on the procedures performed, we consider that the accounting treatment applied by management, and the disclosures considered in the accompanying consolidated annual accounts, are consistent with the evidence obtained.
Recognition and measurement of derivative financial instruments	
As indicated in note 5 to the accompanying consolidated annual accounts, the Group is exposed to certain financial risks, namely, exchange rate risk, interest rate risk and electricity price risk, due to the activities performed and the countries where it operates.	We started our analysis by understanding the procedure established by management to identify and measure the derivatives, as well as the relevant controls on this area. For a sample of derivatives financial instruments selected, we checked their main characteristics with their respective contracts.

Key audit matters	How our audit addressed the key audit matters
In order to manage these risks, management has contracted several derivatives whose values at December 31,2022 amounted to €300,859 thousand and €1,983,019 thousand of asset and liability, respectively (note 37). The fair value of the derivatives is estimated through valuation techniques of varying complexity that require the application of judgement and, in a certain case, the use of significant assumptions by management (nota 4). On the other hand, the derivatives designated as hedge accounting have to meet some criteria in relation to the documentation of the hedge as it indicated in note 2.D. Due to the uncertainty associated with the estimations 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.	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. Moreover, for a sample of the instruments designated as accounting hedges, we assessed the documentation is according to requirements established in prevailing accounting regulations. Finally, we analysed the sufficiency of the disclosures included in the accompanying annual accounts regarding derivatives financial instruments. As a result of our tests, we consider that the measurement of derivatives financial instruments and the information disclosed in the accompanying consolidated annual accounts, are consistent with the information available.

Other information: Consolidated management report

Other information comprises only the consolidated management report for the 2022 financial year, the formulation of which is the responsibility of the Parent company's directors and does not form an integral part of the consolidated annual accounts.

Our audit opinion on the consolidated annual accounts does not cover the consolidated management report. Our responsibility regarding the consolidated management report, in accordance with legislation governing the audit practice, is to:

a) Verify only that the consolidated statement of non-financial information, certain information included in the Annual Corporate Governance Report and the Annual Report on Directors' Remuneration, as referred to in the Auditing Act, have been provided in the manner required by applicable legislation and, if not, we are obliged to disclose that fact.

b) Evaluate and report on the consistency between the rest of the information included in the consolidated management report and the consolidated annual accounts as a result of our knowledge of the Group obtained during the audit of the aforementioned financial statements, as well as to evaluate and report on whether the content and presentation of this part of the consolidated management report is in accordance with applicable regulations. If, based on the work we have performed, we conclude that material misstatements exist, we are required to report that fact.

On the basis of the work performed, as described above, we have verified that the information mentioned in section a) above has been provided in the manner required by applicable legislation and that the rest of the information contained in the consolidated management report is consistent with that contained in the consolidated annual accounts for the 2022 financial year, and its content and presentation are in accordance with applicable regulations.

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

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

In preparing the consolidated annual accounts, the Parent company's directors are responsible for assessing the Group'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 aforementioned directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

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

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

Our objectives are to obtain reasonable assurance about whether the consolidated 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 consolidated 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 consolidated 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 Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Parent company's directors.

- Conclude on the appropriateness of the Parent company's 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 Group'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 consolidated 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 Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated annual accounts, including the disclosures, and whether the consolidated annual accounts represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient and appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated annual accounts. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Parent 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 Parent 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 aforementioned those matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Parent company's audit, control and related party transactions committee, we determine those matters that were of most significance in the audit of the consolidated 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

European single electronic format

We have examined the digital files of the European single electronic format (ESEF) of EDP Renováveis, S.A. and its subsidiaries for the 2022 financial year that comprise an XHTML file which includes the consolidated annual accounts for the financial year and XBRL files with tagging performed by the entity, which will form part of the annual financial report.

The directors of EDP Renováveis, S.A. are responsible for presenting the annual financial report for 2022 financial year in accordance with the formatting and markup requirements established in the Delegated Regulation (EU) 2019/815 of 17 December 2018 of the European Commission (hereinafter the ESEF Regulation).

Our responsibility is to examine the digital files prepared by the Parent company's directors, in accordance with legislation governing the audit practice in Spain. This legislation requires that we plan and execute our audit procedures in order to verify whether the content of the consolidated annual accounts included in the aforementioned digital files completely agrees with that of the consolidated annual accounts that we have audited, and whether the format and markup of these accounts and of the aforementioned files has been affected, in all material respects, in accordance with the requirements established in the ESEF Regulation.

In our opinion, the digital files examined completely agree with the audited consolidated annual accounts, and these are presented and have been marked up, in all material respects, in accordance with the requirements established in the ESEF Regulation.

Report to the audit, control and related party transactions committee of the Parent company

The opinion expressed in this report is consistent with the content of our additional report to the audit, control and related party transactions committee of the Parent company dated 28 February 2023.

Appointment period

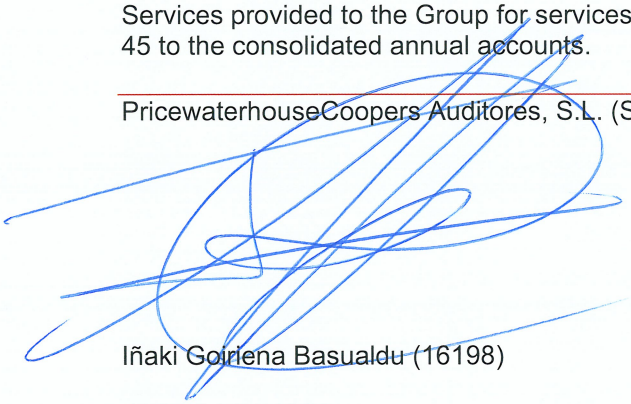
The General Ordinary Shareholders' Meeting held on 12 April 2021 appointed us as auditors of the Group for a period of 3 years, as from the year ended 31 December 2021.

Previously, we were appointed by resolution of the General Ordinary Shareholders' Meeting for a period of 3 years and we have audited the accounts continuously since the year ended 31 December 2018.

Services provided

Services provided to the Group for services other than the audit of the accounts are disclosed in note 45 to the consolidated annual accounts.

PricewaterhouseCoopers Auditores, S.L. (S0242)



Iñaki Goirlena Basualdu (16198)

28 February 2023



edp Renewables

Annual Report 2022

We choose Earth



Please note that in compliance with the applicable law, EDPR's 2022 Consolidated Annual Accounts and Consolidated Management Report, which includes the Non-Financial Information Statement, were drawn up by its Board of Directors in the single electronic reporting format set under the Commission Delegated Regulation (EU) 2019/815. Therefore, the PDF version hereby provided is a copy of the electronic XHTML version drawn up on February 27th, 2023.

Our Purpose

Our energy

Speaks of our stamina, our track record and what drives us to continuously deliver green energy

and heart

Highlights our people and their key role in delivering our commitment to our clients, partners and communities

drive a better

Reflects our ambition and leadership in making change happen

tomorrow

The reason why we work every day

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Consolidated income statement for the year ended 31 December 2022 and 2021

THOUSAND EUROS	NOTES	2022	2021
Revenues	7	2,137,981	1,580,458
Income from institutional partnerships in North America	8	233,505	177,205
		2,371,486	1,757,663
Other income	9	526,026	635,731
Supplies and services	10	-438,974	-335,674
Personnel costs and employee benefits	11	-240,611	-174,259
Other expenses	12	-237,769	-165,021
Impairment losses on trade receivables and debtors	23	-2,218	417
		-393,546	-38,806
Joint ventures and associates	20	179,267	41,184
		2,157,207	1,760,041
Provisions	32	5,608	-1,564
Amortisation and impairment	13	-751,311	-607,289
Operating profit		1,411,504	1,151,188
Financial income	14	680,632	107,985
Financial expenses	14	-1,129,734	-356,582
Financial result – net		-449,102	-248,597
Profit before tax and CESE		962,402	902,591
Income tax expense	15	-142,225	-89,825
Extraordinary contribution to the energy sector (CESE)	15	-3,075	-3,188
Net profit for the year		817,102	809,578
Attributable to			
Equity holders of EDP Renováveis	29	616,231	655,443
Non-controlling interests	30	200,871	154,135
Net profit for the year		817,102	809,578
Earnings per share basic and diluted - Euros	28	0.64	0.70

Consolidated statement of comprehensive income for the years ended at 31 December 2022 and 2021

THOUSAND EUROS	2022		2021	
	EQUITY HOLDERS OF THE PARENT	NON-CONTROLLING INTERESTS	EQUITY HOLDERS OF THE PARENT	NON-CONTROLLING INTERESTS
Net profit for the year	616,231	200,871	655,443	154,135
Items that will never be reclassified to profit or loss				
Actuarial gains/(losses)	113	8	7	6
Tax effect of actuarial gains/(losses)	-19	-	5	-2
	94	8	12	4
Items that are or may be reclassified to profit or loss				
Fair value reserve (Equity instruments at fair value)	5,239	368	828	67
Tax effect of fair value reserve (Equity instruments at fair value)	-	-	-	-
Fair value reserve (cash flow hedge)	-467,915	1,567	-984,817	1,385
Tax effect from the fair value reserve (cash flow hedge)	108,228	-132	247,192	-769
Share of other comprehensive income of joint ventures and associates, net of taxes	89,946	-	-14,086	-
Reclassification to profit and loss due to changes in control	-29,325	-	5,747	-
Exchange differences arising on consolidation	32,740	55,916	79,487	67,203
	-261,087	57,719	-665,649	67,886
Other comprehensive income for the year, net of income tax	-260,993	57,727	-665,637	67,890
Total comprehensive income for the year	355,238	258,598	-10,194	222,025

Consolidated statement of financial position as at 31 December 2022 and 2021

THOUSAND EUROS	NOTES	2022	2021(*)
ASSETS			
Property, plant and equipment	16	17,890,854	14,562,300
Right-of-use assets	17	988,302	668,788
Intangible assets	18	380,846	158,875
Goodwill	19	2,329,964	1,268,035
Investments in joint ventures and associates	20	1,157,249	988,522
Equity instruments at fair value	40	43,321	14,878
Deferred tax assets	21	625,357	331,803
Debtors and other assets from commercial activities	23	36,006	32,923
Other debtors and other assets	24	462,174	771,415
Collateral deposits associated to financial debt	31	23,311	23,397
Total Non-Current Assets		23,937,384	18,820,936
Inventories	22	252,844	219,807
Debtors and other assets from commercial activities	23	569,687	465,311
Other debtors and other assets	24	1,222,906	775,310
Current tax assets	25	302,384	224,796
Collateral deposits associated to financial debt	31	26,734	25,708
Cash and cash equivalents	26	1,171,932	1,003,784
Assets held for sale	27	9,198	495,924
Total Current Assets		3,555,685	3,210,640
Total Assets		27,493,069	22,031,576
Equity			
Share capital	28	4,802,791	4,802,791
Share premium	28	1,599,013	1,599,013
Reserves	29	-1,171,745	-910,658
Other reserves and Retained earnings	29	3,179,241	2,620,292
Consolidated net profit attributable to equity holders of the parent		616,231	655,443
Total Equity attributable to equity holders of the parent		9,025,531	8,766,881
Non-controlling interests	30	1,545,134	1,408,026
Total Equity		10,570,665	10,174,907
Liabilities			
Medium / Long term financial debt	31	4,869,851	3,353,104
Provisions	32	269,490	318,317
Deferred tax liabilities	21	638,290	454,564
Institutional partnerships in North America	33	2,212,162	2,259,741
Trade and other payables from commercial activities	34	633,049	634,687
Other liabilities and other payables	35	2,844,344	1,231,218
Total Non-Current Liabilities		11,467,186	8,251,631
Short term financial debt	31	1,290,103	687,845
Provisions	32	723	6,316
Trade and other payables from commercial activities	34	2,918,744	1,688,791
Other liabilities and other payables	35	1,010,244	967,643
Current tax liabilities	36	235,404	191,956
Liabilities held for sale	27	-	62,487
Total Current Liabilities		5,455,218	3,605,038
Total Liabilities		16,922,404	11,856,669
Total Equity and Liabilities		27,493,069	22,031,576

* See note 2.A) for details regarding the modification as a result of the change in the Green Certificates and RECs accounting policy

Consolidated statement of changes in equity for the years ended at 31 December 2022 and 2021

THOUSAND EUROS	TOTAL EQUITY	SHARE CAPITAL	SHARE PREMIUM	RESERVES AND RETAINED EARNINGS	EXCHANGE DIFFERENCES	HEDGING RESERVE	FAIR VALUE RESERVE	EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF EDP RENOVÁVEIS	NON-CONTROLLING INTERESTS
Balance as at 31 December 2020	8,623,831	4,361,541	552,035	2,678,982	-225,076	-23,251	3,318	7,347,549	1,276,282
Comprehensive income									
- Fair value reserve (equity instruments at fair value) net of taxes	895	-	-	-	-	-	828	828	67
- Fair value reserve (cash flow hedge) net of taxes	-737,009	-	-	-	-	-737,625	-	-737,625	616
- Share of other comprehensive income in joint ventures and associates, net of taxes	-14,086	-	-	-	-8,711	-5,375	-	-14,086	-
- Reclassification to profit and loss due to changes in control	5,747	-	-	-	-5,622	11,369	-	5,747	-
- Actuarial gains/(Losses)	16	-	-	12	-	-	-	12	4
Exchange differences arising on consolidation	146,69	-	-		79,487	-	-	79,487	67,203
- Net profit for the year	809,578	-	-	655,443	-	-	-	655,443	154,135
Total comprehensive income for the year	211,831	-	-	655,455	65,154	-731,631	828	-10,194	222,025
Dividends paid	-76,845	-	-	-76,845	-	-	-	-76,845	-
Dividends attributable to non-controlling interests	-38,387	-	-	-	-	-	-	-	-38,387
Share capital increase	1,488,228	441,25	1,046,978	-	-	-	-	1,488,228	-
Other	-33,751	-	-	18,143	-	-	-	18,143	-51,894
Balance as at 31 December 2021	10,174,907	4,802,791	1,599,013	3,275,735	-159,922	-754,882	4,146	8,766,881	1,408,026
Comprehensive income									
- Fair value reserve (equity instruments at fair value) net of taxes	5,607	-	-	-	-	-	5,239	5,239	368
- Fair value reserve (cash flow hedge) net of taxes	-358,252	-	-	-	-	-359,687	-	-359,687	1,435
- Share of other comprehensive Income in joint ventures and associates, net of taxes	89,946	-	-	-	-3,043	82,637	10,352	89,946	-
- Reclassification to profit and loss due to changes in control	-29,325	-	-	-	-9,116	-20,209	-	-29,325	-
- Actuarial gains/(Losses)	102	-	-	94	-	-	-	94	8
Exchange differences arising on consolidation	88,656	-	-	-	32,740	-	-	32,740	55,916
- Net profit for the year	817,102	-	-	616,231	-	-	-	616,231	200,871
Total comprehensive income for the year	613,836			616,324	20,581	-297,259	15,591	355,238	258,598
Dividends paid	-86,450	-	-	-86,450	-	-	-	-86,450	-
Dividends attributable to non-controlling interests	-62,867	-	-	-	-	-	-	-	-62,867
Acquisition of Sunseap	40,620	-	-	-	-	-	-	-	40,620
Other	-109,381	-	-	-10,138	-	-	-	-10,138	-99,243
Balance as at 31 December 2022	10,570,665	4,802,791	1,599,013	3,795,472	-139,341	-1,052,141	19,737	9,025,531	1,545,134

Consolidated statement of cash flows for the years ended 31 December 2022 and 2021

THOUSAND EUROS	2022	2021
OPERATING ACTIVITIES		
Cash receipts from customers	2,402,923	1,656,183
Payments to suppliers	-793,374	-508,927
Payments to personnel	-300,607	-176,479
Other receipts / (payments) relating to operating activities	-203,364	-113,928
Net cash from operations	1,105,578	856,849
Income tax received / (paid)	-56,818	-45,361
Net cash flows from operating activities	1,048,760	811,488
INVESTING ACTIVITIES		
Cash receipts relating to:		
Changes in cash resulting from perimeter variations (*)	155,314	4,942
Property, plant and equipment and intangible assets	36,714	87,609
Interest and similar income	41,031	9,033
Dividends	54,616	31,926
Loans to related parties	679,783	628,382
Sale of subsidiaries with loss of control	1,476,044	615,298
Other receipts from investing activities	10,938	20,506
	2,454,440	1,397,696
Cash payments relating to:		
Changes in cash resulting from perimeter variations (**)	-99,485	-26,963
Acquisition of subsidiaries	-1,169,852	-87,721
Property, plant and equipment and intangible assets	-2,349,595	-2,372,090
Loans to related parties	-718,064	-487,917
Other payments in investing activities	-36,067	-384,686
	-4,373,063	-3,359,377
Net cash flows from investing activities	-1,918,623	-1,961,681
FINANCING ACTIVITIES		
Payments/receipts related with transactions with non-controlling interest without change of control	-	-
Receipts / (payments) relating to loans from third parties	323,438	295,709
Receipts / (payments) relating to loans from non-controlling interests	-65,542	-39,777
Receipts / (payments) relating to loans from Group companies	1,481,949	-391,623
Interest and similar costs including hedge derivatives from third parties	-90,868	-39,599
Interest and similar costs from non-controlling interests	-5,002	-6,227
Interest and similar costs including hedge derivatives from Group companies	-149,789	-107,468
Payments of lease liabilities	-54,612	-43,746
Dividends paid	-155,052	-114,085
Receipts / (payments) from derivative financial instruments	-147,472	13,889
Receipts / (payments) from institutional partnerships in North America	-77,385	692,164
Increases /(decreases) in capital and share premium by non-controlling interests	-94,562	1,413,909
Other cash flows from financing activities	689	-
Net cash flows from financing activities	965,792	1,673,146
Changes in cash and cash equivalents	95,929	522,953
Effect of exchange rate fluctuations on cash held	72,219	6,447
Cash and cash equivalents at the beginning of the period	1,003,784	474,384
Cash and cash equivalents at the end of the period	1,171,932	1,003,784

(*) Refers to the acquisition portfolio (see note 6 and 42).
(**) Refers mainly to sale transactions (see note 6, 9 and 27).

Variations in the following captions, including cash flow variations, during the period ending December 31, 2022 are as follows:

THOUSAND EUROS	BANK LOANS (*)	GROUP LOANS	NON-CONTROLLING INTERESTS LOANS	U.S. INSTITUTIONAL PARTNERSHIPS	DERIVATIVES (**)	TOTAL
Balance as of December 31, 2021	876,088	3,098,418	162,726	2,259,741	65,891	6,462,869
Cash flows						
- Receipts / (payments) relating to loans from third parties	323,439	-	-	-	-	323,439
- Receipts / (payments) relating to loans from non-controlling interests	-	-	-65,542	-	-	-65,542
- Receipts / (payments) relating to loans from Group companies	-	1,481,949	-	-	-	1,481,949
- Interest and similar costs including hedge derivatives from third parties	-75,784	-	-	-	-15,084	-90,868
- Interest and similar costs from non controlling interests	-	-	-5,002	-	-	-5,002
- Interest and similar costs including hedge derivatives from Group companies	-	-131,029	-	-	-18,760	-149,789
- Receipts/ (payments) from derivative financial instruments	-	-	-	-	-147,472	-147,472
- Receipts / (Payments) from institutional partnership in North America	-	-	-	-77,385	-	-77,385
Changes of perimeter	53,557	-	-	26,506	30	80,093
Exchange differences	66,576	168,635	-	142,242	-3,202	374,251
Fair value changes	-	-	-	-	192,836	192,836
Accrued income/expenses	78,581	140,213	8,120	-	-8,573	218,341
Unwinding	-	-	-	96,955	-	96,955
Changes in U.S. Institutional Partnerships related to ITC/PTC	-	-	-	-235,897	-	-235,897
Balance as of December 31, 2022	1,322,457	4,758,186	100,302	2,212,162	65,666	8,458,773

(*) Net of collateral deposits;
(**) The Group considers as financing activities all derivative financial instruments excluding derivatives related with commodities;

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Conflict situation and geopolitical instability in Eastern Europe – Macroeconomic, Regulatory, Operational, Accounting Impact and relationship with Stakeholders

On 24 February 2022, a military conflict was initiated in Ukraine with the invasion of its territory by the Russian troops which has resulted in a humanitarian crisis. Direct and indirect victims, and a significant number of refugees and displaced citizens (UN estimate of over 14 million people by end of December 2022) have been caused by the attacks to Ukrainian localities, with several repercussions on the energy, commodities, intermediate goods, customer and service markets. This note identifies actual and potential business, financial, operational, accounting and strategic impacts.

Given its geopolitical positioning, the conflict has particular relevance to the continuity of EDPR Group's business in Europe, and for possibly more attenuated spill-overs for the operations in North America, Latin America and Asia.

The magnitude of geopolitical tensions remains high, with relevant impacts arising from this crisis continuing to be felt, the worsening and/or prolonging of this conflict may increase an even greater increase in risk and negative impacts for EDPR Group's business.

Impact on energy markets – energy crisis

The prices of energy markets, particularly in Europe, rose to historically high levels in the second half of 2021. The military conflict has further weakened energy markets and led to a larger sustained increase in energy prices in Europe, since Russia is one of the main exporters of natural gas. Taking into account the introduction of regulatory measures to contain the price of gas and electricity all over Europe and, in particular, in Iberia, the pool price has stabilized.

The main impacts/risks in terms of energy markets are:

- Prices of commodities: the sanctions and economic boycott of Russia, in an attempt to stop the aggression against Ukraine, have led to a limitation in the supply of natural gas, and an increase in demand from other markets (e.g., US's LNG market), putting high pressure on prices of raw materials and, consequently, in the final price of energy; and
- Energy dependence/ availability of resources/ increase in economic protectionism: European energy reliance on Russia has also forced a reflection on viable alternatives to ensure energy independence, reinforcing the problem already felt at various levels (economic, political and now energetic) of regionalization/ clustering – in opposition to globalization. This phenomenon consists in the approximation and dialogue with countries/ neighbouring regions with common principles and goals, and an increase in protectionism in relation to other countries, operating autonomously in relation to the rest of the world.

EDPR continues to take a cautious approach, and closely monitoring the evolution of the markets.

The energy transition is also seen as a measure to increase the resilience and energetic independence of the markets, increasing the renewable share in the energy portfolio, reducing dependence on gas supply, with EDP being a player with a leadership role in this area.

Regulatory impact

In a context of economic uncertainty and energy crisis, the way in which international and governmental institutions in each country accommodate the impacts and try to limit economic consequences for economic agents were object of analysis and discussion. Several measures with significant impact measures have already been adopted, while others remain under analysis. In particular, to contain energy prices increase, regulatory mechanisms were created in Portugal and Spain by introducing a cap on the value considered for gas, as an electricity production factor (approved on 8 June, with effective date from 15 June 2022 to 31 May 2023). This mechanism implies the payment of compensation amounts to the electricity generators by consumers who will have benefited from the effects of the mechanism.

Additionally, several packages of measures leading to energy savings were approved in several European countries, namely Portugal and Spain. Other regulatory mechanisms with an impact on EDPR's business were also applied, namely clawback to inframarginal generation in specific countries (eg Spain, Romania). In Portugal, in addition to the partial reduction of the VAT rate applicable to electricity, the constitution of a strategic water reserve was also approved, which aims to ensure that the storage levels of 15 hydro power plants reach more comfortable values.

Other mechanisms are being discussed at European level, namely the definition of a maximum cap on revenues from inframarginal power plants, a solidarity contribution tax on the oil & gas and coal sector, intervention in retail prices and liquidity

guarantee mechanisms (collateral). Noteworthy is the recent approval of an European Regulation, which contains several of the measures mentioned above and which gives States members some discretion in their adoption or in the adoption of measures with a similar effect

In regulatory terms, the main risks identified are:

- Possible increase in sectorial charges or taxes on energy companies, creation/increase of additional fees and taxes to bridge the gap between energy production and sale prices (only for those companies benefitting); and
- Change in market structure: possible changes in market structure (e.g., introduction of a cap on the price of electricity, or decoupling of gas).

EDPR has been closely monitoring the developments on this topic, positioning itself in the best possible way in the face of the challenges brought about by the aforementioned changes.

Financial impact

In addition to energy markets, financial market continues to experience times of huge instability and volatility, with a significant negative impact.

The main financial risks identified are:

- Inflation: current constraints are not only limited to gas sourcing, with impact in the energy sector, but also to essential raw materials in sectors such as agriculture, transport, among others, leading to a general increase in prices. EDPR businesses has some exposure to inflation in its revenues (directly or indirectly), mitigating this risk;
- Growing interest rates: pressure on interest rates leads to increases in financing costs related with floating rate debt and new fixed rate debt. EDPR has focused on increasing the duration of its fixed debt during the year 2022 and on pre-hedging future financing needs.
- Counterparty default: the huge increase of prices in the energy market raised the exposure to some counterparties. Additionally, the prolongation of the conflict and the increase of sanctions against Russia and the penalizations of several institutions may lead to an increase in the default risk of some counterparties;
- Liquidity: extremely high initial margins in organized markets due to very high prices and volatility, giving rise to significant cash variations and an increase in collateral requests.

EDPR has been closely monitoring the evolution of the financial markets and the financial situation of its counterparties, seeking to mitigate exposure to potential financial risks, with a cautious approach in terms of the interest rate combination with a high percentage of fixed rate, a careful choice of its main counterparties favouring high ratings and high levels of liquidity (cash and available credit lines).

Operational impact

The Russia-Ukraine conflict has been resulted in several operational impacts, direct and indirect, either due to the presence of EDPR operations in border regions with Ukraine, or due to the dependence on products and raw materials coming from the region.

Several risks with operational impacts were identified, namely:

- Physical assets and operations: the proximity of physical generation assets to the border with Ukraine, namely in Poland, Romania and Hungary, countries with greater risk of suffering damage in the event of a geographic expansion of the military conflict, is noteworthy. There may also be additional constraints, including increases in the maintenance costs of assets due to a rise in the price of resources and raw materials, and/or due to the unavailability of labour coming from the affected countries;
- People's safety: the existence of generation infrastructures close to the conflict region also implies the presence of EDPR teams and subcontracted teams, which, even though these are not permanently in these facilities, may expose them to a higher level of risk with the evolution of the conflict;
- Cybersecurity: there continues to be a high number of cyberattacks worldwide, with an increase level of sophistication and a potential impact for EDPR, directly or indirectly (for example, through providers of critical IT and OT services), which continues to motivate reinforcement of safety monitoring and the adoption of complementary measures by EDPR;
- Supply chain: there continues to be no relevant direct exposure of EDPR to countries in conflict or sanctioned, however, there may be indirect dependence through EDPR suppliers of products and raw materials (such as copper, aluminium, nickel, among others), from Russia or Ukraine, or whose transport route crosses/passes in the area of the conflict zone,

raising the possibility that the supply chain may be subject to disruptions by different causes and with variable duration. There is also an increase in the costs associated with these goods, both in terms of production, given the shortage of some raw materials, and in terms of transport; and
- Compliance: the application of sanctions to Russia by different countries and organizations, including the EU, continues to require internal monitoring in order to reduce the risk of EDPR's non-compliance with such sanctions and manage any previously established partnerships.

EDPR continues to reinforce the security and contingency mechanisms associated with its employees, as well as its operation and critical assets, including but not limited to the active monitoring of the evolution of the different risk factors identified. Additionally, EDPR established local plans and strategies to answer to the possible geographic spread of the conflict, in order to protect people and assets.

EDPR's operational and investment activities are reliant on local and global supply chains, with an active management of critical supplies being carried out to minimize potential impacts of disruptions in these chains.

Accounting impact

EDPR has not applied any different classifications from those normally used in its consolidated income statement, as a result of the conflict above mentioned. To assess possible accounting impacts, the Group reassessed the estimates it considers relevant and which may have been impacted by this fact. Thus, on 31 December 2022, the Group carried out a series of analyses of the relevant estimates and has not determined any materially relevant impacts compared to 31 December 2021.

Strategic impact (macroeconomics and relationship with key stakeholders)

A) Macroeconomic impact

The current geopolitical crisis in Eastern Europe includes significant risks for the economy and society, with an associated level of uncertainty about the duration of the conflict and the economic impacts that will outcome. In global macroeconomic, impacts have been felt in terms of increased costs of raw materials, particularly regarding energetic and agricultural, as well as a greater probability of disruption in international supply chains.

Additionally, beside causing the escalation of existing geopolitical tensions, contributing to global instability with still uncertain medium-long-term consequences, the proximity of the conflict to the borders of the EU also represents a challenge to the cohesion between the member states.

B) Relationship with stakeholders

Since the first moment, EDPR has assumed the commitment to safeguard the interests of its stakeholders and has been permanently following up the main developments of the military conflict and possible implications for all the stakeholders involved.

This monitoring and intervention has been manifested at different levels, of which the following stand out:

- Employees: EDPR has been reinforcing its internal communication, raising awareness of possible impacts arising from the conflict, as well as its positioning and measures adopted to manage such outcomes;
- Communities: EDPR has launched a humanitarian aid campaign with its employees, and has combined efforts with institutions presented locally, in order to support the most disadvantaged and vulnerable; and
- Shareholders: the Management Team has been working closely with the Audit Committee, in order to act in the most suitable manner, protecting the interests of itsshareholders.

01. The business operations of the EDP Renováveis Group

EDP Renováveis, Sociedad Anónima (hereinafter referred to as "EDP Renováveis" or "EDPR") was incorporated in Spain 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 and solar. The registered offices of the company are located in Oviedo, Plaza de la Gesta 2, Spain. On 18 March 2008 EDP Renováveis was converted into a company incorporated by shares (Sociedad Anónima).

The Company belongs to the EDP Group, of which the ultimate parent company is EDP Energias de Portugal, S.A., with registered offices at Avenida 24 de Julho, 12, Lisbon. As at 31 December 2022 and 2021, EDP Energias de Portugal, S.A through its Spanish branch EDP S.A. – Sucursal en España ("EDP Branch") held a qualified shareholding of 74.98 % of the share capital and voting rights of EDPR and 25.02% of the share capital was free floated in the Euronext 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., a majority shareholder of the Company. This operation was concluded in May 2012. Subsequent operations have modified such stake to 19.19% as at 31 December 2022.

The terms of the above-mentioned agreement through which CTG became a shareholder of the EDP Group stipulate that CTG would make minority investments totalling 2,000 million of Euros up to 2015 in operating and ready-to-build renewable energy generation projects (including co-funding capex).

Within the agreement mentioned above, the following transactions have taken place:

- In June 2013, EDPR completed the sale of 49% equity shareholding in EDPR Portugal to CTG through CITIC CWEI Renewables S.C.A;
- In May 2015, EDPR closed the sale of 49% of the following EDPR Brasil subsidiaries to CTG through CWEI Brasil participaçoes 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 completed the sale of 49% equity shareholding in EDP Renewables Polska SP.Zo.o. to CTG through ACE Poland S.Á.R.L. and the sale of 49% equity shareholding in EDP Renewables Italia S.r.l. to CTG through ACE Italy S.Á.R.L.;
- In June 2017, EDPR Group closed the sale of 49% equity shareholding in EDPR PT – Parques Eólicos, S.A. to CTG through ACE Portugal S.Á.R.L.;
- In December 2018, EDPR completed the sale of 10% equity shareholding in the equity consolidated offshore company Moray East Holdings Limited to CTG through China Three Gorges (UK) Limited.

On 10 December 2021, following the acquisition of Sunseap by EDP Renováveis S.A. and consequent entry into the Asian Market, EDP and CTG updated the Strategic Partnership Agreement (concluded in December 2011). This update aims to make the growth strategies of both companies more flexible, ensuring the application of the most demanding corporate governance standards in their future relationships.

As of 31 December 2022, EDP Renováveis S.A. directly holds a 100% stake in the share capital of the following companies: EDP Renewables Europe, S.L. (EDPR EU), EDP Renewables North America, LLC (EDPR NA), EDP Renewables Canada, Ltd. (EDPR Canada), EDP Renováveis Brasil, S.A. (EDPR BR), Colombian companies Eolos Energía S.A.S. E.S.P., Vientos del Norte S.A.S. E.S.P., Solar Power Solutions S.A.S. E.S.P, Parque Solar Fotovoltaico El Copey, S.A.S. E.S.P, Vietnamese company EDP Renewables Vietnam Ltd., Singaporean companies Trung Son SG Pte. Ltd., Sunseap Group Pte. Ltd., Chilean company EDP Renewables Chile SpA. and the Mexican company Parque Solar Los Cuervos, S. de R.L. de C.V. Refer to Anex II for the changes in the perimeter of consolidation.

The Group essentially operates in the European (Spain, Portugal, Poland, Romania, France, Italy, Greece, UK and Belgium), American (U.S., Brazil, Canada and Mexico) and Asian (Vietnam, Singapore, Taiwan and China) energy sectors.

EDPR Group is currently developing wind and solar onshore projects in other countries such as, UK, Germany, Netherlands, Chile, Colombia, Hungary and South Korea. Further, EDPR Group signed an agreement with ENGIE on January 2020 to establish a co-controlled 50/50 joint venture, OW Offshore S.L. (Ocean Winds), in fixed and floating offshore wind business. This entity is the exclusive vehicle of investment of EDPR and ENGIE for offshore wind opportunities worldwide.

EDP Renováveis, S.A. acquired the control over the Sunseap Group Pte. Ltd., the largest distributed solar player and top 4 solar player in Southeast Asia. The operation has been structured through an agreement with the major shareholders of Sunseap. Sunseap is a Solar focused renewables company headquartered in Singapore and has more than 400 employees spread across 9 markets, namely Singapore, Vietnam, Malaysia, Indonesia, Thailand, Cambodia, China, Taiwan and Japan and by the time of the agreement had more than 0.5 GW of capacity in operation and under construction and almost 5 GW of pipeline in different stages of development. This transaction has been completed in February 2022 once the conditions precedent have been fulfilled (See note 6).

EDP Renováveis, S.A. through its subsidiary, EDP Renewables Europe, S.L.U., has acquired a 66.80% stake in a solar generation portfolio, Kronos Solar Projects GmbH. Group, for a total of 9,4GW under development located in Germany, Netherlands, France and UK.

EDP Renováveis Group, through its subsidiaries has an installed capacity, as follows:

INSTALLED CAPACITY MW	31 DEC 2022	31 DEC 2021
United States of America	6,025	5,908
Spain	2,166	2,194
Portugal	1,168	1,142
Brazil	1,114	795
Poland	733	747
Romania	521	521
Mexico	496	400
Vietnam	405	28
Italy	295	384
France	214	181
Singapore	230	-
Canada	130	130
Greece	45	45
China	44	-
Taiwan	32	-
Belgium	11	11
United Kingdom	5	5
Thailand	1	-
	13,635	12,491

Additionally, the EDP Renováveis Group through its equity-consolidated companies has an installed capacity, attributed to EDPR, as follows:

INSTALLED CAPACITY MW	31 DEC 2022	31 DEC 2021
United States of America	592	592
Spain	156	156
Portugal	31	31
APAC	15	-
Rest of Europe	311	311
	1,105	1,090

Regulatory framework for the activities in North America

EDP Renewables operates in most of the electricity markets in the U.S., Canada, and Mexico. The nature of regulations and market rules vary from market to market with different degrees of influence from Federal and State/Provincial regulators in each market. The opportunities and constraints for EDPR assets and prospects are significantly defined by these regulations and market rules.

Regional Transmission Organizations ("RTO"), Independent System Operators ("ISO") exist throughout much of North America to operate a region's electricity grid, administer the region's wholesale electricity markets, and provide reliability planning for the region's bulk electricity system. RTOs carry additional responsibility for the region's transmission network. U.S. markets with RTOs and ISOs fall under greater Federal influence through the Federal Energy Regulatory Commission ("FERC") which results in more transparent tariff and market rules.

Regulation and market rules for regions not in RTO/ISO footprints tend to be influenced by various combinations of entities including State regulators, vertically integrated utilities, municipal governments, and Federal Agencies. In Canada, the regulatory framework varies depending on the particular Province or Territory. Provincial regulators have jurisdiction over their province's energy generation, intra-provincial transmission, distribution, retail pricing and wholesale markets (if such markets exist).

In general, EDPR seeks to build assets in North American markets where long-term contracts are available for the bulk of the output of its generation facilities. In addition to electrical power, our facilities can produce capacity and ancillary services in regions with demand for these products. Many states have enacted Renewable Portfolio Standards ("RPS") require obligated entities to provide a certain percentage of their energy supply from qualifying renewable sources, similar to the Renewable Energy Directive in the EU. In Canada, Provincial Governments have required utilities to procure supply from renewable facilities with programs such as Ontario's Large Renewable Procurement Programs. Over the last few years, U.S. states have expanded these targets such that renewable portfolio standards in over fifteen states require 50% or more of their energy supply to be delivered via renewable resources in the next ten to twenty years. Further, more than ten states have set requirements to achieve 100% clean energy supply by 2050. Certain facilities within the EDPR wind and solar portfolio, given their location, produce renewable energy credits ("REC"), certificates of clean energy ("CEL") and other environmental attributes which are typically sold, along with the energy, capacity, and ancillary services, from the plants under long-term contracts. These RECs generated via renewable production may also be sold separately from the wind and solar generation, if not already included in the long-term contracts. The party owning the RECs is solely entitled to the benefits of the environmental attributes.

U.S. federal, state and local governments have established various incentives to support the development of renewable energy projects. Included in these incentives are the Investment Tax Credit ("ITC"), Production Tax Credit ("PTC"), cash grants, and tax equity financing. Pursuant to the U.S. federal Modified Accelerated Cost Recovery System, wind and solar projects are fully depreciated for tax purposes over a five-year period even though the useful life of such projects is generally much longer than five years.

Owners of utility-scale wind facilities are eligible to claim the ITC upon initially achieving commercial operation or PTCs for generation from qualifying facilities. The PTC is awarded based on the volume of electricity produced by the wind facility during the first ten years of commercial operation. This incentive was established by the U.S. Congress as part of the 1992 Energy Policy Act and has been extended several times, most recently as part of the $1.4 trillion omnibus and COVID-19 relief package. The ITC and PTC levels for a given facility depend on that facility's start of construction date and commissioning date and remain fixed at this level for the first ten years of operation.

The COVID-19 crisis continued to create challenges for clean energy companies seeking to advance the development of wind and solar projects. Delays in equipment manufacturing, shipment deliveries, work stoppages, and labour force restrictions, among other things, caused project development and construction timelines to slip and created some risk of projects not meeting their safe harbor deadlines for placement into service.

The U.S. Department of the Treasury (Treasury) determines eligibility under the federal law governing qualification for the wind energy production tax credit (PTC) and the solar energy investment tax credit (ITC). Treasury has allowed projects a "safe harbor" with respect to qualifying for the tax credit available in the year construction commenced, so long as the project subsequently was placed in service within a certain period of years.

Guidance from Treasury (issued 20 June 2020) continues to apply;

1. Extends the placed-in-service safe harbor to six years for facilities that began construction in 2016, 2017, 2018 or 2019;

2. Extends the placed-in-service safe harbor to five years for facilities that began construction in 2020; and,

3. Provides that taxpayers not relying on the continuity safe harbor may demonstrate continuity by using the "continuous efforts" standard rather than the more restrictive "continuous construction" standard, regardless of whether the project started construction under the physical work pathway.

4. Qualifying equipment procured in 2016 can now be deployed in 2022 and be eligible for the full PTC (previously it would have had to be deployed in 2021); and

5. Qualifying equipment procured in 2017 can now be deployed in 2023 and be eligible for the 80% PTC (previously it would have had to be used in 2022).

In January 2022, the Biden Administration's first year came to a close. The key component of the Administration's domestic agenda, "Build Back Better," which would have extended existing renewables tax credits and expanded credit eligibility among other policies, was rejected by Senator Manchin (D-WV) in a statement published in December 2021. Without this 50th Senate vote, the omnibus did not pass. The tax credits are still being considered as part of the budget reconciliation process, though the scope of policies included is unclear – it may range from a simple production tax credit (PTC) and investment tax credit (ITC) extension to the introduction of a direct-pay provision – and economic concerns over rising inflation and gas prices have emerged as top political priorities. Despite these headwinds, several appointees are advancing energy transition goals. Secretary Haaland of the Department of the Interior announced the "Offshore Wind Path Forward" plan to organize as many as seven offshore wind lease auctions by 2025, including the February 2022 New York Bight lease sale.

In May 2022, President Biden also announced his intent to nominate FERC Chairman Richard Glick to a second five-year term. Glick's current agenda includes overhauling transmission planning and generation interconnection rules and better incorporating distributed energy resources in wholesale markets.

In June 2022 President Biden signed an Executive Order protecting southeast Asian solar PV panel imports for the next 2 years from any additional tariff resulting from the Department of Commerce's Anti-Dumping and Countervailing Duty (AD/CVD) tariff investigation, as well as authorizing use of the Defence Production Act (DPA) to increase domestic manufacturing of five clean energy technologies including solar PV panels.

In August 2022, President Biden signed into law the Inflation Reduction Act of 2022 (IRA2022). For renewable energy development, the IRA2022 supports expansion of the domestic supply change for clean energy technologies, especially solar panel production, as well as providing major extensions and improvements to the ITC and PTC while making these incentives available for a wider set of technologies. The Act also allows improved transferability of the tax credits.

Prior to the IRA2022, the maximum ITC was set at 30% of qualified solar project capex, with the declining according to a defined schedule depending on year when construction began and the ultimate date of commercial operation. The IRA2022 changes the rate structure making projects eligible for a base rate along with bonuses on top of that base rate that depend on certain criteria being satisfied related to the nature of labour and materials used in construction of the project along with location specific criteria. The base rate set the ITC at 6% of qualified costs. Labour requirements include the payment of prevailing wages during construction and during any repairs and the employment of a specified percentage of qualified apprentices. Meeting the labour requirements adds 24% additional ITC on top of the 6% base rate. Building with qualifying materials adds 10% to the project ITC rate if domestic content requirements are met. The location of the project can also add bonuses to the ITC rate with low income and energy communities being favoured with additional 10% ITC bonuses, respectively.

In addition, IRA2022 changes the structure of the PTC similarly. Prior to the Act, the maximum PTC was set at $26 per MWh for wind project generation for the first ten years of project operation. The value of the PTC declined according to a defined schedule also dependent on the year construction started and the date of commercial operation. The IRA2022 changes this rate structure to set the PTC value to a base rate set at $5 per MWh plus bonuses for contracted labour adding $21 per MWh. Use of domestic materials adds $3 per MWh while building in qualified energy communities adds an additional $3 per MWh. Additionally, the PTC becomes technology neutral in 2025 such that solar could receive the PTC in lieu of the ITC.

Regulatory framework for the activities in Spain

The main piece regulating the Spanish electricity sector is Law 24/2013 that replaced Law 54/1997. This law is part of a comprehensive reform of the Spanish energy sector.

The main purposes of this law are to adapt the regulation to the evolution of the electricity sector and to guarantee the sustainability of the system in the long term, removing existing deficiencies in the system operation. Specifically, the Law aims at correcting the structural tariff deficit. The law sets principles and provisions governing the electricity sector, with the objective to

effectively guarantee the supply of electricity and to adapt it to the needs of consumers ensuring safety, quality, efficiency, objectivity, transparency and electricity at the minimum cost.

As a part or this Energy Reform, Royal Decree-Law 9/2013 was passed in July 2013. The purpose of this Royal Decree-Law was to adopt a series of measures to ensure the sustainability of the electricity system.

In particular, RDL 9/2013 introduced a new legal and economic regime for existing renewable, cogeneration and waste energy facilities. The RDL set the principles governing these facilities, and these principles were then developed by law 24/2013 and Royal Decree 413/2014. In accordance with this new framework, renewable facilities would receive during their operating lifetime, in addition to the remuneration for the sale of the energy valued at the market price, a specific remuneration composed by (i) an "investment premium" and (ii) "an operating remuneration premium" designed to cover the share of a facility's operating costs that could not be recovered by means of energy sales.

The calculation of the aforementioned remuneration shall be carried out on the basis of the standard costs and revenues (initial investment, operation and revenue from the sale of energy) corresponding to a "standard power plant, over the useful regulatory life and based on the business activity that would be carried out by and efficient and well-managed company".

Under this scheme, projects would receive a remuneration guaranteeing a "reasonable profitability" calculated, for the first six-year regulatory period, at "300 basis points above the yield on 10-year government bonds over the last ten years".

The Spanish Government published in June 2014, Order IET/1045/2014, which included the parameters to remunerate the renewable energy assets, under the new remuneration framework. DL 413/2014 confirmed that wind farms that started operations in 2003 (or before) would not receive any further incentive, while the rest of wind farms would receive an incentive calculated in order to reach a 7.398% return. This order describes more than 1,300 possible types of renewables installation, 23 of them corresponding to wind farms of more than 5 MW classified by the year of first operation (from 1994 to 2016).

In October 2015 the Government approved Royal Decree 947/2015 and a Ministerial Order aimed at allowing the installation of new renewable capacity through competitive tenders.

In January 2016, the first auction renewable auction was held. The auction was designed to provide a similar remuneration that the one applying to operating installations (RD 413/2014). Following this framework, tender participants were requested to bid discounts on the "initial investment" (CAPEX) parameter which would then, by being plugged in the formula set by RD 413/2014 determine the "Rinv" (investment premium) that would eventually be awarded.

Following the outcome of the first 2017 tender, the Spanish government decided to launch an additional tender for a maximum of 3 GW. This new tender was held in July, and was opened to wind and solar PV exclusively. Additionally, the royal decree ruling the tender (RD 650/2017) included the possibility to increase the allocated capacity to all capacity bidding the same discount, provided it would not create an overcost to the system. Following this clause, all projects offering the maximum allowed discount were successful (no tiebreaker rule was triggered).

In October 2018, the Spanish Ministry for Energy transition and environment introduced several measures aiming at limiting electricity cost for final consumers and serving as a first step towards the long-term energy transition. The implemented measures include the suspension of the 7% generation tax during a period of 6 months, the facilitation of self-consumption and the administrative extension until March 2020 of the connection rights for the renewable plants awarded in previous year´s auctions.

On 22 November 2019 Royal Decree Law 17/2019 was passed, introducing a series of measures aimed at guaranteeing a stable regulatory and economic framework to encourage the development of renewable energy generation in Spain. The RDL updates the "reasonable return" for renewable generation for the next regulatory period starting on 1 January 2020 at a level of 7.39% for assets before RDL 9/2013 and 7.09% for the new ones.

Another objective of the RDL was to adopt a new regulation governing access to the network in nodes affected by the closure of coal and nuclear power plants and concessions for the private use of water, where new renewable projects could offer an alternative. The grid access to renewable projects in areas affected by the closure of thermal facilities, is based on the technical and economic benefits, as well as the environmental and social ones, in particular job creation.

In January 2020, the CNMC's Circular 3/2020 was approved. The Circular sets the methodology to calculate access fee and removes the former 0.5€/MWh that generators had to pay. A new fee of 0.13741 €/MWh was introduced to remunerate the system operator.

On 28 February 2020 the final version of the Rinv (investment premium) adjustment was published (as in 2019 ended the second semi-regulatory period of the RD 413/2014 framework). Three main adjustments were introduced: (i) the estimation of pool prices using forward prices, (ii) the adjustment of the OPEX to reflect the removal of the 0.5 €/MWh access fee and (iii) the inclusion of the system operator remuneration.

On 14 March 2020 Royal Decree 463/2020 entered into force, declaring the state of alarm for the management of the health crisis caused by the coronavirus (COVID 19). During extreme situations (among them, health crises) article 116 of the Spanish Constitution allows the executive to declare the state of alarm, a measure that enables it to prohibit the free movement of people throughout the country and to take all steps required to guarantee the supply of food to the nation's markets. It also allows the government to take over the means of production and requisition goods.

Initially the state of alarm was set to last until March 29 but the Congress extended it to June 21. Also, the government toughened the lockdown measures requiring the halt of all "non-essential" activities from March 30 to April 9, including wind farms' construction. Several subsequent Royal Decrees were published during the State of Alarm. These RD included economic and social measures to fight the pandemic effects. Despite the lockdown, several consultations were launched by the Energy Ministry (Hydrogen Strategy, Electric Energy Storage (EES), offshore strategy and FEDER auctions.

Due to the disruption caused by COVID-19, a 2-month extension (from the last day of the state of alarm) of the connection rights expiring on 31 March 2020, was decided. The final version of the Spanish NECP (National Energy and Climate Plan) for the period 2021-2030 was sent to the European Commission.

The Government approved Royal Decree Law 23/2020 of 23 June approving measures in the area of energy and other areas aimed at economic recovery. The objective of this Royal Decree Law is to guide energy policy for economic recovery, financial resource mobilisation and sustainable job creation. In particular, RD/2020 consists of a battery of measures intended to help the energy transition, remove barriers to the large-scale deployment of renewable energy sources and promote energy efficiency.

On 17 July 2020 the Ministerial Order TED/668/2020 was approved, setting the adjusted "Rinv" (investment premium) values for 2018 and 2019, accounting for the temporal suspension of the 7% levy on generation during Q4 2018 and Q1 2019.

The Ministry for the Ecological Transition and Demographic Challenge (MITECO) decided to allocate 316 million euros to support innovative projects that favour the integration of renewable energies in the systems. Different lines of action, drawn up in collaboration with the Autonomous Communities, are expected to contribute to the achievement of the objectives that Spain, in its NECP, has set in this area: doubling the consumption of renewable energy by 2030, and reaching climate neutrality in 2050. Specifically, the Official State Gazette (BOE) published on August 3 set the regulatory criteria to allocate 246 million euros in aid to renewable projects in a competitive competition regime. On 10 September 2020 several tenders were announced in Madrid, Andalucía, Extremadura, Asturias, Castilla La Mancha, Cataluña and Murcia regions. The announced competitive procedures will allocate 80 million euros to renewable projects.

On 4 November 2020, Royal Decree 960/2020 regulating the economic regime for renewable energies for electricity production facilities, was approved. The RD sets the framework for a new scheme for RES investment (including hybrid, energy storage projects and repowering) to be awarded in auctions. It defines some general characteristics of the scheme, although most aspects remain flexible and will need to be defined in lower level legislation. Additionally, it sets the obligation of publishing a 5-years auction calendar.

Regarding the auction mechanism, the RD establishes that the auction product may be power, energy or a combination of both and that auctions would be structured as pay-as-bid ones. A maximum price will be set although it may be confidential and a minimum price may also be introduced. The awarded price will be defined in €/MWh and will not be indexed.

The RD includes the possibility of defining so-called "symmetrical incentives" for market participation. In this case, the price received for the energy sold in each market (day-ahead/intra-day) will be adjusted by a factor applied to the difference between (i) the price of the day-ahead market and (ii) the awarded price.

The tenure of the scheme is set as the sooner of achieving a maximum energy, or 10 to 15 years (exceptionally up to 20 years for technologies with high CAPEX or high technology risk which will need to be defined for each auction).

Following the approval of RD 960/2020, The Ministry for the Ecological Transition and Demographic Challenge (MITECO) approved Order TED/1161/2020 of December 4, 2020 in which it sets the auction mechanism for the first auction. The Order also includes the auction calendar for the next 5 years. Over the next 5 years, the Spanish Government plans to launch tenders for

20GW of renewable power (mainly wind: 8.5GW and solar PV: 10GW) in order to achieve the 60GW target set out in the Spanish National Energy and Climate Plan for 2021-2030.

On 29 December 2020, the Royal Decree on access and connection to the energy transmission and distribution networks (RD 1183/2020) was approved. This Royal Decree establishes the principles and criteria in relation to the application, processing and granting of permits for access and connection to the electricity transmission and distribution networks. With the approval of this RD, the government aims at preparing the regulatory framework for the planned deployment of renewables, while helping to eliminate inefficiencies and speculative behaviours to ensure the achievement of energy policy objectives.

The first auction under the new auction framework (set by RD 960/2020) was held on 26 January 2021. In total 3,034 MW were awarded: 2,036 MW of solar PV projects (at an average price of 24.47 €/MWh) and 998 MW of onshore wind's (at an average price of 25.31€/MWh). Winning bids were awarded 12-year power purchase agreements (PPAs).

In May 2021, the Spanish Parliament approved a law on climate change and energy transition (Law 7/2021), which will bring the country into line with the EU's goal to become carbon neutral by 2050. As an intermediate target, the law targets to cut emissions 23% by 2030, compared with 1990 levels. Regarding the renewables' sector, the law foresees a reform of the electricity sector aimed at fostering: (i) the participation of consumers in the markets including aggregation and demand response and (ii) investment in variable and flexible renewables, distributed generation and energy storage among others. A fiscal reform Is also foreseen focused on green taxation.

In June 2021, the European Commission adopted a positive assessment of Spain's Recovery and Resilience Plan. The financing will amount to 69.5 b€ in grants and will support the implementation of the crucial investment and reform measures outlined in the Plan. The presented Plan devotes 40% of its total allocation to measures that support climate objectives (sustainable mobility, energy efficiency and deployment of renewable energies, among others).

In June 2021, the government released Royal Decree-Law 12/2021 which adopted urgent measures in the field of energy taxation and generation. The RDL approved the suspension of the 7% generating tax and a reduction of value added tax for electricity bills (from 21% to 10%) until the end of the year. The VAT reduction would be applied to consumers with contracted power <10 kV (if wholesale prices were more than 45€/MWh) and to vulnerable consumers (regardless market prices). These measures come after Spain changed its hourly bands for calculating power bills and amid soaring power prices.

On 16 September 2021, Royal Decree-Law 17/2021 (RDL 17/2021) on urgent measures to mitigate the impact of rising natural gas prices in the retail gas and electricity markets, came into force. In line with the previous Royal Decree-law, the new regulation introduced different measures to cushion the escalation of electricity prices and limit the amount of consumers' electricity bills.

- One of the measures consists in introducing a mechanism to reduce the over-remuneration that certain facilities receive, due to the marginal cost price setting of the energy market
- The RDL also introduced a new type of long-term power purchase auction to be held alongside the wholesale market. In these auctions, certain operators must offer their CO_2-free, manageable inframarginal generation products (not included in the renewables auctions), with a settlement period equal to or greater than one year
- The regulation also includes tax measures. On the one hand, the rate of the Special Tax on Electricity, was reduced to 5.1% to 0.5% until 31 December 2021. On the other hand, it extended the temporary suspension of the tax on the Value of Electricity Production (the 7% levy) to the fourth quarter of 2021.
- In addition, the RDL sets a Minimum Vital Supply for vulnerable consumers by which the cut off of the electricity supply is prohibited to the beneficiaries of the Electric Social Bonus for six months in addition to the four already existing (thus, during 10 months in total).

On 26 October 2021 Royal Decree Law 23/2021 was approved, adopting urgent measures to protect energy consumers and bring transparency into the wholesale and retail electricity and natural gas markets. On the one hand, this RDL increases the discounts of the electricity social bond from 40% to 70% for severe vulnerable consumers and from 25% to 60% for vulnerable consumers until the end of March 2022. The minimum amount of the thermal social bonus for the year 2021 was also increased from 25 to 35 euros. On the other hand, the RDL limits the scope of application of the mechanism to reduce over-remuneration obtained by some generating facilities, regulated in RDL 17/2021. Finally, it contains some measures to strengthen transparency in the electricity and gas markets. The Spanish companies of the Group are therefore excluded from the scope of application of the mechanisms to reduce over-remuneration, since, according to the RDL 23/2021, the Group has derivatives and PPAs to hedge energy sales prices.

The second renewables auction of 2021 was held on October 19, awarding 2,258 MW capacity for onshore wind projects (at an average price of 36.68€/MW) and 866 MW solar PV (at an average of 31.65€/MWh) to the winners.

In January 2022, the High Court resolved on the 2016-2022 social bonus mechanism declaring that imposing the financing obligation exclusively on the retailing companies was against the European legislation. According to the resolution, the government has to give back the financed amounts (except the amounts that have been passed thought the costumers).

In March 2022, a new Royal Decree Law (RDL 06/2022) was published with a comprehensive set of measures to mitigate the effects of the Ukranian war, in particular the impact of rising fuel prices on electricity prices. The RDL mandates an extraordinary RECORE (specific remuneration regime for renewables cogeneration and waste) settlement dated 1st January 2022. The adjustment needs to take into account actual prices in 2020 and 2021, and a new price forecast for 2022, resulting in lower payments. Within the RDL 06/2022, bilateral contracting of RECORE energy is fostered by removing the regulatory collar from 2023 onwards. However, the collar was later rectified in RDL 10/2022: bands remain but from 2023 instead of using only the average day-ahead and intraday prices, forward prices will also be taken into account. Therefore, in 2023, the price will take into account a weighted average of day-ahead market prices (75%), annual forwards (15%) and quarterly forwards (2.5% each). In the following years, the share of forwards will be risen. The RDL also extended the scope of the social bonus (the financing will be borne by generators) and reduced by 80% the access tolls for electrointensive consumers. Regarding new generation projects, the permitting process for certain projects was streamlined while some provisions to facilitate the deployment of new technologies were introduced (storage, floating PV, hydrogen, and self-consumption projects). Finally, the RDL extended the gas clawback (approved by RDL 17/2021) until 30 June (and included the energy covered by instruments signed after 29th March with a tenure of one year or more and a price above 67€/MWh).

In June 2022, the Spanish government had decided to temporarily reduce the VAT applied in electricity to 10%. After that, Royal Decree-Law 06/2022, stipulated that the reduced VAT would be maintained as long as the price in the wholesale market was higher than 45€/MWh. The Royal Decree also stated that severe vulnerable consumers or at risk of exclusion (therefore, consumers eligible for the social bonus), would still be charged a reduced VAT, even if the price in the wholesale market was less than €45/MWh. In June 2022, the Spanish cabinet (RDL 11/2022) agreed to further reduce the VAT on electricity from 10% to 5%, to counteract the staggering rise in energy prices until 2022 year end. The remaining temporary measures on energy taxes would be also extended until 2022 year end: the rate of the Special Tax on Electricity (that had been reduced 5.1% to 0.5%) and the temporary suspension of the tax on the Value of Electricity Production (the 7% levy). Additionally, the gas price clawback mechanism (approved by RDL 17/2021) was extended until December 2022. This RDL established a rate for non-emitting carbon technologies based on the price of natural gas

In June, the European Commission approved a year-long cap on the price of gas used for power generation. The measure, which applies to both the Spanish and Portuguese markets, will run until May 31, 2023. During the first six months of the application of the measure, the actual price cap will be set at €40/MWh. As of the seventh month, the price cap will increase by €5/MWh per month, resulting in a price cap of €70/MWh in the 12th month. The measure will be financed by the "congestion income" obtained by the grid operator as result of cross-border electricity trade between France and Spain and a charge imposed by Spanish and Portugal on buyers benefiting from the measure.

In October 2022, a security of supply strategy (the so-called "Plan + Seguridad Energética") was released. Regarding renewables, the plan includes provisions regarding guarantees of origin for renewable gases, a new 2024-2029 transmission grid plan, a new regulatory framework to promote offshore wind and fiscal incentives for fuel switching to renewables.

On 18th October 2022, the Royal Decree Law 18/2022 was approved, releasing a new set of measures applying to the energy sector, including the extension of the gas clawback scheme until 31 December 2023.

In December 2022, a new tax for energy operators was approved. This tax will apply in 2023 and 2024 (based on 2022 and 2023 turnover) to energy operators with a turnover over 1 billion Euros in 2019. Tax would be charged at a 1.2% rate on the net amount of last Fiscal Year's turnover (this will include the tax groups income derived from its activities carried out in Spain, excluding the income derived from regulated activities). The windfall tax would apply as from 1st January 2023 and 2024, and the payment would be due within the first 20 days of September, with an interim assessment of 50% of the levy within the first 20 days of February.

On 27th December 2022, was approved the Royal Decree-Law 20/2022 related to measures to respond to the economic and social consequences of the war in Ukraine and also certain fiscal measures were approved. On the one hand, the application of the 0.5% tax rate of the Special Tax on Electricity was extended until 2023 year end. On the other hand, the temporary suspension of the Tax on the Value of Electricity Production was also extended until 2023 year end. Regarding permitting, sets for the next 18 months the suspension of administrative procedures for projects that had requested grid access in nodes that have been later listed for network capacity tenders, except for requests related to hybridization of existing renewable plants.

The above RDL provides a new simplified procedure for the environmental assessment of renewable projects ("Determinación de Afección Ambiental") where deadlines are reduced with respect to the existing procedure ("Declaración de Impacto Ambiental") applicable to projects that request administrative authorization from 28 December 2021 up to 31 December 2024. In

addition, a simplified procedure for the administrative authorization is developed for projects with approved environmental assessment.

Regulatory framework for the activities in Portugal

The principal pieces of legislation regulating the Portuguese electricity sector are Decree-Law 29/2006 of 15 February 2006 (amended by Decree-Law 215-A/2012) and Decree-Law 172/2006 of 23 August 2006 (amended by Decree-Law 215-B/2012).

The legislative framework for renewable energy is primarily contained in Ministerial Order 243/2013 of 2 August 2013, which sets out the terms, conditions and criteria for the licensing of electricity generation under special regime with guaranteed remuneration.

The Portuguese legal provisions applicable to electricity generation from renewable resources are currently established by Decree-Law 189/88 dated 27 May, as amended by Decree-Law 168/99 dated 18 May, Decree-Law 312/2001 dated 10 December, and Decree-Law 339-C/2001 dated 29 December. Also relevant is Decree-Law 33-A/2005, dated 16 February 2005 ("DL 33-A/2005"), which establishes the remuneration formula applicable to energy produced by renewable sources (this is, the formula to calculate the feed-in tariff).

In September 2012 and after months of negotiations, the Portuguese wind industry reached an agreement with the Portuguese government to extend the existing feed-in tariff regime in exchange of an upfront payment.

Following the agreement, the Portuguese Government published a decree articulating its terms, the Decree Law 35/2013. The Government proposed four alternative tariff schemes to be chosen by wind developers. EDPR and ENEOP chose a 7-year extension of the tariff defined as the average market price of previous twelve months, with a floor of 74€/MWh and a cap of 98€/MWh to be updated annually with inflation from 2021 onwards, in exchange of a payment of 5.800€/MW from 2013 to 2020.

The Environment and Energy Ministry published in July 2014, Decree Law 94/2014 that allowed wind operators to increase the capacity of their operating wind farms up to 20%. The additional production generated by the increased capacity is remunerated at 60 €/MWh, whilst the remaining production is remunerated following the feed-in tariff scheme.

The Portuguese government, in its 2019 Budget, included an extension of the special energy tax (so-called CESE) to renewables. However, renewable facilities with licenses granted through public tenders are exempted. In line with the 2019 Budget, the 2020 State Budget envisaged that small producers (up to 20 MW) would be exempted from paying the CESE. Also, passive subjects with more than 60 MW under tariff schemes would also be exempted from paying the tax.

On 31 January 2019 Portaria 43/2019 on over-equipment "sobrequipamientos" ("SE") was published. The new Portaria set a new remuneration scheme for SE of 45€/MWh (non-indexed values) for 15 years, period after which the SE would be under the ordinary regime not being entitled to be under the tariff extension scheme set by D-L 35/2013. The new scheme exempts developers from requesting ERSE authorization to the SE.

On 3 June 2019 the DL 76/2019 was published. This DL is a comprehensive review of the legal basis of the Portuguese electricity sector. Regarding new renewable capacity, the Decree changes the order in which grid capacity reservation and production license are obtained. New projects will need to obtain the title of grid capacity reservation prior to applying for the production license. The Decree also introduces three ways to obtain grid capacity reservation, being one of them through competitive tenders.

Portugal launched its first utility-scale renewable energy auction in July 2019, for 1.4 GW of solar PV capacity. Developers could present two kinds of offers: one with a fixed price below €45/MWh and another with a variable tariff which included a requirement to pay compensation to the electricity system, depending on spot market power prices. Both systems would have a 15-year length.

In December 2019, the DGEG (Direção-Geral de Energia e Geologia) released regulation of the Licensing Monitoring Committee (Comissão de Acompanhamento dos Processos de Licenciamento) of the solar PV plants resulting from the 2019's Auction. This Committee was set up with the aim of contributing to the fulfilment of the obligations arising from the tender procedure, in particular regarding the deadline for obtaining the licence

In Portugal, a GO (Guarantees of Origin) system was launched starting in March 2020. Registration shall be compulsory for renewable producers above 5 MW and high efficiency cogeneration. Until 2021YE, renewable plants <1 MW and self-consumption ones will be exempted.

In order to prevent further spread of the Covid-19, the state of emergency was declared by Presidential Decree no. 14-A/2020, of 18 March, as authorized by the Parliament's Resolution no. 15 A/2020, of 18 March 2020. DGEG suspended all deadlines linked to licensing procedures for all electrical projects after 16 March 2020. In particular, this suspension comprehends the deadlines for any administrative proceeding to be performed by solar promoters with projects awarded in the first solar auction (June 2019). The Emergency State was lifted on 2 May 2020 and replaced by the Calamity State.

On 27 March 2020 a new solar auction was announced by the Energy Secretary of State. Developers had to choose one of the following three remuneration schemes:

- A fixed guaranteed tariff structure, where the bids expressed a discount to a reference price, in €/MWh. Awarded projects would enter into an hourly two-side CfD with OMIP for 15 years. The CfD would be settled based on the actual price captured by the specific plant.
- A market scheme where the promoters bid for a contribution made to the National Electric System ("SEN") and where the promoters that bid the largest contributions would be awarded with the capacity title. Participants would then commit to pay this quantity for 15 years and their projects would get their revenues from participating in the electricity market on a merchant basis.
- A new system consisting of a market scheme for power plants incorporating a storage system, in which participants bid the value of the capacity payment that would like to receive in €/MW (MW of connection capacity). In exchange, they shall sign a "one-side" CfD contract ("available contract") with REN to protect the system against price spikes events.

On 31 March 2020 Law 3/2020 accompanying the State Budget was published setting the main policies and investments for the 2020-23 period. In terms of energy, the path to carbon neutrality in 2050 is set by confirming the 55% emission reduction target in 2030, promoting regional guidelines for carbon neutrality and envisaging the development of 5-year carbon budgets. Also, the main goals of the Portuguese National Energy and Climate Plan (NCEP) are also confirmed by the Law (preparation works for coal phase out, installations of 2 GW of solar PV in the next 2 years, reinforcement of existing onshore, promotion of hybrid and Energy storage, offshore wind, hydrogen, etc.).

Energy efficiency, e-mobility and economic incentives for decarbonization are also among the government priorities. On July 10 the Ministry Council officially approved the NCEP setting 2030 Renewable targets. The Plan commits to a 47% RES contribution that translates into 80% RES-E. According to the NCEP, Portugal expects to reach 9.3 GW of wind and 9 GW of solar PV by 2030.

Additionally, on 9 June 2020 the Council of Ministers approved the Supplementary Budget for 2020. The proposed law amends the State Budget law for 2020, allowing the materialization of the Economic and Social Stabilization Program.

On 10 July 2020 the Ministry Council officially approved the Portuguese National Energy and Climate Plan (NCEP) setting 2030 Renewable targets. The Plan commits to a 47% RES contribution that translates into 80% RES-E. According to the NECP, Portugal expects to reach 9.3 GW of wind and 9 GW of solar PV by 2030.

DL 35/2013 introduced the tariff extension regime for wind producers: in exchange of 5.8 k€/MW payment from 2013 to 2020, producers were entitled to enter a cap and floor regime of 74 and 90 €/MWh during seven years once the initial tariff is exhausted. Both payments and cap and floor values were subject to indexation:

- From 2013 to June 2020 based on the Kn factor, which envisages an annual adjustment for the difference between CPI and 2%
- After June 2021 with CPI, applied over the reference value

So far, ERSE has applied literally the indexation formulas, that is, individually on each year, without cumulation. Despacho n.º 6304/2021, published in June 2021, set that kn shall be applied on a cumulative basis, meaning that in 2020 the initial floor value of 74 €/MWh would change to 66 €/MWh. The Despacho mandated ERSE to regularize payments and to apply the new methodology in the next update to be applied already in July 2021.

The European Commission adopted in June 2021 a positive assessment of Portugal's Recovery and Resilience Plan. The Plan total 13.9 b€ of grants and 2.7b€ in loans and devotes 38% of its total allocation to measures that support climate objectives. This includes investments to finance a large-scale renovation programme to increase the energy efficiency of buildings or the promotion of energy efficiency and the use of alternative energy sources in industrial processes.

In January 2022, a new Decree Law governing the functioning of the SEN (National Energy System) was approved. The legislation had been under public consultation. The new DL has been structured into five fundamental axes, namely the administrative activity of control of the activities of the SEN, networks planning, the introduction of competitive mechanisms for the exercise of

the SEN's activities, the active participation of consumers in generation activities and in markets, and, the legislative framework for the development of new realities (such as repowering, hybridization and storage). The DL also transposes into national law EU directive 2019/244 regarding internal electricity market rules and the Renewable Energy Directive.

Regarding renewables, the DL keeps the three options to obtain grid connection (general, agreement and auction) and includes a payment of 1,5k€/MW in the general case and an obligation to install self-consumption devices for the municipalities equivalent to 0.3% of the connection capacity (or a compensation of 1.5k€/MW). Also, the DL includes deadlines to obtain production licenses and set the obligation to generators to present a "decommissioning plan" for the facility. Repowering of power plants is allowed up to 20% or more, until the NECP targets are achieved (and the original remuneration scheme can be kept by the repowered assets).

In April, the first floating PV auction was held in Portugal. The auction intended to grant 263 MVA of connection capacity in 7 different lots with sizes ranging from 8 to 100 MVA. Under the auction, two modalities were possible: a contract-for-difference or a contribution to the SEN. EDP was awarded the Alqueva lot (70 MVA).

In April the Decree-Law 30-A/2022 was published, providing for exceptional measures to ensure the installation of renewable and storage capacity, hydrogen facilities and electricity transmission and distribution infrastructures. In line with the measures recommended by the European Commission (namely the REPowerEU Plan), the DL states that the Environmental Impact Assessment (IEA) of electricity generation projects, up until then, always mandatory, will only occur at the request of the licensing authority when there are indications that the project may cause significant impacts on the environment. The DL also aims to streamline administrative procedures for the issuing of opinions and authorisations within the IEA producer or in the analysis of environmental impacts. Regarding wind projects, the DL allows existing projects to inject all their production (without the limit of the administratively allocated injection capacity) as to guarantee the maximum possible production according to the installed power of each generation unit.

In June, the European Commission approved a year-long cap on the price of gas used for power generation. The measure, which applies to both the Spanish and Portuguese markets, will run until May 31, 2023. During the first six months of the application of the measure, the actual price cap will be set at €40/MWh. As of the seventh month, the price cap will increase by €5/MWh per month, resulting in a price cap of €70/MWh in the 12th month. The measure will be financed by the "congestion income" obtained by the grid operator as result of cross-border electricity trade between France and Spain and a charge imposed by Spanish and Portugal on buyers benefiting from the measure.

On 19th October 2022, a new Decree Law (DL 72/2022) was published, containing exceptional measures for the development of renewables and energy storage. The Decree Law (DL) amends DL 30-A/2022 (approved in April 2022), including additional measures. In terms of permitting, the DL focuses on the licensing of urban development operations (building process). Projects below 1 MW (or equal to 1 MW) will not need approvals (only a responsibility declaration will be required). Projects above 1 MW will need to be communicated and all the documentation will need to be shared with municipalities. Municipalities will have 8 days to reject the project (only a pre-defined list of reasons may apply) or ask for more information. In any case, the rule of tacit approval applies. In addition, this DL introduces a new compensation for municipalities (a compensation of 13.5k€/MVA of connection capacity will be granted and funds will be provided by the Environmental Fund). According to the DL, agreements between the TSO and developers for infrastructure reinforcement will prioritize projects that already have a positive or conditioned positive EIA. Also, the test period for projects of the 2019, 2020 and 2021 solar PV auctions will be increased by 12 months (from 12 to 24 months) in order to allow producers to benefit from a longer merchant exposure period (provided that producers respect their COD deadline). Finally, the regulation allows FITs and CfD strike prices awarded in auctions to be exceptionally indexed to CPI from the year of award to the actual COD.

On 7th December 2022, the Council of Ministers approved the decree-law that initiates the reform and simplification of licensing in environmental matters, through the elimination of redundant licenses, permits and procedures. Through the reduction of administrative burdens, the DL intends to simplify the permitting procedure, and boost investments, without prejudice to compliance with environmental protection rules. For instance, Portugal is to cease requiring environmental impact assessments (EIA) for some wind, solar and green hydrogen facilities, from March 2023. Hydrogen and PV installations that occupy surfaces of less than 100 hectares, as well as wind turbines that are separated by more than 2 kilometres, will not need environmental approval. This regulation is part of the first package of the so-called "Simplex" licenses, which is a package of measures to amend the environmental rules for the development of hydrogen and renewable energy projects.

Regulatory framework for the activities in France

The electricity sector in France is primarily governed by Act 2000-108 passed on 10 February 2000, which constitutes the general legislative framework for the operation of generation facilities.

Act 2000 allowed wind operators to enter into long-term agreements for the purchase and sale of their energy with electricité de France (EDF), the national incumbent. The tariffs were initially set in 2006, then updated in the "Arrêté du 17 novembre 2008" at the following level: i) during the first ten years of the EDF Agreement, EDF would paid a fixed annual tariff, set at €82/MWh for wind farms that had made the application in 2008 (after 2008, this tariff was updated using an inflation-related index); ii) During years 11 to 15 of the EDF Agreement, the initial tariff would be revised considering the load factors achieved by the facility iii) After year 16, no specific support scheme would be granted (wind farms would need to sell the energy in the market and would receive market prices).

In July 2015, the "Energy Transition Bill", whose aim was to build a long-term and comprehensive energy strategy, was passed. In 66 articles, the bill included ambitious emission reduction targets while it also targeted to reduce fossil fuels use (including nuclear). Regarding renewables, the Energy Transition Bill increased the renewable target up to 32% by 2030.

A new Contract-for-difference (CfD) was released in December 2016 in line with the European "Guidelines on State aid for environmental protection and energy 2014-2020". According to this new scheme, wind farms having requested a PPA in 2016 would receive a 15-years CfD, being the strike price (and the terms of the tariff) very similar to the previous feed-in tariff.

From 2017 onwards, wind farms of more than 6 wind turbines (and more than 3 MW per turbine) would need to participate in competitive tenders to obtain a 20-year CfD. The first tender was held in November 2017. However, smaller wind farms (with 6 turbines or less, and 3 MW per turbine or less) would be exempted from participating in tenders.

On 27 November 2017, the "Pluriannual Energy Planning" (PPE) was released. According to the PPE, 40% of the energy would be produced from renewable sources by 2030.The PPE included different targets for renewables: 35.6-44.5 GW of solar capacity, 34-35.6 GW of onshore wind and 4.7-5 GW of offshore wind, by 2028.

On 29 November 2017, the government approved the Décret 2018-1054 aimed at accelerating legal procedures following claims against the administrative authorization of wind farms. In particular, the Decree removes the two-level court system in the event of litigation.

The third offshore round took place in March 2019 with all major players participating (grouped in 10 consortiums).

The French Parliament approved on 26 September 2019 the so-called "Energy and Climate Law", committing the country to carbon-neutrality by 2050. The adoption of the Energy-Climate law constitutes a major step toward achieving the government's ambition to address climate change by becoming carbon neutral by 2050. This objective represents a reduction of France's greenhouse gas emissions by a factor of more than six compared to 1990's emission level. In order to achieve carbon neutrality by 2050, the Energy-Climate law provides for the reduction of fossil fuels consumption by 40% by 2030 (instead of the previous 30% target) and for the end of coal-based electricity generation by 2022. The law provides that the share of nuclear in the electricity mix should be reduced to 50% by 2035.

Regarding wind energy, the law redefines the authority responsible for permitting onshore wind projects. Concerning offshore wind, the law also includes a higher target of auctioning 1 GW of capacity until 2024 (doubling the volumes defined by France's initial energy plan published in January 2019).

A new version of the PPE (Programmation Plurianuelle de l´Énergie) was approved in 2020, in line with the final version of France's NECP (National Energy and Climate Plan). It increased offshore wind targets vs. the previous version whilst decreased solar PV's. In total, the PPE sets that France will need to achieve between 33.2 and 34.7 GW of onshore wind in 2028, 5.2-6.2 GW of offshore wind and 35,1-44 GW of solar PV. The PPE also includes a schedule of tenders to be held between 2020 and 2034.

The French Assemblée Nationale approved on 21 March 2020, a law introducing the "State of health emergency" during the coronavirus pandemic. The law includes measures limiting private liberties (such as lock-downs and requisitions) and contains provisions regarding postponing the second round of the French municipal elections, economic measures to support the economy and other measures impacting the French justice and labour law. Measures easing restrictions across the country were applied from May 11. Economic rescue packages could amount to up to 110 billion euros, and will include guarantees, loans, moratorium on debt repayments, among others. In the renewables sector, extensions of several deadlines have been envisaged to cope with delays and the sector has itself been declared "strategic". Test periods for CR16 and CR17 projects have been extended 3 months. Additionally, a 7-month extension of COD deadlines has been announced but will be restricted to wind and solar projects with (i) COD initially scheduled after March 12th, (ii) remuneration scheme granted before or during the period March 12 to June 23 and (iii) nominal capacity less than 200 MW.

On 8 September 2020 France published a hydrogen commitment, exceeding previous European national strategies, by pledging 6.5GW of electrolyser capacity by 2030. The plan came after the French government announced an economic recovery plan due to the coronavirus outbreak of €100bn, including €30bn entirely devoted to ecological transition. The newly hydrogen strategy included a commitment of €7bn budget for low-carbon hydrogen between 2020-2030.

The European Commission endorsed in June 2021 the French Recovery and Resilience Plan. According to it, the EU will disburse 39.4 b€ in grants. The Plan devotes 46% of the total allocation to measures that support climate objectives. It features significant investments in R&D and innovation, in particular in the field of green technologies that should promote they deployment of renewable hydrogen.

In April 2021, the Energy Regulator (CRE) released the new set of rules ("Cahier des Charges") that will govern auctions (both technology-specific and neutral) from the second half of 2021 until 2026. According to the document, there will seven types of tenders for a total of 34 GW of new renewable capacity (including: (i) ground-mounted solar PV, ii) building-mounted solar PV, (iii) onshore wind, (iv) hydro, (v) innovative solar, (vi) self-consumption and (vii) technology neutral tenders). Winning projects will be supported by 20-year CfD. The European Commission gave green light to the Cahier des Charges in August 2021, under the EU State aid rules.

Law No. 2021-1104 on combating climate change and strengthening resilience ("The Climate and Resilience Law") was adopted on 24 August 2021. The law is regarded as a text aiming at supporting the ecological transition by helping France reach its 40% emission reduction targets by 2030. In particular, the law seeks to improve the air quality of large cities, support building renovation, promote electric mobility, among other objectives. Regarding solar PV, a cost reduction for the grid connection of small PV systems is included, and the solarization of new buildings. With regards to onshore wind, the law finally did not include a right for mayors to veto wind projects (they will be mandatorily consulted prior to any work but won´t have a right to veto). Finally, the law includes several provisions seeking to accelerate/streamline renewables development. For example, in order to ensure better implementation of renewable targets, specific targets will be set at a regional level, with local authorities having to implement specific territorial objectives.

In February 2022, the so-called "Law 3DS" was adopted. It allows municipalities to define specific zones for onshore wind deployment by modifying urbanism plans. However, such modifications shall be based on a public consultation and details will be detailed in an upcoming decree.

Two auctions under the 2021-2026 framework were held in the first half of 2022. On April 15th, the second onshore wind auction was held, in which 925 MW were offered in the auction, with a ceiling price of 70€/MWh. On May 20th, the second on-the-ground solar PV was held, offering 700 MW, with a ceiling price of 90€/MWh.

In April 2022, a decree revising eligibility conditions to benefit from the so-called "complement de remuneration" (CR17 scheme) was issued. According to the decree, a 137 meters tip height limit will be introduced, starting the 1st of July 2022 (except for projects from cooperatives or majority-owned by municipalities). Wind farms wishing to be included in the scheme, will need to prove they comply with the civil/military aeronautical restrictions as well. The new eligibility criteria are also extended to repowered assets and storage-collocated ones.

In May 2022, a decree defining the terms of the tender procedure for the development of electricity storage capacities was published. The decree stipulates that once the TSO has received guidelines from the Energy Ministry, it will draw up draft specifications for the call for tenders in compliance the specified conditions and organize then a consultation on the project.

Emergency measures aimed at improving the profitability of renewables were issued during the summer of 2022. These measures have been designed for both tender and CR17 frameworks:

- Regarding tender's: on 30th August, an amendment to previous tenders' specifications was published to allow secured projects (from previous rounds) to sell the energy on the market and extending by 18 additional months the window to start the CfD contract. Therefore, projects with COD up to 31st January 2024 and before the end of their window are allowed to access the market.

- Regarding CR17: on 31st December the revision decree was published and implemented the same measures for projects requested before 1st July 2022 and projects with COD between 1st September 2022 and 31st December 2024.

On 16th November 2022, the Cahier des Charges was once again updated, including new rules for upcoming tenders. As a first measure, ceiling prices applicable to the upcoming rounds will not be disclosed in order to prevent manipulative strategies. Also, the new "K" indexation will be included and applied between the application date and the COD, while the "L" indexation formula

(to be applied on an annual basis from the start of operations) is also revised. For wind, the price score formula is revised in order to be the same than the one for PV projects (to reduce the weight on collaborative features). For solar PV projects: (i) all capacities are homogenized as being MWp, (ii) volumes reserved for agricultural projects are increased to 250 MWp and requisites are detailed, (iii) the competition clause is better formulated to cover all cases and (iv) a dismantling guaranteed for projects over 10 MWc is introduced (10k€/MWc).

On December 31, the Finance Law for 2023 was officially published. In particular, article 54 transposes EU regulations addressing high energy prices through cap prices. These cap prices will apply from June 1st 2022 to June 30th 2023 with a 10% abatement, and from July 1st to December 31st 2023 with an abatement to be defined later by decree. Cap levels are defined by technology, with solar, wind and nuclear being subject to a 100€/MWh cap price. Exemptions are also settled by the legislative text, in particular FITs and CfDs are exempted, including extension periods going merchant granted under emergency measures. Regarding PPAs, they will be subject to the cap and regulations include an anti-abuse clause to prevent sector agents to avoid the cap by lowering prices during these periods. The previous measured has no impact in the EDPR portfolio in France.

Regulatory framework for the activities in Poland

The legislation applicable to renewable energy in Poland was initially contained in the "Energy Act" passed on 10 April 1997, which was subsequently amended in 2002 and 2004.

The Energy Act introduced a Green Certificate scheme with mandatory quotas. According to the scheme, energy suppliers are required to: a) purchase GC and submit them to the Energy Regulator, or b) pay a substitution fee calculated in accordance with the Energy Act. If suppliers fail to meet their obligation (either the submission of GC or the payment of substitution fee), they must pay a fine, equal to 130% of the substitution fee in that year.

The Green Certificate scheme was replaced in 2015 by a new system, consisting in Contracts-for-Difference (CfD) granted through competitive tenders. However, the law guaranteed that the GC scheme would be maintained (with some adjustments) for operating plants. The law also introduced the possibility for operating plants to voluntary shift to the CfD system, through specific tenders for operating assets.

In June 2016, after a long approval process, the so-called "Wind Turbine Investment Act" was approved, including (i) new minimum distance for new wind farms and (ii) higher real estate tax burden.

In July 2017 a new methodology to calculate the substitution fee was approved. According to the new formula, the substitution fee would be calculated every year as 125% of the average CG market price of the previous year capped at 300PLN.

In October 2018, the Energy Regulatory Office published a call for the first auction in Poland in which wind onshore and solar PV with capacity above 1MW could participate to get a 15- year CfD. The first auction was held in November 2018.

Poland's National Energy and Climate Plan (NECP) was sent to the European Commission in December 2019. The Plan targets a 23% share of renewable energy in 2030. In addition, the share of renewables in electricity generation will rise to 32% in 2030. Onshore wind installed capacity could increase up to 9,6 GW in 2030 while offshore wind to 3,8 GW in 2030 and 8 GW in 2040.

On 13 March 2020, the Minister of Health announced a state of epidemiological threat in Poland, which is a legal situation aimed at introducing measures to reduce the spread of COVID-19. Following the announcement, some restrictions were approved, including the prohibition on entering the territory of Poland for foreigners, the obligation of a 14-day home quarantine or the suspension of all international flight and railway connections, among others. The restrictive measures started to be lifted on April 20th. Several economic relief measures, the so-called government anti-crisis shields, were approved since the start of the state of epidemiological threat. In particular, the following ones apply to renewable producers:

- renewable projects awarded in the 2018 and 2019 auctions would benefit from COD extensions (up to 12 months), if some delays are proved (for example, (i) delays in the delivery of equipment that is part of the installation, (ii) in the construction or (iii) the grid connection, among others);
- also, power companies will be obliged to adjust in the grid connection agreements the date of the first delivery, considering the deadlines extensions.

In February 2021, the Polish Government announced the approval of the "Poland's energy policy until 2040", which is based on 3 pillars: a just transition, a zero-emission energy system and a good air quality. According to the document, in 2040, zero-emission sources will constitute more than half of the installed capacity, with special focus on offshore wind and nuclear power plants. Due

to the adopted assumptions, the use of coal for electricity production is expected to drop to 37% in 2030 (being the current level 70%) and 28% in 2040.

After months of consultations, the offshore wind law was finally published in February 2021. The law set the regulatory framework for the development of offshore wind energy in the Baltic Sea. The regulation approved a new remuneration scheme for offshore wind, that will be introduced in two phases. In the first one, support will be granted by administrative decision (for a total of 5,9 GW). Then, in a second phase, support will be granted via competitive auctions, with the first auction taking place in 2025.

In May 2021 Poland submitted to the European Commission its National Recovery and Resilience Plan. Poland has requested a total of 23,9 b€ in grants and 12,1 b€ in loans. The Polish Plan is structured around five pillars of resilience of the economy, including green energy. In particular, it includes measures improving air quality and the development of renewable energy sources. The EU Commission will now assess the Polish plan within the next months and translate its contents into legally binding acts if all the criteria are met.

A new renewable auction was held in June 2021, awarding CfDs to 1,2 GW of solar PV and 0,3 GW of onshore wind.
In August 2021, new GC quotas for the year 2022 were announced: 18.5% for green certificates (below 19.5% in 2021) and 0.5% for the so-called "Blue certificates" (that confirm that the energy is produced from agricultural biogas).

The President of the Republic signed an Act amending the Renewable Energy Act on 17 September 2021. Key changes include extending the period of auctions for sale of energy from renewables until the end of 2027 (thus, extending CfD maximum delivery date to June 2047) and setting auction volumes for the period 2022-2027 in a single regulation of the Council of Ministers. The law also modifies the period of settling a negative and positive balance (the period is extended from 10 to 15 days) and provides for modified rules for settling positive balances. The Amendment also simplifies the way in which the Spatial Planning and Land Development Act applies to investors. In particular, the Amendment modifies the capacity limit for RES and allows free-standing photovoltaic devices with a capacity of up to 1 MW to be constructed on poor-quality agricultural lands or on rooftops (without capacity threshold), regardless of whether the municipality's study designates such areas as being potential locations of RES investments.

The European Commission approved, under EU State aid rules, these amendments of the Renewable Energy Law.

On 30th March 2022, following the Russian invasion of Ukraine, the polish government announced a plan to abandon the import of energy resources from Russia. According to this plan, renewables and nuclear are expected to become the pillar to achieve energy independence from Russia. As a first step, Poland stopped coal imports from Russia in April 2022. Later, in June 2022, the Polish Prime Minister confirmed that Poland would subsidize coal for domestic use, mainly heating, to control inflation derived from high energy prices. Oil imports would stop by the end of 2022 (although at the end of 2022 Poland kept importing oil from Russia, suggesting that oil ban could be delayed).

The final regulation to reduce green certificates quota from 18.5% to 12% in 2023 was released (OJ 2022 pos. 1566).

A new set of amendments to the RES act was published. It included: (i) the flexibilization of the use of substitution fee by suppliers: new wording allows to pay the substitution fee if the previous 3-month average is above previous year average (previously, if Green Certificates average prices of the previous 3 months and previous year, were below the substitution fee, Green Certificates had to be cancelled); (ii) extension of the deadlines to COD for solar PV plants awarded in auctions (33 months vs previous 24) and (iii) introduction of a new definition of hybrid power plant.

On 13th October 2022, the Council of Ministers adopted the Ordinance on the maximum quantities and values from Renewable Energy Sources that may be sold through auctions in subsequent years 2022-2027.

On 27th October 2022, an Act on Emergency measures was released. It sets a cap on electricity costs for certain consumers to be financed by a clawback mechanism on inframarginal technologies. This clawback is calculated as sum of the volume of electricity sold multiplied by the positive difference between the volume-weighted average market price of electricity sold and the volume-weighted average capped price of electricity sold - for a given day. The cap was originally set at 295 PLN/MWh for non-CfD wind assets and 355 PLN/MWh for PV, applying from December 2022. These caps were increased by 50 PLN/MWh in December 2022, setting new cap at 345 PLN/MWh and 405 PLN/MWh respectively. For assets with a CfD in place, the cap is set at the strike price. The scheme envisages that all revenues above the cap had to be reimbursed to a Fund. However, only PPAs with physical delivery or financial PPA with a final consumer and linked to physical delivery, were finally considered for the purpose.

Regulatory framework for the activities in Romania

A Green Certificate mechanism was introduced in Romania in 2005 to promote renewable energies and to comply with the European renewable targets. According to this scheme, electricity suppliers and industrial consumers are obliged to source a certain amount of GC every year (a fine is applicable if this annual quota is not met). On the other side, renewable generators receive GC by each MWh produced.

Law 220/2008 of November, introduced some changes in the initial GC system, improving the framework for renewable generators. In particular, it increased the amount of GC to be received by wind generators (from 1 GC/MWh to 2 GC/MWh until 2015 and 1 GC/MWh from 2016 onwards). The law also guaranteed that the trading value of GC would have a floor of 27€ and a cap of 55€.

Law 123/2012 of 19 July 2012 on Electricity and Natural Gas eliminated the provision of bilateral contracts not publicly negotiated as a mean to sale electricity. Thus, the trading of electricity could only be carried out on a centralized market.

The Romanian Parliament approved Law of 17 December 2013, introducing several changes to the GC scheme and in particular:For operating renewable plants: decision to postpone (or "freeze") part of the granted GC:

- wind generators would have 1 GC (out of 2 GC) postponed from trading from 1 July 2013 to 31 March 2017;
- solar generators would have 2 GCs (out of 6 GCs) postponed from trading from 1 July 2013 to 31 March 2017;
- postponed GC would be gradually recovered until 31 December 2020 (starting on 1 April 2017 for solar PV and 1 January 2018 for wind).

For new renewable plants: decision to reduce the amount of granted GC:

- wind facilities would receive 1.5 GC/MWh until 2017 and 0.75 GC/MWh from 2018 onwards;
- solar facilities would only receive 3 GC from 1 January 2014 onwards;
- these GC could be immediately traded.

On 24 March 2014, the President of Romania approved EGO 57/2013 with the following amendments: (i) Reduction of the GC validity from 16 months to 12 months; and (ii) the obligation for ANRE (Energy Regulator) to communicate in each year the GC quota for the following year. Other amendments were introduced in 2015 by Law 122/2015. Among other changes, the law included: (i) supplier's obligation to purchase GC on a quarterly basis (ii) the inclusion of imported electricity in the GC scheme, and (iii) the removal of the right to receive GC for the electricity sold at negative prices.

In March 2017, the government approved a new emergency ordinance (EGO 24/2017) to further amend the renewable law 220/2008. As expected, the GC scheme was extended until 2031 (GC will remain valid until March 2032). The Ordinance also confirmed the removal of the indexation of the GC parameters (GC floor would remain fixed at 29,4€ and GC cap would be fixed at 35€). Regarding wind energy, the ordinance approved the extension of the GC recovery period from 2018 to 2025, while solar PV's GC postponement was extended until the end of 2024 (the recovery will take place from 2025 to 2030).

The State of emergency was declared on 16 March 2020, through presidential Decree 195/2020. The Decree aimed at controlling the spread of COVID-19. Among others, the Decree included restrictions of certain rights (introducing for example compulsory quarantines). It also included the possibility of price controls for certain goods and/or services (for example, of electricity prices). The State of emergency was subsequently extended until May 16th. During the State of emergency period, the government released several economic relief measures such as extension of payment deadlines for local taxes, a tax debt restructuring program, a reduction of the monetary interest rate, among others.

ANRE published Order 61/2020 of 31 March 2020 stating that negative prices would be allowed from September 2020 in line with Order 236/2019.

Emergency Ordinance 74/2020, amending the Energy Law 123 was approved on 14 May 2020 allowing PPAs signed outside the centralized markets for new renewable projects operating from June 2020.

In June 2020, the Romanian Energy Ministry proposed a Memorandum with the basic characteristics of a potential CfD scheme, addressed at low carbon technologies (renewables, CCS and ESS).

On 9 December 2020 Order no. 213/2020, approving the single imbalance price was finally published on the Official Gazette (in force since February 2021). The methodology introduces a single imbalance price except for those cases when the system is

almost balanced when a double price is calculated. The implementation of the new imbalance price was coincident with the 15-minute settlement introduction, in line with EU regulation.

Romania submitted its Recovery and Resilience Plan in May 2021. In September 2021, the European Commission endorsed the Plan, and will disburse €14.2 billion in grants and €14.9 billion in loans under the Recovery and Resilience Facility (RRF). The EC's assessment finds that the plan devotes 41% of the total allocation on measures that support the green transition. It includes measures to phase out coal and lignite power production by 2032.

On 29 October 2021, the Romanian Parliament Endorsed Law 259/2021, which approved and put into action Government Emergency Ordinance 118/2021. The Ordinance immediately came into force on 1 November. It contains measures to alleviate the burden of the current rise in energy price such as direct financial support and a reduction of taxes paid by end-consumers. For example, the Law added a price cap mechanism until 31 March 2022 which applies to household customers and other selected customers (hospitals, NGOs, etc) to cap the final price for electricity to RON 1/kWh and natural gas at RON 0,37/kWh. The differences between the average prices and the capped prices will be reimbursed from the state budget, through a separate budgetary expense.

Also, the Law includes a windfall tax for electricity producers: until 31 March 2022, the additional income obtained by electricity producers and resulting from the difference between the average monthly selling price of electricity and the price of RON 450/MWh will be taxed at 80%. However, this tax only applies to CO_2-free generation facilities and will not apply to producers of electricity based on fossil fuels, including cogeneration.In October 2021, the Romanian Parliament endorsed Law 259/2021, which approved and put into action the Emergency Ordinance 118/2021. The Ordinance immediately came into force on November 1st. It contained measures to alleviate the burden of the current rise in energy price providing direct financial support and a lowering the amount of taxes paid by end-consumers. For example, the regulation set a price cap mechanism until 31st of March 2022 applying to household customers and other selected customers (hospitals, NGOs, etc) to cap the final price for electricity to 1 RON/kWh and natural gas at 0.37 RON/kWh. The differences between the average prices and the capped prices would be reimbursed from the state budget, through a separate budgetary expense. The methodology of the calculation of this tax was clarified in March 2022, with the publication of the Emergency Ordinance 27 (EO 27), which added details and clarifications to the tax calculation methods, specifically including balancing costs and some financial costs. The Emergency Ordinance also extended the measures until March 2023.

In November 2021, Order 117-2021 established a new algorithm for the calculation of the estimated average impact on consumers of green certificates for the following year. The regulation sets that the maximum impact that the consumers would assume in order to support the Green Certificates scheme would be 14.5 €/MWh, but the algorithm uses the previous years' share of excess to slowly reduce the impact on consumers and make the reduction more progressive, with the final objective to allow the termination of the scheme in 2031.

On 31st March 2022, the Romanian Ministry of Energy launched a call for projects under a new scheme for supporting the development of new wind and solar PV plants. The support scheme was launched under Romania's recovery and resilience fund. Total budget amounts to 457M€, of which 382 M€ will be dedicated to wind and solar PV with over 1 MW of installed capacity and 75 M €for wind and solar projects with installed capacity between 0.2-1 MW. About 950 MW of renewable capacity could benefit from this support scheme. Applications to participate in the scheme were submitted between 31 March 2022 and 31 May 2022.

On 20th July 2022, the law 248 was approved. It established that electricity producers are obliged to trade, at least, 40% of the annual electricity production through contracts on the electricity markets, on markets others than PZU (DAM), PI (Intraday) and PE (Balancing Market). The law exempts generation facilities put into operation after 1st June 2020.

On 1st September, 2022, the EO 27/2022 was amended by the EO 119/2022, converting the tax into a Contribution to the Energy Transition fund and extending its application until August 2023. The tax was also increased to 100% and the new EO specified that financial costs and hedges would no longer be considered in the calculation of the tax.

On 23 rd November, a new Law was passed in the Parliament to introduce some amendments to the EO 119/2022. The Law extended the application of the EO until 31st March 2025. It also amended the calculation method, including financial hedges in the computation and capping balancing costs at 5% of the realised price. It also provides that offtakers of financial hedges (foreign counterparties of financial hedges) are subject to the Contribution to the Energy Transition Fund, to be withheld by electricity producers, calculated monthly as the difference between the PPA variable price and the 450 lei/MWh cap. It is unclear, however, whether the PPA variable price is the underlying market price or the PPA strike price.

On 8th November, 2022, the Senate adopted the Law approving Emergency Ordinance 108/2022 on decarbonization of the power sector, setting out the coal phase out with closure of mines and generating plants by 2032. The Law sets out a calendar for the closure of coal and lignite mines and generation plants. It also foresees a technical reserve for the period of 2023-2030, with the possibility of postponing the closure of certain capacity under the request and the justification of the TSO. In the event of an energy crisis, the government is also allowed to postpone the closures or restart closed plants. Finally, the law also includes measures for the social and economic development of the local economy and affected regions.

On 11th November 2022, a new Emergency Ordinance was also published, establishing a centralized electricity purchasing mechanism from 1st January 2022 up to 31st March 2025. According to this mechanism, OPCOM would be the energy at 450 RON/MWh, to sell it at the same price to suppliers. This mechanism applies to non-Green Certified technologies (i.e., thermal, nuclear, hydro). ANRE published the list of companies affected by this obligation, but the volume of production and demand and purchased through this mechanism is still unclear. These amendments apply from 1st September 2022.

Regulatory framework for the activities in Italy

On 6 July 2012, the Government approved a new renewable framework by means of the Decree on Renewables (DM FER) introducing a feed-in-tariff support scheme. The key aspects of this regulation provided by the DM FER were the following: (i) wind farms over 5 MW would be remunerated under a feed-in tariff scheme defined by tenders; (ii) capacity to be tendered would be determined in line with the agreed technologies' capacity paths; (iii) the reference tariff for 2013 was 127 €/MWh for onshore wind and tender participants would bid offering discounts on this reference tariff (in %); (iv) The reference tariff would decrease 2% per year and (v) tariffs would be granted for 20 years.

The new system replaced the previous one based on GCs. Under the previous system, producers obtained their revenues from the sale of the electricity in the electricity market and from the sale of GCs. Wind farms built until December 2012 continued to operate under the previous system until 2015 (from 2015 onwards, the GC system was transformed into a feed-in-premium in which, for the remaining duration of the original incentive period, the value was set at 78% of the difference between €180 and the electricity price).

Spalma Incentivi Decree, published in November 2014, stipulated that wind farms under the GCs scheme could voluntarily adhere to an extension of the support period of 7 years in exchange of a permanent reduction of the premium/GCs received, being the coefficient of reduction calculated individually for each wind farm depending on their remaining regulatory life. As the option was voluntary, wind farms that refused to accept this change remained under previous GCs scheme.

On 10 November 2017, The Strategia Energetica Nazionale (National Energy Strategy), known by the acronym SEN, was presented after several months of public consultation. One of the main features of the SEN is that it included the complete phase-out of coal power generation by 2025, five years ahead of schedule. The SEN also highlighted the role of renewables and targeted that renewable energy would increase to 28% of energy consumption in 2030. According to the SEN, the RES-E (renewables in electricity production) would increase up to 55% in 2030.

The Italian Ministry of Economic Development signed in July 2019 a decree implementing a new set of auctions to be held between 2019 and 2021, seeking to allocate around 5,5 GW of wind and solar PV.

On 9 March 2020, a national quarantine, restricting the movement of the population was approved, in response to the growing pandemic COVID-19 . A gradual ease of restrictions started on May 4. Regarding the electricity sector, several measures were introduced, including a suspension of all bureaucratic terms for renewables since March 13, a relief of several reporting obligations, the implementation of transitory measures between 10 March and 30 June 2020 to limit the burden of imbalance costs and an extension of all permits expired during the emergency state of 90 days, among others.

On 27 April 2020, Italy presented its National Recovery and Resilience Plan (NRRP) which will support the implementation of the crucial investment and reform measures following the COVID-19 pandemic. The European Commission adopted a positive assessment of the Plan in June 2021. The Plan will provide € 68,9 b in grants and € 122,6 b in loans. The share of climate projects is 37% of the total and, to achieve a progressive decarbonization, interventions are planned to significantly increase the use of renewables.

The Italian government released the so-called "Decreto Semplificazione" in May 2021 and was officially converted into law in July. The Decree seeks to simplify administrative procedures (in particular, regarding public procurement and concessions). It defines the regulatory framework aimed at simplifying and facilitating implementation of the goals and objectives established in its "National Recovery and Resilience Plan" and in its "National Energy and Climate Plan". It also rationalizes the role of the Minister

of Culture, whose opinion won´t be binding in locations outside protected areas, and it provides a series of measures aimed at streamlining the obtention of the VIA (environmental authorization).

In December 2021, the GSE announced the 8th auction under DM FER 19. The auction was held in February 2022. Out of the 2,346 MW available for "Bloc A" projects (onshore wind and solar PV, utility scale), only 306,5 MW (of which 40 MW of onshore wind) were selected in the auction, which was highly undersubscribed. The average price was 65.05 €/MWh, close to the ceiling price of 65.15 €/MWh. The remaining 2 GW (capacity not awarded in previous rounds) was auctioned in June 2022.

A new decree was published in the Italian Official Gazette no. 21 of 27 January 2022, setting "urgent measures to support businesses and economic operators as well as to limit the effects of price increases in the electricity sector". It was repealed and replaced the 25th February by DL nº 23, slightly modifying Article 16, in which the clawback measures are defined. Under new wording, clawback affects certain RES with a COD previous to 1st January 2010:

- Solar plants (>20kW) with fixed premium schemes and non-incentivized plant (>20kW)
- The measure excludes PPA's when the contract does not exceed by more than 10% the reference price
- The clawback measure, applying from 1st February to 31st December, introduces a 2 ways CfD scheme at what is
- considered as the reasonable price for the mechanism (ca. 60 €/MWh). Revenues over this value are reimbursed.

In March the government approved "DL Tagliaprezi" a potential clawback through a 10% one-off levy on producers and sellers of electricity, natural gas and petrol products. The measure needs to be approved in 60 days

The measure applies to profit margins which rose by more than 5 million euros during the Oct. 2021 - March 2022 period compared to a year earlier, excluding cases where the profit margin rose by less than 10%.

In March 2022, the Minister of Ecological Transition announced a plan to replace Russian gas imports in the next 3 years.

In May 2022, the so-called "DL Aiuti" (Decree-Law no. 50 of 17 May 2022) aimed to counteract the high energy prices effects on consumers, was approved. The Decree increased the one-off levy on producers and sellers on electricity, natural gas and petrol products from the initial 10% (previously approved in March 2022) to 25% and extended the period one extra month (up to April 2022). The Decree also introduced significant permitting simplifications, aimed at facilitating the development of new renewable plants.

On 21st September 2022, the so-called "DL Aiuti Bis" was approved. It extended the clawback tax introduced by Sostegni TER from 11 to 17 months (from 1st February 2022 to 30th June 2023). This levy introduces a 2-way CfD scheme at what is considered to be a "reasonable price" for the mechanism (around 60€/MWh). Revenues over this value are reimbursed. The scheme only applies to some renewable projects with a COD before 1st January 2010 (it doesn´t apply to any EDPR project).

On 21 November 2022, the Council of Ministers approved a new Budget Law, which was then ratified by the Parliament on 29th December. The new budget will be financed, among others, by a retroactive increase of the windfall tax to 50% (previously set at 25%) that applied in 2022 to producers and sellers of electricity, natural gas and petrol products. This model replaces former VAT declaration-based model, which was implemented until middle 2022. The taxable base is defined as the portion of total income determined for corporate income tax purposes that exceeds by, at least, 10% of the average total income determined for corporate income tax purposes earned in the 2018-2021 period. The amount of the extraordinary contribution shall not exceed 25% of the equity value of the assets at the end of 2021. The contribution is to be paid by June 2023.

Also, in line with EU regulation, from 1st December 2022, to 30th June 2023, a price cap (of 180€/MWh for wind and solar) shall be applied to market revenues of inframarginal technologies through a one-way compensation mechanism. The settlement is to be done on a monthly basis, with the average captured price. In case of plants under one-way incentives schemes, the reference price will be equal to the maximum value between 180€/MWh and the tariff.

Regulatory framework for the activities in Greece

Renewables projects in Greece are supported by 20-year feed-in premiums (Contracts-for-Difference) awarded through auctions. The first full-scale renewables auction was held on 2 July 2018, with 277 MW of capacity awarded.

On 15 April 2019, the first technology-neutral renewable auction (for onshore wind and solar PV) was held.

In December 2019, Law 4643/2019 on the liberalization of the Greek energy market, the modernization of the Public Power Corporation (PPC), the privatization of the Public Natural Gas Company (DEPA) and the support of the renewable energy sector,

was passed. The law introduced significant changes to the electricity market. Regarding renewables, the law set out the possibility to renewable plants with a capacity exceeding 250 MW (or aggregated capacity at the same connection point exceeding 250 MW) to directly agree with the Ministry of Environment and Energy a selling price (provided the EU Commission gives the green light). The law also stated that renewable generators under the fixed-tariff scheme had to be balancing responsible (although it is only applicable to renewable projects in operation after July 2019).

Greece, as all EU Members, submitted its National Energy and Climate Plan (NECP) in December 2019. It includes ambitious renewable targets (35% RES target by 2030) and the complete phase-out of coal facilities by 2028.

The government announced a total lockdown in the country starting on 23 March 2020, in an attempt to reduce new coronavirus cases. However, measures progressively started to ease on May 4.

The Greek government approved extensions of power facilities deadlines due to the COVID-19 crisis (legislative Act OG A'75/30.3.2030). The Act stated that installation licenses and binding grid connection offers which were about to expire would be extended 4 or 6 months (depending on expiring date). Also, deadlines for connecting projects which had been selected through auctions, would also be extended 4 or 6 months (also depending on the deadline).

The European Commission favourably reviewed Greece's electricity market in a 7th post-bailout report on the country's economy. It issued however a warning on the RES special account deficit, although it attributed the deficit to the pandemic. In November 2020 Greece launched into operation the "EU electricity Target Model", which is the basis for the development of the Single market in Europe. It includes a day-ahead, and intra-day and balancing market (the future market was already operating). Thus, the EU harmonization of the Greek electricity market is now effective. In addition, the Greek day-ahead market was coupled with the Italian one in December 2020 and with the Bulgarian one in May 2021.

On 9 December 2020, Law 4759/2020 introduced several measures to reduce the RES Account Deficit, which is the Fund that supports renewable projects. These measures were (i) a "one-time extraordinary contribution" of 6% on the turnover of 2020 for old renewable projects (projects that started operations before 31 December 2015) (ii) A "one-time emergency charge" on suppliers equal to 2€/MWh during 2021, (iii) an increased percentage of emissions allowances sales at 78% (vs. 65% previously), (iv) a green tax on diesel consumption of 0.03€/liter and (v) Re-orientation of revenues from the Special Fee for issuance of Certificate of Electricity Producer from RES currently paid to regulator.

On 23 August 2021, the government announced that the RES special account would be split into two, to protect producers' revenues. As a result, a new RES special account for projects operating since January 2021 will be created. This new account will be supported by the "Dynamic Renewable Charge", that will be paid by electricity suppliers and then passed on to their customers.

The European Commission adopted a positive assessment of Greece's Recovery and Resilience Plan in June 2021. Greece had requested 17.8 b€ in grants and 12.7 b€ in loans under the Plan. The Plan devotes 38% of Greece's total allocation to measures that support climate objectives, including upgrading the electricity network and strengthening the support scheme for producers of renewable energy sources, among others.

The European Commission approved in November 2021, under EU State aid rules, a €2.27 billion Greek scheme for the production of electricity from renewable sources and high efficiency combined heat and power (CHP). This approval came after Greece notified the Commission of its intention to approve a new scheme to support electricity for renewable sources. For both onshore wind and solar installations, support will be awarded through a joint competitive tendering procedure (although separate auctions are also envisaged in case targets are not met). Winning projects will be awarded two-way contract-for-difference contracts. The scheme is expected to start in March 2022 and will be opened until 2025.

In December 2021, the minister of energy published in the Official Gazette B 6250 the decision 123726/5096, defining technologies and categories of electricity generation units from renewables and Combined Heat and Power plants (CHP) eligible to apply for operational support. The listed categories and estimated timings are the following:

- Technology-specific competitive bidding procedures for PV above 0.5 MW and below 1MW until December 2022, and for solar PV below 1MW, wind above 0. 06 MW and below 6 MW, from January 2023 to December 2025.
- Competitive tendering procedures by region, to cover power margin for the interconnection Nea Makri – Polypotamos with Evia, the Cyclades and the second phase of Attica with Crete.
- Joint competitive processes until December 2025 for wind above 0.06 MW and solar PV above 1 MW (units from the technology-specific process are also eligible from January 2023).

- Additionally, specific joint competitive processes for renewables with storage are included until December 2025, for wind and solar power plants above 10 MW with integrated electricity storage of guaranteed (useful) storage capacity of at least equal to 20% of the maximum hourly energy produced

Under this plan, a total of 3 GW of renewables are expected to be auctioned during the period 2022-2025, although there is no visibility on the expected volumes and timings for each year.

in July 2022 Greece implemented its own technology specific cap at 85 €/MWh for RES, differing from the one proposed at European level. The cap is implemented at the level of the day-ahead market hourly prices for one year but could be extended. It is also applicable to PPAs, both physical and financial. However, an exception for physical PPAs could be announced.

In August 2022Law 4951/2022 on permitting and EES was published. The Law defines several key measures aimed at accelerating the RES licensing process (it aims to shorten the overall RES licensing process from 5 years to 14 months). It also targets to increase connections to the grid throughout operational restrictions although it opens the door to output curtailment (up to 5% of the annual generation). It also includes an integrated framework for the development of storage projects.

In September 2022, the ministers of Finance and Environment and Energy issued a joint Ministerial Decree by which a windfall tax of 90% would be imposed to vertically integrated energy companies. According to it, monthly positive gross profit margins from October 2021 to June 2022, would be taxed at the announced rate

Regulatory frameworks for the activities in UK

A Energy Bill, that received royal assent on 18 December 2013, became law making the Contract for Difference (CfD) regime official in the UK. The UK Government also released the Electricity Market Reform (EMR) Delivery Plan on 19 December 2013.

In the new system, CfDs have a 15-year length for renewables (except for biomass conversions) and are granted through tenders. The "established technologies", which include onshore wind and solar PV, compete for budgets in different allocation rounds. Less mature technologies, such as offshore wind, compete in a separate "pot".

CfDs are based on a strike price for each technology. When the pool price falls below the strike price, generators receive a top-up payment. However, if it increases above the strike price, generators have to pay this difference back.

In June 2019, a new legally binding net-zero emissions target by 2050 was passed into law, amending Great Britain's existing 2008 Climate Change Act. The target will require the UK to bring all greenhouse gas emissions to net zero by 2050, compared with the previous target of "at least" 80% reduction from 1990 levels. In order to achieve the target, several measures are proposed, including the support to new renewables facilities through CfD awarded through tenders.

The UK officially left the EU on 31 January 2020, following the signature of the "Withdrawal Agreement" with the EU. The UK officially completed its economic separation from the European Union on 31 December 2020, after the end of the transition period in which the UK kept the same rules as the remaining 27 countries while it tried to negotiate a post-Brexit trade deal with the EU. After months of intensive negotiations, the UK and the EU announced a free trade deal on December 24. The agreement provides for zero tariffs and zero quotas on all goods that comply with the appropriate rules of origin. Regarding the energy field, the agreement provides a new model for trading and interconnectivity although the final day-ahead power market coupling rules between the EU and the UK are not expected to be in place until early 2022. In the meantime, interim arrangements will apply. The EU commission has also announced that there will be "ambitious" cooperation over renewable energy and climate action.

The Government announced on 30 June 2021 that the coal phase-out would be brought forward by a year, so that from 1st October 2024, no coal facilities could be producing electricity in the country.

In December 2021, the energy regulator (Ofgem) rose the energy price cap (the energy price cap limits the rates a supplier can charge for their default tariffs) and announced that updates would become more frequent (up until now, the price cap was updated on a 6-month basis). Accordingly, a new price cap of 1,971£ (vs. previous 1,277£) was set starting on April 1st to September 20th, 2022.

The Fourth Allocation Round ("AR4") bid window was opened from May 24th to June 15th, and results are expected in July, with more than 12 GW of renewables expected to be granted a 15-year contract-for-difference. The participating technologies were divided in 3 "pots", meaning that projects only compete with other projects on their same pot. All pots are subject, however, to a budget limit. Pot 2 (which includes wind onshore and solar PV, among other technologies) was the only one that was also constrained to a maximum capacity of 5 GW, with both onshore wind and solar PV having each a capacity cap of 3.5 GW.

In February 2022, the government announced that upcoming CfD allocation rounds will be held annually. In March 2023, AR5 will be opened to applications.

In April 2022, the Energy Security Strategy was published. The key aim of the strategy is for the UK to achieve long-term independence from foreign energy sources and decarbonise the nation's power supply. The document announced new targets across the different sectors, including:

- Oil and gas: a new licensing round for new North Sea oil and gas projects expected to be launched in 2022, with the final aim to reduce gas imports
- Wind: new ambition to deliver up to 50 GW of offshore wind, a tenth of which would come from floating facilities
- Solar PV: ambition to deliver 70 GW by 2035
- Nuclear: total capacity expected to triple up to 24 GW by 2050, supplying around 25% of total electricity demand
- Hydrogen: the government has doubled its ambition to increase hydrogen production, with a new target of 10 GW by 2030, with at least half of this being electrolytic hydrogen

In April 2022, Ofgem announced the removal of Balancing Services Use of System (BSUoS) charges from generation. BSUoS charges are the means by which the Electricity System Operator recovers costs associated with balancing the electricity transmission system. Starting in April 2023, these charges will only be collected from final demand (electricity consumers, excluding generators and electricity exports).

On 19th July 2022, National Grid published the Capacity Market Operational Plan for 2022/2023. The government has set a target of 5,8 GW for the 2023-2024 year ahead (T-1) and 42.4 GW for the 2026-27 four-year ahead (T-4) capacity auctions, to be held in February 2023.

On 27th September 2022, the UK government launched the "Growth Plan 2022" aimed at reducing inflation and supporting growth in the short term. To this end, it includes a wide range of measures, being some of them aimed at speeding up renewables' deployment (increasing renewables capacity by 15% in 2023). The Plan mainly focuses on onshore and offshore wind, hydrogen and carbon capture projects. It also contains measures to accelerate infrastructure delivery, in particular to accelerate onshore wind deployment. A "New Energy Supply Task Force" is also created, aimed at reshaping the electricity market to reduce gas dependency and eventually, reduce electricity prices. The Plan also announced the creation of the "Energy Market Financing Scheme", which will help energy companies facing high and volatile energy prices to address liquidity issues.

On 17th November, the British government announced a windfall tax on energy companies that were making extraordinary profits due to the spike in energy commodity prices. The so-called "Electricity Generator Levy" replaces the "Cost Plus Revenue Limit" announced during the Truss Interlude. The Levy will apply to nuclear and renewable generators, excluding those with CfD contracts. The windall tax will be calculated on an annual basis and is to be collected by HM Revenue & Customs (HMRC) in the same way that as a corporate tax and similar to the EU revenue cap. It will only apply to "excess" profits above 75 GBP/MWh. The Levy will apply from 1st January 2023 until 31st March 2028, but if market prices return to "normal" levels, the windfall tax would decrease accordingly. This measure has not impact to EDPR portfolio in UK.

Regulatory frameworks for the activities in Brazil

The Electricity Sector in Brazil is regulated by Federal Law nr 8,987 of 13 February 1995, which generally rules the concession and permission regime of public services; Law nr 9,074 of 7 July 1995, which rules the grant and extension of public services concession or permission contracts; Federal Law nr 10,438 of 26 April 2002, which governs the increase in Emergency Electric Power Supply and creates the 3,300 MW Program of Incentives for Alternative Electricity Sources (PROINFA); Federal Law nr 10,762 of 11 November 2003 and Law nr 10,848 of 15 March 2004, concerning commercial rules for the trade of Electric Power; and, subsequent amendments to the legislation.

The institutions that ensure a proper development and functioning of Electricity Sector in Brazil are: a) the Energy Research Company ("EPE"), responsible for long term planning in the electric sector; b) the Electric Sector Monitoring Committee ("CMSE"), responsible to continuously assess the security of electricity supply, c) the Chamber for the Commercialization of Electric Energy ("CCEE"), an institution dealing with commercialization of electricity in Interconnected System, d) National Electricity Regulatory Agency ("ANEEL"), responsible for regulating and inspecting the electricity sector, as well as establishing the tariff for the consuming public and promote energy auctions together with MME, EPE and CCEE; f) Ministry of Mines and Energy (MME) responsible for the creation and implementation of policies, acting as the Conceding Authority; g) the National Electric System Operator (ONS), which is responsible for the coordination of real time operation and supervision of the energy generation and transmission grid.

Federal Law nº 9,427 of 26 December 1996 establishes the possibility of Renewable Energy producers to sell directly to the final consumer(s) (aggregated demand > 500kW), at any voltage level. As part of the regulatory incentive framework, Renewable Energy producers (small hydro, biomass, wind and solar) are granted a reduction of, at least, 50% in the Distribution and Transmission System Use Tariff (TUSD and TUST) provided that pre-defined rules are met. The Law nº 13,203 of 8 December 2015 extended the subsidy for larger solar, wind and biomass plants.

Renewable energy production from plants which receive the above-mentioned subsidy is defined as "incentivized energy", while the electricity production from no-incentivized sources is defined as "conventional energy". Special Consumers, the ones which consumption demand is above 500 kW and under 3 MW, are allowed to purchase electricity only from incentivized sources. Since July 2019, the minimum demand is gradually reducing, so that, as of January 2023 those Special Consumers will be allowed to purchase incentivized or conventional energy by their own free choice.

The Decree nr 5,025 of 30 March 2004, regulates the Federal Law nr 10,438 and states the "Alternative Energy Sources" economical and legal framework. PROINFA participants have granted a PPA with ELETROBRÁS, and are subject to the regulator (ANEEL) authority.

The Decree nº 5,163 of 30 July 2004 regulates the Federal Law nº 10,848, establishing two trading environments for sale and purchase energy: the Regulated Contracting Environment ("ACR"), with the participation of energy producers, traders and distribution agents, and the Free Contracting Environment ("ACL"), in which Producers, Traders, Importers & Exporters and Free Consumers participate.

In the ACR, distribution companies are allowed to buy "distributed energy" (local generation), by observing a limit of 10% of the total demand of each distribution agent. In terms of tariff moderation for Captive Consumers (consumption demand < 500 kW), Brazilian Energy Sector provides for the purchase of electricity by distributors through regulated auctions, subject to the lowest cost criteria, aiming to reduce the cost of acquisition of electric energy that is re-passed to captive customer tariffs. These auctions seek to provide the lowest possible price of electricity to be re-passed to the consuming public.

During the fourth quarter of 2019, Ministry of Mines and Energy set strategic lines of activities to be developed towards the modernization of the Brazilian electricity sector. One of the first measures taken relates to the PLD (short-term price), currently calculated on a weekly basis. Hourly PLD has been calculated on a test basis ("shadow operation") since 2018, aiming to become economically effective as of 1 January 2021. It aims to improve efficiency between electricity production and consumption based on an efficient management of price formation and real-time operation.

The government has taken measures in response to Covid-19 impacts in main areas as the energy sector, by means of Decrees, Provisional Measures and changes in existing regulation. By the end of March, to ensure uninterrupted supply of energy to consumers, Decree nº 10.282/2020 reinforced electricity generation, transmission and distribution as essential activities. This included the equipment supply needed for operation and maintenance. By the end of April 2020, the range was extended to include construction works.

Through Normative Resolution nº 878/2020, the Brazilian Electricity Regulatory Agency (ANEEL) suspended energy supply cuts regardless of the consumers' capacity of payment for 90 days as of 23 March 2020. In addition, the low-income population registered for lower tariffs (the Social Tariff program) will not undergo periodic checks over the next three months, and therefore will not be subject to the loss of the benefit.

Measures have also been taken to prevent distributors (DSO)´ s financial losses due to a potential high default rate, and consequently affect their stakeholders. In order to add liquidity, ANEEL authorized the transfer of resources from sector funds to distributors and consumers, totalizing R$2,43 billion so far.

Provisional Measure nº 950/2020 propose temporary use of resources from National Treasury, other sector funds and bank loans for DSO to be paid for all consumers, as well as new measures to subsidize low-income consumers, providing a 90-day exemption from paying the electricity bills.

ANEEL also released a first assessment of Covid-19 impacts to the energy sector, through which reinforced the need of maintenance of the economic and financial balance of contracts, preservation of contracts and the participation of all segments (generators, TSO, DSO, consumers) towards the best solutions.

On 23 June 2020, ANEEL enacted the Normative Resolution nº 885/2020 establishing the loan conditions to support the DSO in reducing the impacts of Covid, without resources from National treasury. A total of 19 banks led by BNDES will inject up to R$ 16,25 billion to "Conta Covid" and will be paid by consumers in 60 months. To benefit from the resources, the DSOs may declare they

have the right to question any of the conditions in court, preserve the PPAs and limit the distribution of dividends in the case of a default.

In March 2020, the Chamber of Electric Energy Commercialization (CCEE) and the National Power System Operator (ONS) estimated a 0.9% decrease in total consumption for 2020 compared with last year, based on a "close to zero" variation of GDP due to the impacts of COVID-19 on economic activity. On May 1st, Ministry of Economy made a significant downward revision of GDP forecast, from 0 to 5% decline for the worst-case scenario of Brazilian economy. By the end of June 2020, Central Bank of Brazil updated the GDP projection for 2020 reducing it from -5% to -6.5%. Under this circumstance, demand for electricity is expected to further diminish.

Due to the uncertainties on future demand for electricity, the regulated auctions scheduled for 2020 are postponed. According to CCEE and ONS, it´s also an opportunity to revisit guidelines in order to introduce cheaper and more efficient power plants. One strategy proposed is to restrict the participation in regulated auctions to thermal plants which unit variable cost (CVU) are less than R$300/MWh, allowing for lower spot market prices (PLD).

The National Development Bank (BNDES), main financing institution announced several measures to support sectors of oil and gas, airports, ports, energy, transportation, urban mobility, health, industry and commerce and services.

Other measures regarding public health, tax and employment rules were announced in response to COVID-19.

On 1 September 2020, the Brazilian government issued the Provisional Measure ("MP") nº 988/2020 with the main purpose of reducing the electricity bills for consumers. The Brazilian Congress has a 120-day period to approve the MP and convert it into Law, otherwise it will become ineffective.

For renewable generators, the main impact is due to the cut in subsidies in the rates of the transmission and distribution system tariff within a 12-month deadline as of the MP enactment. Power plants authorized during this period and which requires an increase of power capacity will still be granted with the benefit and shall start commercial operation within a 48-month period after the published authorization. All those power plants already granted by the benefit before the MP are not affected. The end of subsidies must be compensated by the development of mechanisms based on the environmental benefits due to renewable energy sources related to low-carbon emission.

On 8 September 2020, the Law 14,052/2020 was finally enacted and establishes the conditions for hydro generators to renegotiate debts due to the hydrological risks, which caused a low Generation Scaling Factor ("GSF") during a prolonged drought, intensified by measures taken by the government to secure the national grid operation. The debt has been impacting the short-term market settlement, which currently involves more than R$ 9 billion. ANEEL has a 90-day period to propose a regulation, which must be, at first, submitted to a public hearing.

On 8 December 2020, MME announced a regulated auction schedule for the next three years (2021- 2023). Three kinds of auctions are expected aiming at contracting energy from new and existing power plants and the expansion of the transmission system. New energy auctions A-3/A-4 and A-5/A-6 for 2021 are scheduled to take place on June and September, respectively.

As of 1 January 2021, the short-term price (PLD) comes into effect in an hourly basis, after two years of shadow operation. Although, since the last year, the ONS has been operating based on the new dispatch model results, just now the hourly PLD became effective for the purpose of commercialization.

On 23 March 2021, ANEEL published the rules to compensate the lack of wind generation due to grid curtailments caused by systemic electrical limitations. The regulation for solar plants is expected for 2022.

On 6 December 2021, ANEEL published the normative resolution for the implementation of hybrid power plants, allowing potential synergies in terms of grid costs and energy production. In the same month, MME announced the regulated auctions scheduled for the next three years by means of Portaria MME nº 32/2021. A A-4 new energy auction will take place in 27 May 2022 starting supply as of 1 January 2026.

On 7 January 2022, Law 14.300/2022 was enacted establishing the regulatory framework for consumers to generate energy by means of micro (up to 75 kW) and micro (between 75kW and 5MW) distributed generation.

Regulatory frameworks for the activities in Vietnam

The Vietnamese Ministry of Industry and Trade (MOIT) introduced a wind feed-in tariff (FIT) in 2011 to encourage investment in the sector. Projects were granted a 20-year power purchase agreement (PPA) with EVN, the state utility. However, this first remuneration framework failed to spur wind deployment as investors considered that revenues under this scheme didn´t provide appropriate returns. In September 2019, the government released a new FIT scheme of around 85€/MWh for onshore projects and 98€/MWh for offshore wind projects, provided that projects were commissioned before 1 November 2021. Government officials are now evaluating the introduction of competitive auctions, but no regulation has been adopted yet.

Regarding solar PV, a first solar FIT was released in April 2017 but the scheme expired on 30 June 2019. A second solar FiT (the so-called FIT2) scheme was then announced in April 2020. Under the FIT2, solar PV projects were eligible for a 20-year PPA with EVN, and different prices were set depending on the size/type of solar facility. Solar projects were required to receive investment approval by 23 November 2019 and start operations before 31 December 2020 to be eligible for the FIT2. The government is now planning to implement a pilot auction program for solar power and a draft decision of the prime minister guiding the future auction system was released in February 2021. However, the scheme has still not been officially approved.

Vietnam Electricity Law (Law No. 28/2004/QH11 on Electricity, as amended by Law No. 24/2012/QH13) requires "national power development master plans" to be established for a 10-year period. The master plan serves as a basis for future power development in the country, applicable to all investment in the sector. The Government set the plan for the period 2011-2020 in the "Power Development Plant VII" in 2011. However, in 2016, the Plan was adjusted in order to increase renewable targets and to provide a vision to 2030. A new master plan is now due and MOIT released a first draft of a new Plan for the period 2021-2030, with a vision to 2045.

In October 2022 Circular 15/2022 was released. It stated that projects that should have signed a PPA with EVN (Vietnam's state utility) but had failed to meet the conditions for applying the FIT prices, would receive prices set in this regulation. In particular, it set a price bracket formulation methodology for standard power plants, based on different paraments. These parameters are economic life of the facility, CAPEX, capital ratios (debt and equity) and financial discount rate. When negotiating the price for a specific project, calculations should be done with specific project data, and presented to EVN. Additionally, Decision 21/QD-BCT published on January 7th, 2023, set a ceiling price for each technology. If price resulting from the methodology set in Circular 15/2022 is higher than the ceiling price (Decision 21/QD-BCT), then the ceiling price should prevail.

Regulatory framework for the activities in Singapore

Singapore aims to halve its CO_2 emissions by 2050, according to its commitments raised in the latest National Energy and Climate Plan.

The country also aspires to achieve net-zero emissions as soon as viable in the second half of the century but has not committed to a firm net-zero target yet. To this end, the country launched the "Singapore Green Plan 2030", which is a roadmap to advance its sustainability agenda toward its long-term net-zero aspiration.

Singapore also aims at decarbonizing its power sector through four levers, being solar PV one of them. Due to the lack of natural resources and the high population density, solar PV is regarded as the most viable renewable energy option. Specifically, the country targets 2 GW of solar PV capacity by 2030 (and 1.5 GWp by 2025). Most of this capacity is expected to be constrained to rooftops (and floating solar) as land resources are scarce.

From the regulatory point of view, no support is given to large-scale renewable energy, as the government seeks to facilitate renewable energy's access to the power market. The only specific support system is the net metering scheme which allows electricity consumers to sell excess electricity from their rooftop PV systems to the grid. Payment varies according to the type of consumer and the capacity of the PV system. Both residential and commercial consumers can sell excess power from rooftop PV to the grid. On the one hand, non-contestable customers (usually residential consumers) are paid the regulated tariff minus the grid charges (being the regulated tariffs reviewed every quarter by Singapore Power, the State-owned utility). On the other hand, non-residential consumers (with a monthly consumption equal or above 2,000 kWh and systems with a size equal or above 1 MW (regardless their monthly consumption) are paid the nodal price.

In addition to this, solar PV development has also been accelerated thanks to the SolarNova programme, launched in 2014, which aggregates demand for solar PV across government agencies to achieve economies of scale. Since 2014, six SolarNova tenders have been launched, granting 366 MW. Awarded companies are given a 20-years floating or fixed PPA with Housing & Development Board (HDB), which is Singapore's public housing authority.

Other government-led initiatives have been launched in order to use new spaces to deploy solar capacity, in particular, floating solar PV. For example, the Public Utilities Board launched a 60 MW floating solar PV tender at the Tengeh Reservoir. The tender had 2 components: first was the solar power to be sold into the wholesale market and a 25-year retail contract for the reservoir owner.

02. Accounting policies

A) Basis of preparation

The accompanying consolidated annual accounts (financial statements hereinafter) reflect the results of EDP Renováveis, S.A. and its subsidiaries (EDPR Group or Group) and the Group's interest in its joint ventures and associated companies. The consolidated financial statements for 2022 have been prepared to present fairly the consolidated equity and consolidated financial position of EDP Renováveis, S.A. and subsidiaries at 31 December 2022, the consolidated results of operations, consolidated statement of comprehensive income, consolidated cash flows and changes in consolidated equity for the year then ended.

In accordance with Regulation (EC) no. 1606/2002 of 19 July 2002, of the European Council and Parliament, the Group's consolidated financial statements are prepared in accordance with International Financial Reporting Standards (IFRS), as endorsed by the European Union (EU). IFRS comprise accounting standards issued by the International Accounting Standards Board (IASB) and its predecessor body as well as interpretations issued by the International Financial Reporting Interpretations Committee (IFRIC) and their predecessor bodies.

The Board of Directors approved these consolidated annual accounts on 27 February 2023. The annual accounts are presented in thousand Euros, rounded to the nearest thousand.

The financial statements have been prepared on a going concern basis under the historical cost convention, modified by the application of fair value accounting to derivative financial instruments, financial assets at fair value through profit or loss, financial assets at fair value through other comprehensive income, except those for which a reliable measure of fair value is not available. Assets and liabilities that are hedged under hedge accounting are stated at fair value in respect of the hedged risk. Non-current assets and disposal groups held for sale are stated at the lower of carrying amount and fair value less costs to sell. Liabilities for defined benefit plans are recognised at the present value of the obligation net of plan assets fair value.

In accordance with IFRS 3 - Business Combinations, if the initial purchase price allocation of assets, liabilities and contingent liabilities acquired is identified as provisional, in the subsequent 12 months after the business combination transaction, the legal acquirer should make the final allocation of the purchase price related to the fair value of the assets, liabilities and contingent liabilities acquired. These adjustments with impact on the amount of goodwill determined and booked in previous periods, originate a restatement of the comparative information, which is reflected on the Statement of financial position, with effect from the date of the business combination transaction.

The preparation of financial statements in accordance with IFRS-EU requires the Board of Directors to make judgments, estimates and assumptions that affect the application of the accounting policies and of the reported amounts of assets, liabilities, income and expenses. The estimates and related assumptions are based on historical experience and other factors considered reasonable in accordance with the circumstances, the results of which form the basis for making judgments regarding the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates. The areas involving the highest degree of judgment or complexity, or for which the assumptions and estimates are considered significant, are disclosed in note 4 - Critical accounting estimates and judgments in applying accounting policies.

Accounting policies have been applied consistently by all Group companies and in all periods presented in the consolidated financial statements. The new standards and interpretations recently issued but not yet effective and that the Group has not yet applied on its consolidated financial statements, are detailed in note 3.

Change on Green Certificates and RECs presentation - Inventories

During 2022, EDPR Group has proceeded to review the accounting policy for Green Certificates and RECs. To carry out the analysis, the enforcement decisions of the European Securities and Markets Authority (ESMA) regarding transactions of the similar nature have been considered. The result of the analysis concludes that these Certificates are considered government aid in accordance with IAS 20 to be recorded under the heading "Other income" or alternatively reducing the corresponding expense, recognizing the unsold certificates as inventories in accordance with IAS 2, which are derecognized at the time of sale, registering the corresponding income. Taking this into consideration, EDPR has reclassified from intangibles assets to inventories the stock

of certificates booked in the balance sheet not-sold. This change in accounting affects only the presentation and disclosure of green certificates and RECs in the consolidated statement of financial position, and without any impact on initial recognition, subsequent measured and de-recognition, where the criteria described in note 2N will be maintained, as they are aligned with the conclusions of the analysis.

This change in accounting policy has been accounted for retrospectively, and the comparative statements for 2021 have been modified. The effect of the change on 2021 is the following:

THOUSAND EUROS			CHANGE ON GREEN CERTIFICATES AND RECS
	31 DEC 2021	RECLASSIFICATION	31 DEC 2021 (MODIFIED)
Intangible assets	316,408	-157,533	158,875
Inventories	62,274	157,533	219,807
	378,682	-	378,682

Change on Segments

A business segment is an identifiable component of the Group, aimed at providing a single product or service, or a group of related products or services, and it is subject to risks and returns that can be distinguished from those of other business segments.

EDPR's presence in new geographies has been increasingly growing over the last years leading to a rapid development of projects in new countries. This trend is expected to consolidate in the coming years, as defined in the Group's Business Plan 2021 – 2025, reaching a solid asset base around four regions: Europe, Latin America (Latam), North America (NA) and Asia-Pacific (APAC).

As a consequence of the above, EDPR implemented a new operating model and is now organized in those regions, thus the new business segments defined by the Group are the following:

- Europe: refers to companies that operate in Spain, Portugal, Belgium, France, Italy, Germany, Netherlands, Poland, Romania, United Kingdom, Hungary and Greece;
- North America: refers to companies that operate in United States of America, Canada and Mexico;
- LATAM: refers to companies that operate in Brasil, Chile and Colombia;
- APAC: refers to companies that operate in Korea, Singapore, Vietnam, Malaysia, Indonesia, Thailand, Cambodia, China, Taiwan and Japan.

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker, have similar economic characteristics and are similar in various prescribed respects.

For comparability purposes and regarding the changes occurred in the segments composition, a corresponding modification of the previous year information was made (See Annex II).

B) Basis of consolidation

The accompanying consolidated financial statements reflect the assets, liabilities and results of EDP Renováveis, S.A. and its subsidiaries and the equity and results attributable to the Group, through the investments in associates and jointly controlled entities.

EDPR Group applies prospectively as from 1 January 2010, IFRS 3 (revised) for the accounting of business combinations.

Controlled entities

Investments in subsidiaries where the Group has control are fully consolidated from the date the Group assumes control over their financial and operating activities until the moment that control ceases to exist.

An investor controls an investee when it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee, independently of the percentage of voting rights held.

Accumulated losses are attributed to non-controlling interests in the corresponding proportions held, implying that the Group can recognise negative non-controlling interests.

On a step acquisition process resulting in the acquisition of control the revaluation of any interest previously held is booked against the income statement. On a partial disposal resulting in loss of control over a subsidiary, any participation retained is revalued at market value on the sale date and the gain or loss resulting from this revaluation is booked against the income statement, as well as any gain or loss resulting from the disposal.

Jointly controlled entities

The Group classifies an arrangement as a joint arrangement when the jointly control is contractually established. Joint control exists only when decisions about the relevant activities require the unanimous consent of the parties that collectively control the arrangement. After determining the existence of joint control, the Group classifies joint arrangements into two types – joint operations or joint ventures.

A joint operation is a joint arrangement whereby the parties that have joint control of the arrangement (i.e. joint operators) have rights to the assets, and obligations for the liabilities, relating to the arrangement, so the assets and liabilities (and related revenues and expenses) in relation to its interest in the arrangement are recognised and measured in accordance with relevant IFRSs applicable.

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the arrangement, so this investment shall be included in the consolidated financial statements under the equity method.

The consolidated financial statements include the Group's attributable share of total reserves and profits or losses of joint ventures, included in the consolidated financial statements under the equity method. When the Group's share of losses exceeds its interest in a jointly controlled entity, the Group's carrying amount is reduced to zero and recognition of further losses is discontinued, except to the extent that the Group has a legal or contractual obligation to cover such losses on behalf of that entity.

Entities over which the Group has significant influence

Investments in associates are included in the consolidated financial statements under the equity method from the date the Group acquires significant influence to the date it ceases. Associates are entities over which the Group has significant influence, but not control, over its financial and operating policies.

The existence of significant influence by the Group is usually evidenced by one or more of the following:

- Representation on the Executive Board of Directors or equivalent governing body of the investee
- Participation in policy-making processes, including participation in decisions about dividends and other distributions
- Existence of material transactions between the Group and the investee
- Interchange of managerial personnel
- Provision of essential technical information.

The consolidated financial statements include the Group's attributable share of total reserves and profits or losses of associates, included in the consolidated financial statements under the equity method. When the Group's share of losses exceeds its interest in an associate, the Group's carrying amount is reduced to zero and recognition of further losses is discontinued, except to the extent that the Group has a legal or contractual obligation to cover such losses on behalf of the associate.

Accounting for investments in subsidiaries and associates in the company's financial statements

Investments in subsidiaries and associates not classified as held for sale or not included in a disposal group which is classified as held for sale are accounted for at cost in the company's financial statements, and are subject to periodic impairment tests, whenever indication exists that certain financial investment may be impaired.

Business combination

From 1 January 2010 the Group has applied IFRS 3 Business Combinations (2008) in accounting for business combinations.

Business combinations are accounted for using the acquisition method as at the acquisition date, which is the date on which control is transferred to the Group. Control is the power to govern the financial and operating policies of an entity so as to obtain

benefits from its activities. In assessing control, the Group takes into consideration potential voting rights that currently are exercisable.

Acquisitions on or after 1 January 2010

For acquisitions on or after 1 January 2010, the Group measures goodwill at the acquisition date as:

- The fair value of the consideration transferred; plus
- The recognised amount of any non-controlling interests in the acquiree; plus
- If the business combination is achieved in stages, the fair value of the existing equity interest in the acquiree; less
- The net recognised amount (generally fair value) of the identifiable assets acquired and liabilities assumed.

When the excess is negative, a bargain purchase gain is recognised immediately in profit or loss.

The consideration transferred does not include amounts related to the settlement of pre-existing relationships. Such amounts are generally recognised in profit or loss.

Costs related to the acquisition, other than those associated with the issue of debt or equity securities, that the Group incurs in connection with a business combination are expensed as incurred.

Any contingent consideration payable is recognised at fair value at the acquisition date. If the contingent consideration is classified as equity, it is not remeasured and settlement is accounted for within equity. Otherwise, subsequent changes to the fair value of the contingent consideration are recognised in profit or loss.

After that period, adjustments to initial measurement are only made to correct an error.

Acquisitions between 1 January 2004 and 1 January 2010

For acquisitions between 1 January 2004 and 1 January 2010, goodwill represents the excess of the cost of the acquisition over the Group's interest in the recognised amount (generally fair value) of the identifiable assets, liabilities and contingent liabilities of the acquire. When the excess was negative, a bargain purchase gain was recognised immediately in profit or loss.

Transaction costs, other than those associated with the issue of debt or equity securities, that the Group incurred in connection with business combinations were capitalised as part of the cost of the acquisition.

Purchases of non-controlling interests and dilution

In acquisitions (dilutions not resulting in a loss of control of non-controlling interests), the difference between the fair value of the non-controlling interests acquired and the consideration paid, is accounted against reserves. The acquisitions of non-controlling interests through written put options related with investments in subsidiaries held by non-controlling interests, are recorded as a liability for the fair value of the amount payable, against non-controlling interests. The fair value of the liability is determined based on the contractual price which may be fixed or variable. In case of a variable price, the changes in the liability are recognised against the income statement as well as the effect of the financial discount of the liability (unwinding).

Business combinations achieved in stages

In a business combination achieved in stages, on the date of obtaining control, the excess of the aggregate of (i) the consideration transferred, (ii) the amount of any non-controlling interest recognised in the acquiree and (iii) the fair value of the previously held equity interest in the acquired business; over the net of amounts of the identifiable assets acquired and liabilities assumed, is recognised as goodwill.

If applicable, the negative difference, after evaluating the consideration transferred, of the amount of any non-controlling interest recognised in the acquiree and the fair value of the previously held equity interest in the acquired business; over the net value of the identifiable assets acquired and liabilities assumed, is recognised in the income statement. The Group recognises the difference between the fair value of the previously held equity interest in the acquired business and the carrying value in consolidated results in Other income. Additionally, the Group reclassifies the deferred amounts in other comprehensive income relating to the previously held equity interest to the income statement or consolidated reserves, according to their nature.

Acquisition of assets out of the scope of IFRS 3

In order to assess whether an acquisition of an asset or a group of assets is a business, EDPR identifies the elements in the acquired entity (inputs, processes and outputs), assesses the capability to create outputs (it should have at a minimum, an input and a substantive process to be assessed as a business) and, finally, assesses the capability of market participants to continuing to create outputs (conducting the activities as a business).

In the case of an integrated set of activities that is in an early-stage of development and has not started to generate outputs, EDPR considers other factors to determine whether it constitutes a business, such as if: (i) planned principal activities have begun; (ii) employees, intellectual property, and other inputs and processes are present; (iii) a plan to produce outputs is being pursued; and/or (iv) access to customers who will purchase the outputs can be obtained. Generally, an early-stage entity that has employees capable of developing an output will be considered a business.

Therefore, in application of the above, EDPR concludes that IFRS 3 is not applicable when there are no outputs at the acquisition date due to an early-stage of development, and the acquired process(es) cannot be considered substantive. Thus, the acquisition of an asset or a group of assets that does not fulfil the conditions to be considered a business is classified as an acquisition of a company out of scope of IFRS 3.

Investments in foreign operations

The financial statements of the foreign subsidiaries and associates of the Group are prepared using their functional currency, defined as the currency of the primary economic environment in which they operate. In the consolidation process, the assets and liabilities of foreign subsidiaries are translated into Euros at the official exchange rate at the balance sheet date.

Regarding the investments in foreign operations that are consolidated using the full consolidation method and equity method, the exchange differences between the amount of equity expressed in Euros at the beginning of the period and the amount translated at the official exchange rates at the end of the period, on a consolidated basis, are booked against reserves.

Foreign currency goodwill arising on the acquisition of these investments is remeasured at the official exchange rate at the balance sheet date directly against reserves.The income and expenses of foreign subsidiaries are translated into Euros at the approximate exchange rates at the dates of the transactions. Exchange differences from the translation into Euros of the net profit for the period, arising from the differences between the rates used in the income statement and those prevailing at the balance sheet date are recognised in reserves.

On disposal of a foreign subsidiary, the related exchange differences previously recognised in reserves, are accounted for in the income statement.

Balances and transactions eliminated on consolidation

Inter-company balances and transactions, including any unrealised gains and losses on transactions between group companies, are eliminated in preparing the consolidated financial statements. Unrealised gains and losses arising from transactions with associates and jointly controlled entities are eliminated to the extent of the Group's interest in those entities.

Common control transactions

The accounting for transactions among entities under common control is excluded from IFRS 3. Consequently, in the absence of specific guidance, within IFRSs, the EDP Renováveis Group has developed an accounting policy for such transactions, as considered appropriate. According to the Group's policy, business combinations among entities under common control are accounted for in the consolidated financial statements using the EDP consolidated book values of the acquired company (subgroup). The difference between the carrying amount of the net assets received and the consideration paid, is recognised in equity.

Put options related to non-controlling interests

As from January 2010, the Group applies IAS 32 to put options related to non-controlling interests.

EDPR records written put options at the date of acquisition of a business combination or at a subsequent date as an advance acquisition of these interests, recording a financial liability for the present value of the best estimate of the amount payable, irrespective of the estimated probability that the options will be exercised. The difference between this amount and the amount

corresponding to the percentage of the interests held in the identifiable net assets acquired is recorded as goodwill. Subsequent changes in the carrying amount of the put liability are recognized in profit or loss.

Disposal of subsidiaries

When the Group ceases to have control, any retained interest in the entity is re-measured to its fair value at the date when control is lost, with the change in carrying amount of the investment recognised in profit or loss. Fair value is the initial carrying amount for the purposes of the subsequent recording of the interest retained in the associate, joint venture or financial asset. In addition to that, any amount previously recorded in other comprehensive income in relation to that entity is recorded as if the Group had directly sold all the related assets and liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss.

If the ownership of a holding in an associate is reduced but significant influence is retained, only the proportional part of the amounts previously recognised in other comprehensive income will be reclassified to the income statement.

C) Foreign currency transactions

Foreign currency transactions are translated at the exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currency are translated into Euros at the exchange rates at the balance sheet date. These exchange differences arising on translation are recognised in the income statement as financial results.

Foreign currency non-monetary assets and liabilities accounted for at historical cost are translated using the exchange rates at the dates of the transactions. Foreign currency non-monetary assets and liabilities stated at fair value are translated into Euros at the exchange rates at the dates the fair value was determined.

D) Derivative financial instruments and hedge accounting

Derivative financial instruments are recognised on the trade date at fair value. Subsequently, the fair value of derivative financial instruments is re-measured on a regular basis, being the gains or losses on re-measurement recognised directly in the income statement, except for derivatives designated as hedging instruments. The recognition of the resulting gains or losses on re-measurement of the derivatives designated as hedging instruments depends on the nature of the risk being hedged and of the hedge model used.

The fair value of derivative financial instruments corresponds to their market value, if available, or to quotes indicated by external entities through the use of valuation techniques, which are compared in each date of report to fair values available in common financial information platforms.

Hedge accounting

The Group uses financial instruments to hedge interest rate risk, exchange rate risk and price risk resulting from its operational and financing activities. Derivatives not qualified for hedge accounting under IFRS 9 are accounted for as trading instruments.

Hedging derivatives are recorded at fair value, being the gains and losses recognised in accordance with the hedge accounting model applied by the Group. Hedge relationship exists when:

- The hedging relationship consists only in hedging instruments and hedged items that are eligible as per determined in IFRS 9;
- At the inception of the hedge there is formal documentation of the hedging relationship and the Group's risk management objective and strategy for the hedge;
- There is an economic relationship between the hedged item and the hedging instrument;
- The effect of credit risk does not dominate the value changes that result from that economic relationship;
- The hedge ratio of the hedging relationship is the same as that resulting from the quantity of the hedged item that the entity actually hedges and the quantity of the hedging instrument that the entity actually uses to hedge that quantity of hedged item.

Fair value hedge

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recorded in the income statement, together with any changes in the fair value of the hedged assets and liabilities or group of hedged assets and liabilities that are

attributable to the hedged risk. When the hedging relationship ceases to comply with the requirements for hedge accounting, the accumulated gains or losses concerning the fair value of the risk being hedged are amortised over the residual period to maturity of the hedged item.

Cash flow hedge

Changes in the fair value of derivatives qualified as cash flow hedges are recognised in reserves.

The cumulative gains or losses recognised in reserves are reclassified to the income statement when the hedged item affects the income statement.

When a hedging relation of a future transaction is discontinued, the changes in the fair value of derivative recognised in reserves remain recognised in reserves until the future hedged transaction occurs. When the future transaction is no longer expected to occur, the cumulative gains or losses recognized in reserves are recorded immediately in the income statement.

Net investment hedge

The net investment hedge model is applied on a consolidated basis to investments in subsidiaries in foreign currencies. This model allows that the exchange differences recognised in the currency translation reserve to be offset by the foreign exchange differences in foreign currency loans or currency derivatives contracted, recognised in Currency translation reserve – Net investment hedge. For cross currency interest rate swaps, the cross-currency basis spread and forward points are not designated into the hedge relationship, but deferred as a hedging cost in other comprehensive income, in Currency translation reserve – Net investment hedge – Cost of hedging, and recognized in profit or loss over the period of the hedge. The ineffective portion of the hedging relationship is recognised in the income statement.

The accumulated foreign exchange gains and losses regarding the net investment and the related hedging instrument recognised in equity are transferred to the income statement when the foreign currency subsidiary is sold, as part of the gain or loss resulting from the disposal.

Effectiveness

For a hedge relationship to be classified as such, in accordance with IFRS 9, its effectiveness must be demonstrated. Therefore, the Group performs prospective tests at the inception date and at each balance sheet date, in order to demonstrate its effectiveness, showing that any adjustments to the fair value of the hedged item attributable to the risk being hedged are offset by adjustments to the fair value of the hedging instrument. Any ineffectiveness is recognised in the income statement when it occurs.

E) Other financial assets

The financial assets are classified based on the business model for managing the financial assets ("business model test") and their contractual cash flow characteristics ("SPPI test"). EDPR Group classifies its financial assets, at the initial recognition, in accordance with the aforementioned requirements introduced by IFRS 9, on the following categories:

Financial assets at amortised cost

A financial asset is measured at amortised cost if: (i) it is held within a business model whose objective is to hold assets in order to collect its contractual cash flows; and (ii) the contractual cash flows represent solely payments of principal and interest. Financial assets included within this category are initially recognised at fair value and subsequently measured at amortised cost. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other gains/(losses) together with foreign exchange gains and losses. Impairment losses are presented as separate line item in the statement of profit or loss.

Loans and trade receivables are generally held to collect contractual cash flows and are expected to give rise to cash flows representing solely payments of principal and interest, thus they meet the criteria for amortised cost measurement under IFRS 9.

Financial assets measured at fair value through other comprehensive income (FVOCI)

A financial asset is measured at fair value through other comprehensive income if (i) the objective of the business model is achieved by both collecting contractual cash flows and selling financial assets; and (ii) the asset's contractual cash flows represent solely payments of principal and interest. Financial assets included within this category are initially recognised and

subsequently measured at fair value, with the changes in the carrying amount booked in other comprehensive income, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses, which are recognised in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in other comprehensive income is reclassified to profit or loss.

Financial assets at fair value through profit or loss (FVTPL)

Financial assets that do not meet the criteria to be classified as financial assets at fair value through other comprehensive income (FVOCI) or at amortised cost, are classified at fair value through profit or loss, deemed to be a residual category under IFRS 9.

Regardless of the business model assessment, EDPR Group can elect to classify a financial asset at fair value through profit or loss if doing so reduces or eliminates a measurement or recognition inconsistency ("accounting mismatch").

Changes in the business model assessment over time

Financial assets are not reclassified subsequent to their initial recognition. However, if the Company changes its business model for managing financial assets, it will classify newly originated or newly purchased financial assets under the new business model but will keep the classification of existing assets under the previous business model.

Recognition and derecognition of financial assets

Purchases and sales of financial assets are recognised on the trade date, which is the date on which the Company commits to purchase or sell these financial assets.

Financial assets are derecognised when: (i) the contractual rights to receive their future cash flows have expired, (ii) the Company has transferred substantially the risks and rewards of ownership, or (iii) although retaining some, but not substantially all the risks and rewards of ownership, the Company has transferred control over the assets.

Impairment

EDPR Group recognise an impairment loss based on the Expected Credit Loss (ECL) model, before the objective evidence of a loss event from past actions. This model is the basis for the recognition of impairment losses on held financial assets that are measured at amortised cost or at fair value through other comprehensive income (which includes cash and cash equivalents, trade receivables, loans and debt securities).

The impairment methodology applied depends on whether there has been a significant increase in credit risk. If the credit risk on a financial asset does not increase significantly since its initial recognition, EDPR Group measures the loss allowance for that financial asset at an amount equal to 12-month expected credit losses. If the credit risk increases significantly since its initial recognition, EDPR Group measures the loss allowance for that financial asset at an amount equal to lifetime expected credit losses.

Regardless of the above, a significant increase in credit risk is presumed if there is an objective evidence that the financial asset is impaired, including if there is observable data that comes to the attention of the holder of the asset about the following loss events, among others: significant financial difficulty of the issuer or obligor; restructuring of an amount due to the Company in terms that it would not consider otherwise; a breach of contract, such as a default or delinquency in interest or principal payments; or it becoming probable that the borrower will enter bankruptcy or other financial reorganization.

As soon as the loss event occurs (what is previous defined in IAS 39 as "objective evidence of impairment"), the impairment allowance would be allocated directly to financial asset affected, which provide the same accounting treatment, from that point, as previously provided by IAS 39, including the treatment of interest revenue. The asset's carrying amount is reduced and the amount of the loss is recognised in profit or loss. If, in a subsequent period, the amount of the impairment loss decreases, the previously recognised impairment loss is reversed in profit or loss, if the decrease can be related objectively to an event occurring after the impairment loss was recognised.

Trade receivables and loans

EDPR Group applies the simplified approach and record lifetime expected losses on all trade receivables including those with a significant financing component. The estimated ECL are calculated based on actual credit loss experience over a period that, per

business and type of customers, is considered statistically relevant and representative of the specific characteristics of the underlying credit risk.

Considering the particularities of each business, exposures are segmented based on common credit risk characteristics such as credit risk grade, geographic region and/or industry. Actual credit loss experience is adjusted by scalar factors to reflect differences between economic conditions during the period over which historical data was collect, current conditions and EDPR Group's view of economic conditions over the expected lives of the receivables.

For loans carried at amortised cost and FVOCI, EDPR Group performs an analysis based on the general approach. On making its assessment, the company has to make assumptions about risk of default and expected loss rates, which requires judgement. The inputs used for risk assessment and for calculation of the loss allowances for financial assets includes: (i) credit ratings (as far as available) from external credit rating companies such as Standard and Poor, Moody's and Fitch.; (ii) significant changes in the expected performance and behavior of the borrower, including changes in the payment status of borrowers in the Group and changes in the operating results of the borrower; (iii) Public market data, namely on probabilities of default and loss given default expectations; and (iv) macroeconomic information (such as market interest rates or growth rates).

F) Trade payables and other liabilities

An instrument is classified as a financial liability when there is a contractual obligation for the issuer to liquidate capital and/or interests, through delivering cash or other financial asset, regardless of its legal form. Financial liabilities are recognised at the issuance date (trade date): (i) initially at fair value less transaction costs; and (ii) subsequently at amortised cost, using the effective interest method. All financial liabilities are booked at amortised cost, with the exception of the financial liabilities hedged at fair value hedge, which are stated at fair value on risk component that is being hedged.

Initial measurement of lease liabilities (rents due from lease contracts)

As provided by IFRS 16, as from 1 January 2019 EDPR Group measures the lease liability (rents due from lease contracts) on the commencement date based on the present value of the future payments of that lease contracts, discounted using EDPR Group's incremental borrowing rate for each portfolio of leases identified.

EDPR Group determines the lease term as the non-cancellable period of a lease, together with both: (i) periods covered by an option to extend the lease, if the lessee is reasonably certain to exercise that option; and (ii) periods covered by an option to terminate the lease, if the lessee is reasonably certain not to exercise that option.

EDPR Group applies the recognition exemption provided by IFRS 16 for the leases which lease term is 12 months or less, or that are for a low-value asset.

After the commencement date, the lease liability (rents due from lease contracts) are increased to reflect interest on the liability and reduced to reflect the lease payments made.

Remeasurement of the lease liabilities (rents due from lease contracts)

EDPR Group remeasure the lease liability (rents due from lease contracts), and adjusts the corresponding right-of-use assets, by discounting the revised lease payments, using an unchanged discount rate, if either:

- There is a change in future lease payments resulting from a change in an index or a rate used to determine those payments; or
- There is a change in the amounts expected to be payable under a residual value guarantee.

If there is a lease modification that do not qualifies to be accounted as a separate lease, EDPR Group remeasures the lease liability (rents due from lease contracts) and adjusts the corresponding right-of-use assets by discounting the revised lease payments, using a revised discount rate at the effective date of the modification.

The variable lease payments that do not depend in an index or a rate are not included in the measurement of the liability regarding the rents due from lease contracts, nor the right-of-use asset. Those payments are recognised as cost in the period in which the event or condition that gives rise to the payments occurs.

Derecognition of financial liabilities

EDPR Group derecognises a financial liability (or a part of a financial liability) from its statement of financial position when, and only when, the obligation specified in the contract is discharged or cancelled or expires. An exchange between an existing borrower and lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability, or a part of it, is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability.

The difference between the carrying amount of a financial liability (or part of a financial liability) extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

G) Equity instruments

A financial instrument is classified as an equity instrument when there is no contractual obligation at settlement to deliver cash or other financial asset to another entity, regardless of its legal form, and there is a residual interest in the assets of an entity after deducting all its liabilities.

Costs directly attributable to the issuance of equity instruments are recognised in equity, as a deduction to the amount issued. Amounts paid or received relating to sales or acquisitions of equity instruments are recognised in equity, net of transaction costs.

Distributions related to equity instruments are deducted from equity, as dividends, when declared.

Equity instruments at fair value

EDPR Group classifies the equity instruments that are held for trading at fair value to profit or loss. For all other equity instruments, management has the ability to make an irrevocable election on initial recognition, on an instrument-by-instrument basis, to present changes in fair value in other comprehensive income.

If this election is made, all fair value changes, excluding dividends that are a return on investment, will be included in other comprehensive income. There is no recycling of amounts from other comprehensive income to profit and loss (for example, on sale of an equity investment) being, at that time, transferred to retained earnings.

H) Capitalisation of borrowing costs

Borrowing costs that are directly attributable to the acquisition or construction of assets are capitalised as part of the cost of the assets. A qualifying asset is an asset that necessarily takes a substantial period of time to get ready for its intended use or sale. To the extent that funds are borrowed generally, the amount of borrowing costs eligible for capitalisation are determined by applying a capitalisation rate to the expenditures on these assets.

The capitalisation rate corresponds to the weighted average of the borrowing costs applicable to the outstanding borrowings during the period. The amount of borrowing costs capitalised during a period does not exceed the amount of borrowing costs incurred during the period.

The capitalisation of borrowing costs commences when expenditures for the asset are being incurred, borrowing costs have been incurred and activities necessary to prepare all or part of the assets for their intended use or sale are in progress. Capitalisation ceases when substantially all the activities necessary to prepare the qualifying assets for their intended use or sale are completed.

I) Property, plant and equipment

Property, plant and equipment are stated at acquisition cost less accumulated depreciation and impairment losses.

Cost includes expenditure that is directly attributable to the acquisition of the asset. In case of projects in a development stage, costs are only capitalized when it is probable that the project will be finally built. If due to changes in regulation or other circumstances costs capitalized are derecognized from property plant and equipment, they are recognized in the profit and loss caption of “Other expenses”. Replacements or renewals of complete items are recognized as increases in the value of property, plant and equipment and the items replaced or renewed are derecognized and recognized in the “Other expenses” caption.

The cost of self-constructed assets includes the cost of materials and direct labour, any other costs directly attributable to bringing the asset to a working condition for its intended use, and the costs of dismantling and removing the items and restoring the site on which they are located. Cost also may include transfers from equity of any gain or loss on qualifying cash flow hedges of foreign currency purchases of property, plant and equipment. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

The cost of acquisition includes interest on external financing and personnel costs and other internal expenses directly or indirectly related to work in progress accrued solely during the period of construction. The cost of production is capitalised by charging costs attributable to the asset as own work capitalised under financial expenses and personnel costs and employee benefit expense in the consolidated income statement.

Subsequent costs are recognised as separate assets only when it is probable that future economic benefits associated with the item will flow to the Group. Repair and maintenance costs are charged to the income statement during the financial period in which they are incurred.

The Group carries out impairment tests whenever events or circumstances may indicate that the book value of an asset exceeds its recoverable amount and, at least, annually, being the impairment recognised in the income statement.

Land is not depreciated. Depreciation on the other assets is calculated using the straight-line method, less the residual value, over their estimated useful lives, as follows:

	NUMBER OF YEARS
Buildings and other constructions	8 to 40
Plant and machinery:	
- Renewable assets	20 to 35
- Other plant and machinery	4 to 12
Transport equipment	3 to 5
Office equipment and tools	2 to 10
Other tangible fixed assets	3 to 10

Residual value is the amount determined by the Group related to the scrap to be obtained from dismantled wind farms and solar plants and is calculated based on the technology of each project and the estimated prices of steel, copper and aluminium (this last one in the case of solar plants or distributed generation assets).

J) Intangible assets

The Group's intangible assets are booked at acquisition cost less accumulated amortisation and impairment losses. The Group does not own intangible assets with indefinite lives.

The Group performs impairment tests, whenever events or circumstances may indicate that the book value of the asset exceeds its recoverable amount, being any impairment recognised in the income statement.

Acquisition and development of software

Acquired computer software licenses are capitalised on the basis of the costs incurred to acquire and bring to use the specific software. These costs are amortised on the basis of their expected useful lives, and typically in 5 years.

Costs that are directly associated with the development of identifiable specific software applications by the Group, and that will probably generate economic benefits beyond one year, are recognised as intangible assets. These costs include employee costs directly associated with the development of the referred software and are amortised using the straight-line method during their expected useful lives.

Maintenance costs of software are charged to the income statement when incurred.

Industrial property and other rights

Industrial property and other rights are amortised on a straight-line basis over the estimated useful life of the assets, which does not exceed 6 years.

K) Leases/ Right-of-use assets

EDPR Group presents the information related to lease contracts in the caption Right-of-use assets, creating a separate line in the Consolidated Statement of Financial Position. These assets are accounted for at cost less accumulated depreciation and impairment losses. The cost of these assets comprises the initial costs and the initial measurement of the liabilities regarding the rents due from lease contracts, deducted from the prepaid amounts and any incentives received.

Depreciation of right-of-use assets is calculated on a straight-line basis over their estimated useful lives, considering the lease contract terms.

Remeasurement of right-of-use assets

If EDPR Group remeasures the lease liability (rents due from lease contracts) (see 2F), the corresponding right-of-use assets shall be adjusted accordingly.

L) Non-current assets held for sale and discontinued operations

Non-current assets or groups of non-current assets held for sale (groups of assets and related liabilities that include at least one noncurrent asset) are classified as held for sale when their carrying amounts will be recovered mainly through sale, the assets or groups of assets are available for immediate sale and the sale is highly probable.

The Group also classifies as non-current assets held for sale, non-current assets or groups of assets acquired exclusively for its subsequent resale, that are available for immediate sale and the sale is highly probable.

Prior to their classification as held for sale, the measurement of all non-current assets and all assets and liabilities included in a disposal group, is adjusted in accordance with the applicable IFRS standards. Subsequently, these assets or disposal groups are measured at the lowest between their carrying amount and fair value less costs to sell.

M) Impairment of non-financial assets

The carrying amounts of the Group's non-financial assets, other than inventories and deferred tax assets, are reviewed to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is then estimated.

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the cash-generating unit). The goodwill acquired in a business combination, for the purpose of impairment testing, is allocated to cash-generating units which are expected to benefit from the synergies of the combination.

An impairment loss is recognised if the carrying amount of an asset or its cash-generating unit exceeds its estimated recoverable amount. Impairment losses are recognised in profit or loss. Impairment losses recognised in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to the units and then to reduce the carrying amount of the other assets in the unit (group of units) on a pro-rata basis.

An impairment loss in respect of goodwill is not reversed. In respect of other assets, impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in circumstances that caused the impairment. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

N) Inventories

Inventories are measured at the lower of the acquisition cost and net realisable value. The cost of inventories includes purchases, conversion and other costs incurred in bringing the inventories to their present location and condition. The net realisable value is the estimated selling price in the ordinary course of business less the estimated selling costs.

The cost of inventories is assigned by using the weighted average method.

Green Certificates and Renewable Energy Credits (RECs)

In some jurisdictions, on top of the market price, generators receive certificates for their performance, which are sold to the off-takers obliged to fulfil a quota obligation (a share of energy that must be sourced from renewable sources). Being these certificates considered subsidies under IAS 20, they are recognised when generated as inventory, at fair market value, mainly determined by active markets or public market operators. Green Certificates registered as Inventories are discharged at the time of their effective sale and any difference between the selling price and the fair value of the certificates is registered in the profit and loss account.

O) Classification of assets and liabilities as current and non-current

The Group classifies assets and liabilities in the consolidated 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 Group's normal operating cycle, they are held primarily for the purpose of trading, they are expected to be realised within twelve months of the balance sheet date or are cash or a cash equivalent, unless the assets may not be exchanged or used to settle a liability for at least twelve months from the balance sheet date.

Liabilities are classified as current when they are expected to be settled in the Group's normal operating cycle, they are held primarily for the purpose of trading, they are due to be settled within twelve months of the balance sheet date or the Group does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting period.

Financial liabilities are classified as current when they are due to be settled within twelve months after the reporting period, even if the original term was for a period longer than twelve months, and an agreement to refinance, or to reschedule payments, on a long-term basis is completed after the reporting period and before the consolidated financial statements are authorised for issue.

P) Provisions

Provisions are recognised when: (i) the Group has a present legal or constructive obligation, (ii) it is probable that settlement will be required in the future and (iii) a reliable estimate of the obligation can be made.

Dismantling and decommissioning provisions

The Group recognises dismantling and decommissioning of assets at the end of the assets' useful life when there is a legal or contractual obligation. Consequently, the Group has booked provisions for property, plant and equipment related with renewables assets, for the expected cost of restoring sites and land to its original condition. The provisions correspond to the present value of the expenditure expected to be required to settle the obligation and are recognised as part of the initial cost or an adjustment to the cost of the respective asset, being depreciated on a straight-line basis over the asset useful life.

Discounting and inflation rates used for 2022 are:

	EUROPE	NORTH AMERICA	LATAM	APAC
Discount Rate	[2.24% - 8.75%]	[4.02% - 4.42%]	[12.40% - 12.50%]	[3.50% - 7.67%]
Inflation Rate	[1.90% - 3.88%]	[2.07% - 3.51%]	[3.45% - 3.59%]	[1.40% - 3.90%]

Discounting and inflation rates used for 2021 were:

	EUROPE	NORTH AMERICA	LATAM	APAC
Discount Rate	[0.00% - 5.40%]	[0.26% - 1.92%]	[11.23% - 11.83%]	[2,10% - 2.37%]
Inflation Rate	[0.00% - 3.95%]	[2.00% - 2.50%]	[3.33% - 17.18%]	[0.54% - 2.36%]

Decommissioning and dismantling provisions are remeasured on an annual basis based on the best estimate of the settlement amount. EDPR's technical department has performed an in-depth analysis taking into account the reality of the EDPR's fleet. This analysis has led to the conclusion that the average cost per megawatt and salvage value of the renewable assets requires to be updated with effect December 2022 (see note 32).

The unwinding of the discount at each balance sheet date is charged to the income statement.

Tax liabilities

Liabilities for payment of taxes or levies related to an activity of the Group are recognized as the activity which triggers the payment is carried out, according to the laws regulating such taxes or levies. However, in the cases of taxes or levies with right of reimbursement of the amount already paid proportionally to the period of time in which there is no activity or the asset which triggers the payment is no longer owned, liabilities are recognized on a proportional basis.

Q) Recognition of revenue from contracts with customers

EDPR Group recognises revenue in accordance with the core principle introduced by IFRS 15. Thus, the Group recognises revenue to depict the transfer of control of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for these goods or services, as provided in the 5 steps methodology, namely: (i) identify the contract with a customer; (ii) identify the performance obligations in the contract; (iii) determine the transaction price; (iv) allocate the transaction price to performance obligations; and (v) recognise revenue when (or as) the entity satisfies a performance obligation.

Costs and revenues are recorded in the year to which they refer regardless of when paid or received, in accordance with the accrual basis. Differences between amounts received and paid and the corresponding revenue and cost are recorded under Other assets and Other liabilities.

Revenue in EDPR Group arises essentially from electricity generation and green certificate sales. For electricity generation, the transfer of control occurs when the energy is generated and injected into the transport/distribution grids. The electricity generated is sold under free market conditions or through the establishment of medium/long term power purchase agreements.

In the sale of green certificates, the performance obligation becomes effective when they are made available to the client, that is, when control of the certificate is transferred to the client.

For contracts that include sale of electricity and green certificates, there is only one performance obligation that becomes effective when the electricity is made available to the customer. At that moment, the energy is made available to the client at the point of delivery and, at the same time, the control of the green certificate is transferred to the client. These contracts have a unique price that includes both concepts under the same performance obligation, which is the delivery of electricity and green certificates at the same time.

In what concerns variable transaction prices, EDPR Group only recognises revenue when it is highly probable that there will not be any significant reversal of the recognised revenue, when it becomes certain. IFRS 15 requires that this estimate of variable transaction prices is determined using either (i) the expected value method – based on probability-weighted amounts, or (ii) the most likely outcome method. EDPR Group considers the facts and circumstances when analyzing the terms of each contract with customers, applying the requirements that determine the recognition and measurement of revenue in a harmonized manner, when considering contracts with the same characteristics and in similar circumstances.

Value of adjustments for deviations in the market price in accordance with article 22 of Royal Decree 413/2014

On 22 October 2021, the CNMV issued a statement establishing the criteria for accounting for the value of the adjustments for deviations in the market price in accordance with article 22 of Royal Decree 413/2014, of 6 June, which regulates the activity of electricity production from renewable energy sources, cogeneration and waste (RD 413/2014). The value of the adjustments for deviations in the market price includes the differences, which occur in each year, between the income from the sale of energy at

the price estimated by the regulator at the beginning of each regulatory semi-period and the real average market price in said year.

EDPR had already been applying the criteria established by the CNMV, so that, each of the positive and negative market deviations arising under RD 413/2014 are typically recognized as assets and liabilities in the consolidated statement of financial position. However, if throughout the residual regulatory life of the renewable facilities, according to EDPR's best estimate of the future evolution of energy market prices, it would be highly probable that market returns would be higher than those established in the RD 413/2014 and, therefore, abandoning the remuneration regime would not have significantly more adverse economic consequences than remaining in said regime, it is considered that in this situation, only the asset is recognized. As at 31 December 2022, none of the renewable facilities have abandoned the remuneration regime.

R) Financial results

Financial results include interest costs on borrowings, interest income on funds invested, dividend income, foreign exchange gains and losses, realised gains and losses, changes in fair value of derivative financial instruments related to financing activity classified by the Group, within IFRS 9, as held for trading and consequently measured at fair value through profit or loss and changes in the fair value of hedged risks, when applicable.

Interest is recognised in the income statement on an accrual basis. Dividend income is recognised on the date the right to receive is established.

Considering the accounting model provided by IFRS 16, the financial results include the interest expenses (unwinding) calculated on the liabilities regarding the rents due from lease contracts.

S) Income tax

Income tax recognised in the income statement includes current and deferred tax. Income tax is recognised in the income statement except to the extent that it relates to items recognised directly in equity, in which case it is also recognised in equity.

Deferred taxes arising from the revaluation of assets measured at fair value through other comprehensive income and cash flow hedge derivatives recognised in equity are recognised in the income statement in the period the results that originated the deferred taxes are recognised.

Current tax is the tax expected to be paid on the taxable income for the period, using tax rates enacted at the statement of financial position date and any adjustment to tax payable in respect of previous years.

Deferred taxes are calculated in accordance with the balance sheet liability method, considering temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and their respective tax basis, using the tax rates enacted or substantively enacted at the balance sheet date for each jurisdiction and that are expected to be applied when the temporary differences are reversed.

Deferred tax liabilities are recognised for all taxable temporary differences except for goodwill not deductible for tax purposes, differences arising on initial recognition of assets and liabilities that affect neither accounting nor taxable profit and differences relating to investments in subsidiaries, to the extent that these will probably not be reversed in the future. Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available to absorb deductible temporary differences for taxation purposes.

The Group offsets, as established in IAS 12, the deferred tax assets and liabilities if, and only if:

- the entity has a legally enforceable right to offset current tax assets against current tax liabilities; and
- the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in future periods in which deferred tax liabilities or assets are expected to be settled or recovered.

When accounting for interest and penalties related to income taxes, EDPR Group considers whether a particular amount payable or receivable is, in its nature, a taxable income and, if so, applies IAS 12 to this amount. Otherwise, IAS 37 is applied.

T) Earnings per share

Basic earnings per share are calculated by dividing the consolidated net profit attributable to equity holders of EDP Renováveis S.A. by the weighted average number of ordinary shares outstanding during the year, excluding the average number of ordinary shares purchased by the Group and held as treasury stock.

For the diluted earnings per share calculation, the weighted average number of ordinary shares outstanding is adjusted to consider conversion of all dilutive potential ordinary shares, such as convertible debt and stock options granted to employees. The dilution effect corresponds to a decrease in earnings per share resulting from the assumption that the convertible instruments are converted or the options granted are exercised.

U) Cash and cash equivalents

Cash and cash equivalents include balances with maturity of less than three months from the date of acquisition, including cash and deposits in banks. This caption also includes other short-term, highly liquid investments that are readily convertible to known amounts of cash and specific demand deposits in relation to institutional partnerships that are funds required to be held in escrow sufficient to pay the remaining construction related costs of projects in institutional equity partnerships in U.S.A., in the next twelve months.

The Group classifies as cash and cash equivalents the debit balance of the current accounts with EDP Group formalized under cash-pooling agreements.

V) Government grants

Government grants are recognised initially as deferred income under non-current liabilities when there is reasonable assurance that they will be received and that the Group will comply with the conditions associated with the grant. Grants that compensate the Group for expenses incurred are recognised in profit or loss on a systematic basis in the same periods in which the expenses are recognised.

W) Environmental issues

The Group takes measures to prevent, reduce or repair the damage caused to the environment by its activities.

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

X) Institutional partnerships in North America

The Group has entered in several partnerships with institutional investors in the United States, through limited liability Company operating agreements that apportion the cash flows generated by the wind farms between the investors and the Company and allocates the tax benefits, which include Production Tax Credits (PTCs), Investment Tax Credits (ITCs) and accelerated depreciation, largely to the investor.

The institutional investors purchase their minority partnership interests for an upfront cash payment with an agreed targeted internal rate of return over the period that the tax credits are generated. This anticipated return is computed based on the total anticipated benefit that the institutional investors will receive and includes the value of PTCs / ITCs, allocated taxable income or loss and cash distributions received.

The control and management of these wind farms are a responsibility of EDPR Group and they are fully consolidated in these financial statements.

The financial instruments held by the institutional investors issued by the partnerships represent compound financial instruments as they contain characteristics of both financial liabilities and equity. The Group has determined that at the funding dates, the fair values of the original proceeds is equal to the fair values of the liabilities at that time and no value was assigned to the equity component. Subsequently, these liabilities are measured at amortized cost.

This liability is reduced by the value of tax benefits provided and cash distributions made to the institutional investors during the contracted period. The value of the tax benefits delivered, primarily accelerated depreciation and ITC are recognized as Income from institutional partnerships over the 30-35 year useful life of the assets and over the 5-year recapture period, respectively (see

note 8). The value of the PTCs delivered are recorded as generated. This liability is increased by an interest accrual that is based on the outstanding liability balance and the targeted internal rate of return agreed.

After the Flip Date (date on which institutional investors reach their specified return as indicated in the corresponding agreements), the institutional investor retains a non-significant interest for the duration of the structure. This non-controlling interest is entitled to distributions ranging from 2.5% to 10% and taxable income allocations ranging from 5% to 10%. EDPR NA has an option to purchase the institutional investor's residual interest at fair market value during a defined period following the flip date. Such fair value is calculated according to the future cashflows of the wind or solar projects or by an external party. This amount is reclassified from the total equity attributable to the Parent to non-controlling interests caption in the period in which the flip date takes place (see note 30).

Deferred tax liabilities arise since related project's assets are consolidated and corresponding accounting depreciation is registered, while a very large allocation of the tax depreciation is absorbed by the institutional investor.

Y) Statement of Cash Flow

The Statement of Cash Flow is presented under the direct method, by which gross cash flows from operating, financing and investing activities are disclosed. The Group classifies cash flows related to interest and dividends paid as financing activities and interest and dividends received as investing activities.

03. Recent accounting standards and interpretations issued

Standards, amendments and interpretations issued effective for the Group

The amendments that have been issued and that are already effective and that the Group has applied on its financial statements, with no significant impacts are the following:

- IFRS 3 (Amended) – Reference to the Conceptual Framework;
- IAS 16 (Amended) – Proceeds before Intended Use;
- IAS 37 (Amended) – Onerous Contracts – Cost of Fulfilling a Contract;
- Annual Improvement to IFRS Standards Project (2018–2020).

Standards, amendments and interpretations issued but not yet effective for the Group

The standards issued but not yet effective for the Group, which impact is being evaluated, is the following:

- **IAS 12 (Amended) – Deferred tax related to assets and liabilities**

The IASB amended IAS 12, 'Income taxes', to require companies to recognise deferred tax on particular transactions that, on initial recognition, give rise to equal amounts of taxable and deductible temporary differences.

The amendments target the recognition of deferred tax in respect of:

- right-of-use assets and lease liabilities; and
- decommissioning, restoration and similar liabilities, and the corresponding amounts recognised as part of the cost of the related asset. Since decommissioning obligations are common in the energy and mining industries, the impact of the amendment could be significant for entities in this sector.

These amendments should be applied for annual periods beginning on or after 1 January 2023. EDP Group will adopt the new standard on the required effective date in accordance with the modified retrospective transition approach, without adjustments to opening balance nor restatement of comparative information.

As of 31 December 2022 and 2021 EDPR Group has recognised in its financial position the net amount related to the net deferred tax assets and liabilities recognised related to the dismantling assets and provision and right of use assets and lease liabilities for those jurisdiction where those amounts are not deductible until the payment date. On initial application of IAS 12 Amendment, EDP Group will breakdown these net into the corresponding deferred tax assets and deferred liability. Therefore, on 1 January 2023, EDP Group will breakdown these net deferred tax assets and liabilities regarding dismantling and lease liabilities, whenever

applicable, being estimated an increase between 223 and 243 million Euros in the captions Deferred tax assets and Deferred tax liabilities.

Standards, amendments and interpretations issued but not yet effective for the Group

The standards, amendments and interpretations issued but not yet effective for the Group (whose effective application date has not yet occurred or, despite their effective dates of application, they have not yet been endorsed by the UE) for which no significant impact is expected, are the following:

- IFRS 17 – Insurance Contracts (and amendments related to initial application and comparative information);
- IAS 1 (Amended) - Classification of Liabilities as Current or Non-current;
- IAS 1 (Amended) - Disclosure of Accounting Policies;
- IAS 8 (Amended) - Disclosure of Accounting Estimates;

04. Critical accounting estimates and judgments in applying accounting policies

The IFRS set forth a range of accounting treatments and require the Board of Directors to apply judgment and make estimates in deciding which treatment is most appropriate.

The main accounting estimates and judgements used in applying the accounting policies are discussed in this note in order to improve the understanding of how their application affects the Group's reported results and disclosures. A broader description of the accounting policies employed by the Group is disclosed in note 2 to the Consolidated Financial Statements.

Although estimates are calculated by the Board of Directors based on the best information available at 31 December 2022 and 2021, future events may require changes to these estimates in subsequent years. Any effect on the financial statements of adjustments to be made in subsequent years would be recognised prospectively.

Considering that in many cases there are alternatives to the accounting treatment adopted by EDP Renováveis, the Group's reported results could differ if a different treatment was chosen. EDP Renováveis believes that the choices made are appropriate and that the financial statements are presented fairly, in all material respects, the Group's financial position and results. The alternative outcomes discussed below are presented solely to assist the reader in understanding the financial statements and are not intended to suggest that other alternatives or estimates would be more appropriate.

Measurement of the fair value of financial instruments

Fair values are based on listed market prices, if available. Otherwise, fair value is determined either by the price of similar recent transactions under market conditions, or determined by external entities, or based on valuation methodologies, supported by discounting future cash flows techniques, considering market conditions, time value, yield curves and volatility factors. These methodologies may require the use of assumptions or judgements in determining fair values.

Consequently, the use of different methodologies and different assumptions or judgements in applying a particular model, could generate different financial results from those reported.

Additionally, financial instruments' classification as debt or equity requires judgement in the interpretation of contractual clauses and in the evaluation of the existence of a contractual obligation to deliver cash or other financial assets.

Review of the useful life of the assets

The Group reviews periodically the reasonableness of the assets' useful lives that are used to determine the depreciation rates of assets assigned to the activity, and prospectively changes the depreciation charge of the year based on such review.

Lease Liabilities (Rents due from lease contracts)

With the adoption of IFRS 16, the Group recognises right-of-use assets (ROU assets) and lease liabilities (rents due from lease contracts), if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether: i) the contract involves the use of an identified asset; ii) it has the right to obtain substantially all of the economic benefits from the use of the asset throughout the period of use; and iii) it has the right to direct the use of the asset. EDPR Group uses

judgement on its assessment, namely concerning the termination and extension contract options and the determination of the incremental borrowing rate to be applied for each portfolio of leases identified.

Impairment

Impairment of long-term assets and Goodwill

Impairment tests are performed whenever there is an indication that the recoverable amount of property, plant, equipment and intangible assets is less than the corresponding net book value of assets.

On an annual basis, the Group reviews the assumptions used to assess the existence of impairment in goodwill resulting from acquisitions of shares in subsidiaries. The assumptions used are sensitive to changes in macroeconomic indicators and business assumptions used by management. The net interest in associates is reviewed when circumstances indicate the existence of impairment.

Considering the uncertainties regarding the recoverable amount of property, plant and equipment, right-of-use assets, intangible assets and goodwill as they are based on the best information available, changes in the assumptions could result in changes on the determination of the amount of impairment and, consequently, in results.

Income taxes

The Group is subject to income taxes in numerous jurisdictions. Certain interpretations and estimates are required in determining the global amount for income taxes.

There are several transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. Different interpretations and estimates would result in a different level of income taxes, current and deferred, recognized in the period.

Tax Authorities are entitled to review EDP Renováveis, and its subsidiaries' determination of its annual taxable earnings, for a determined period that may be extended in case there are tax losses carried forward. Therefore, it is possible that some additional taxes may be assessed, mainly as a result of differences in interpretation of the tax law. However, the EDP Renováveis and its subsidiaries, do not anticipate any significant changes to the income tax booked in the financial statements.

EDPR evaluates the recoverability of deferred tax assets based on estimations of future taxable income in the period in which such deferred taxes are deductible.

Deferred tax assets are yearly evaluated to ensure there are no indications of impairment. In these analyses, which are based on assumptions considered in the impairment test indicated in note 19, the Group verifies that such deferred tax assets are still recoverable in the future.

Dismantling and decommissioning provisions

The Board of Directors considers that Group has contractual obligations with the dismantling and decommissioning of property, plant and equipment related to wind and solar electricity generation. For these responsibilities the Group has recorded provisions for the expected cost of restoring sites and land to its original condition. The provisions correspond to the present value of the expenditure expected to be required to settle the obligation.

In 2022 EDPR's technical department has performed an in-depth analysis taking into account the reality of the EDPR's fleet. This analysis has led to the conclusion that the average cost per megawatt and salvage value of the renewable assets requires to be updated, with effect December 2022 (see note 2.P and 32).

The use of different assumptions in estimates and judgments referred may have produced different results from those that have been considered.

Entities included in the consolidation perimeter

In order to determine which entities must be included in the consolidation perimeter, the Group evaluates whether it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

This evaluation requires judgement, assumptions and estimates in order to conclude whether the Group is in fact exposed to variable returns and has the ability to affect those returns through its power over the investee. Other assumptions and judgments could lead to a different consolidation perimeter of the Group, with direct impact in the consolidated financial statements.

Business combinations

Under IFRS 3 (Business Combination) in a business combination, the acquirer shall recognize and measure in the consolidated financial statements the assets acquired and liabilities assumed at fair value at the acquisition date. The difference between the purchase price and the fair value of the assets and liabilities acquired leads to the recognition of goodwill or a gain from a purchase at a low price (bargain purchase).

The fair value determination of the assets acquired and liabilities assumed is carried out internally or by independent external evaluators, using the discounted cash flows method, using the replacement cost or other fair value determination techniques, which rely on the use of assumptions including macroeconomic indicators such as inflation rates, interest rates, exchange rates, discount rates, sale and purchase prices of energy, cost of raw materials, production estimates, useful life and business projections. Consequently, the determination of the fair value and goodwill or gain from a purchase at a low price is subject to numerous assumptions and judgments and therefore changes could result in different impacts on results.

Fair value measurement of contingent consideration and variable prices

Contingent consideration from a business combination or variable prices for a sale of assets or businesses are measured at fair value at the acquisition date as part of the business combination or at the date of the sale in the event of a sale of a assets or businesses. This contingent consideration or variable price are subsequently remeasured at fair value at each report date. Fair value is based on discounted cash flows. The main assumptions consider the probability of achieving each objective and the discount factor, corresponding to the best estimates of management at each report date. Changes in assumptions could have significant impact on the values of variable prices for the assets and contingent liabilities recognised in the financial statement.

05. Financial risk management policies

The businesses of EDP Renováveis Group are exposed to a variety of risks, including the effects of changes in electricity market prices, foreign exchange and interest rates. The main financial risks arise from interest-rate and the exchange-rate exposures. The volatility of financial markets is analysed on an on-going basis in accordance with EDPR's risk management policies. Financial instruments are used to mitigate potential adverse effects on EDP Renováveis financial performance resulting from interest rates and foreign exchange rates changes.

The Board of Directors of EDP Renováveis is responsible for the definition of general risk-management policies and the establishment of exposure limits. Recommendations to manage financial risks of EDP Renováveis Group are proposed by EDPR's Finance and Global Risk Departments and discussed in the Financial Risk Committee of EDP Renováveis, which is held quarterly. The pre-agreed strategy is shared with the Finance Department of EDP – Energias de Portugal, S.A., to verify the accordance with the policies approved by the Board of Directors of EDP. The evaluation of appropriate hedging mechanisms and the execution is done by EDPR but may also be outsourced to the Finance Department of EDP.

All transactions undertaken using derivative financial instruments require the prior approval of the Board of Directors, which defines the parameters of each transaction and approves the formal documents describing their objectives.

Exchange-rate risk management

EDPR and EDP Group's Financial Department are responsible for managing the foreign exchange exposure of the Group, seeking to mitigate the impact of exchange rate fluctuations on the net assets and net profits of the Group. Instruments used for hedging are foreign exchange derivatives, foreign exchange debt and other hedging structures with offsetting exposure versus the item to be hedged. The effectiveness of these hedges is reassessed and monitored throughout their lives.

EDPR operates internationally and is exposed to the exchange-rate risk resulting from investments in foreign subsidiaries. With the objective of minimizing the impact of exchange rates fluctuations, EDP Renováveis general policy is to fund each project in the currency of the operating cash flows generated by the project.

Currently, the main currency exposure is the U.S. Dollar, resulting from the shareholding in EDPR NA. EDPR is also exposed to Polish Zloty, Romanian Leu, Brazilian Real, British Pound, Canadian Dollar, Colombian Peso, Hungarian Forint and a marginal

fiscal exposure to MXN due to Mexican assets. With the acquisition of Sunseap, EDPR is also exposed to Singaporean Dollar and has some relatively small exposure to other southeast Asian currencies.

To hedge the risk originated with net investment in EDPR NA, EDP Renováveis uses financial debt expressed in USD and also entered into cross currency interest rate swaps (CIRS) USD/EUR with EDP – Energias de Portugal, S.A. Following the same strategy adopted to hedge the net investments in USA, EDP Renováveis has also entered into CIRS in BRL/EUR, GBP/EUR, CAD/EUR and in COP/EUR to hedge the investments in Brazil, United Kingdom, Canada and Colombia, respectively, where exposures are sizable for hedging (see note 37).

Sensitivity analysis – Foreign exchange rate

As a consequence, a depreciation/appreciation of 10% in the most significant foreign currency exchange rate, with reference to 31 December 2022 and 2021, would originate an increase/(decrease) in EDP Renováveis Group income statement and equity before taxes, as follows:

				31 DEC 2022
THOUSAND EUROS	PROFIT OR LOSS		EQUITY	
	+10%	-10%	+10%	-10%
USD/EUR	14,500	-17,722	-119,873	146,511
BRL/EUR	35	-43	-20,069	24,528
SGD/EUR	302	-369	-65,001	79,446
	14,837	-18,314	-204,943	250,485

				31 DEC 2021
THOUSAND EUROS	PROFIT OR LOSS		EQUITY	
	+10%	-10%	+10%	-10%
USD/EUR	8,315	-10,162	-31,591	38,611
RON/EUR	23	-28	-	-
BRL/EUR	107	-131	-18	22
	8,445	-10,321	-31,609	38,633

For the currency PLN/EUR, since the process of selling of most of the portfolio of companies in Poland (see note 27), the global exposure will decrease significantly and will not achieve material impacts (see note 27).

This analysis assumes that all other variables, namely interest rates, remain unchanged.

Interest rate risk management

The Group's operating cash flows are substantially independent from the fluctuation in interest-rate markets.

The purpose of the interest-rate risk management strategy is to reduce the exposure of debt cash flows to market fluctuations. As such, whenever considered necessary and in accordance to the Group's policy, interest-rate financial instruments are contracted to hedge interest rate risks. These financial instruments hedge cash flows associated with future interest payments, converting floating rate loans into fixed rate loans.

All these hedges are undertaken on liabilities in the Group's debt portfolio and are mainly perfect hedges with a high correlation between changes in fair value of the hedging instrument and changes in fair value of the interest-rate risk or upcoming cash flows.

The EDP Renováveis Group has a portfolio of interest-rate derivatives with maturities up to 18 years. The Financial Department of EDP Group undertakes sensitivity analyses of the fair value of financial instruments to interest-rate fluctuations or upcoming cash flows.

About 83% of EDP Renováveis Group financial debt bear interest at fixed rates, considering operations of hedge accounting with financial instruments.

Additionally, during the fiscal year 2022, EDPR has executed interest rate pre-hedges of its future intercompany loans refinancing needs with EDP, both in EUR and USD, aiming to lock-in future interest rates levels given the current scenario of high volatility and uncertainty.

Sensitivity analysis - Interest rates

EDPR/EDP Group's Financial Departments are responsible for managing the interest rate risk associated to activities developed by the Group, contracting derivative financial instruments to mitigate this risk.

Based on the EDPR Group debt portfolio and the related derivative financial instruments used to hedge associated interest rate risk, as well as on the shareholder loans received by EDP Renováveis, a change of 100 basis points in the interest rates with reference to 31 December 2022 and 2021 would increase/(decrease) in EDP Renováveis Group income statement and equity before taxes, as follows:

				31 DEC 2022
	PROFIT OR LOSS		EQUITY	
THOUSAND EUROS	+100 BPS	-100 BPS	+100 BPS	-100 BPS
Cash flow hedge derivatives	-	-	35,830	7,560
Unhedged debt (variable interest rates)	-9,580	9,580	-	-
	-9,580	9,580	35,830	7,560

				31 DEC 2021
	PROFIT OR LOSS		EQUITY	
THOUSAND EUROS	+100 BPS	-100 BPS	+100 BPS	-100 BPS
Cash flow hedge derivatives	-	-	722	-9,259
Unhedged debt (variable interest rates)	-12,297	12,297	-	-
	-12,297	12,297	722	-9,259

This analysis assumes that all other variables, namely foreign exchange rates, remain unchanged.

Counter-party credit-rate risk management in financial transactions

The EDP Renováveis Group counter-party risk exposure in financial and non-financial transactions is managed by an analysis of technical capacity, competitiveness and probability of default to the counter-party. EDP Renováveis has defined a counter-party risk policy inspired in Basel III, which is implemented across all departments in all EDP Renováveis geographies. EDP Renováveis Group is exposed to counter-party risk in financial derivatives transactions in energy sales (electricity, GC and RECs) and in supply contracts.

Counterparties in derivatives and financial transactions are restricted to high-quality credit institutions or to the EDP Group.

Most relevant counterparties in derivatives and financial transactions are companies within EDP Group. Financial instruments contracted outside EDP Group are generally engaged under ISDA Master Agreements and credit quality of external counterparties is analysed and collaterals required when needed.

In the process of selling the energy (electricity, GCs and RECs produced), counter-party exposure arises from trade receivables, but also from mark-to-market of long-term contracts:

- In the specific case of the energy sales of EDPR EU & Latam platform, the Group's main customers are utilities and regulated entities in the different countries (EDP and CNMC in the case of the Spanish market). Credit risk from trade receivables is not significant due to the limited average collection period for customer balances and the quality of its debtors. Additional counter-party risk comes from the countries with renewables incentives, which it is usually treated as regulatory risk;

- In the specific case of EDPR NA platform, the Group's main customers are regulated utility companies and regional market agents in the US. As it occurs in Europe, credit risk from trade receivables is not significant due to the limited average collection period for customer balances and the quality of the debtors. However, the exposure due to the mark-to-market of long-term contracts may be significant.

With the acquisition of Sunseap, in the specific case of EDPR APAC, the Group's main customers are Distributed Generation off-takers and regulated entities in the different markets, namely in Singapore and Vietnam. As it occurs in the other platforms, credit risk from trade receivables is not significant due to same reasons. However, counter-party risk comes from countries with renewables incentives through regulated tariffs, which it is usually treated as regulatory risk.

Exposure in all markets is managed by a detailed assessment of the counter-party before signing any long term agreement and by a requirement of collaterals when financial soundness of the counterparty deteriorates.

Regarding Trade receivables and other debtors, they are recognized net of the impairment losses. The Group believes that the credit quality of these receivables is adequate and that no significant impaired credits exist that have not been recognised as such and provided for.

Counter-party exposure to suppliers arises mainly from pre-paid contracts with equipment manufacturers and civil engineering contractors. Counter-party analyses are performed for each new contract. If needed, either parent company guarantees or bank guarantees are requested to comply with the limits of exposure established by EDP Renováveis counter-party risk policy.

The maximum exposure to customer credit risk by counterparty type is detailed as follows:

THOUSAND EUROS	DEC 2022	DEC 2021
CORPORATE SECTORS AND INDIVIDUALS		
Supply companies	73,275	158,432
Business to business	31,387	6,110
Other	18,306	1,039
Total Corporate sectors and individuals	122,968	165,581
Public sector	452	1,748
Total Public sector and Corporate sectors/individuals	123,420	167,329

Trade receivables by geographical market for the Group EDPR, is as follows:

THOUSAND EUROS						DEC 2022
	EUROPE	NORTH AMERICA	LATAM	APAC	OTHER	TOTAL
Corporate sectors and individuals	55,033	28,542	14,223	25,074	96	122,968
Public sector	-	452	-	-	-	452
Total	55,033	28,994	14,223	25,074	96	123,420
THOUSAND EUROS						**DEC 2021**
	EUROPE	NORTH AMERICA	LATAM	APAC	OTHER	TOTAL
Corporate sectors and individuals	138,604	24,281	97	2,199	400	165,581
Public sector	1,441	307	-	-	-	1,748
Total	140,045	24,588	97	2,199	400	167,329

In accordance with accounting policies, impairment losses are determined using the simplified approach precluded in IFRS 9, based on life time expected losses.

Liquidity risk

Liquidity risk is the possibility that the Group will not be able to meet its financial obligations as they fall due. The Group strategy to manage liquidity is to ensure, as far as possible, that it will always have significant liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

The liquidity policy followed ensures compliance with payment obligations acquired, through maintaining sufficient credit facilities and having access to the EDP Group facilities who manages the Group liquidity risk through the engagement and maintenance of credit lines and financing facilities with a firm underwriting commitment with international reliable financial institutions as well as term deposits, allowing immediate access to funds. These credit lines are used to complement and backup national and international commercial paper programs, allowing the EDP Group's short-term financing sources to be diversified.

The Directors have estimated cash flows that show that the Group will meet the commitments existing at the close as at 31 December 2022.

The maturity analysis for financial debt (see note 31), including expected future interests, is as follows:

THOUSAND EUROS	DEC 2023	DEC 2024	DEC 2025	DEC 2026	DEC 2027	FOLLOWING YEARS	TOTAL
Bank loans	456,494	109,290	88,048	64,396	96,134	643,820	1,458,182
Loans received from EDP Group	992,627	488,641	233,350	507,242	468,779	2,219,978	4,910,617
Other loans	3,405	1,011	12,365	1,304	1,073	10,955	30,112
Expected future interests	150,041	181,235	153,476	139,769	134,573	345,274	1,104,368
	1,602,567	780,177	487,240	712,710	700,559	3,220,026	7,503,279

EDPR has developed and presented to the markets a very ambitious Multi-Year Growth Plan, aimed at creating value for its shareholders, which entails a significant annual investment volume. EDPR defines itself as a listed company with a low risk profile and as such has defined a financing plan that ensures a balanced financial position structure, preserving its credit quality and, at the same time, guaranteeing the necessary flexibility to accommodate any temporary deviation that may occur throughout the implementation period of its growth plan.

In the base case, the financing of the investment volume is ensured based on 5 major sources of financing:

- The cash flow generated by the assets in operation and retained in the Group;
- The program for selling assets in operation (sell down/Asset Rotation), as a way to anticipate and crystallize value/cash flow;
- The Tax Equity Investment (the entry of institutional investors in projects developed in the US that materializes just before the entry into operation of the assets);
- The capital increase in EDP Renováveis S.A.
- Complemented by medium and long-term external financing, and namely:
  - Via Corporate Finance, as the most relevant solution; and
  - Project Finance, particularly in markets where the functional currency is different from EUR/USD and it is important to manage equity exposure to the market.

Flexibility, in order to manage temporary differences or adjustments in the proportions of the components identified above, is given by the following variables:

- EDPR has Current Accounts in EUR and USD with EDP Group that uses to manage daily/weekly/monthly its net liquidity needs;
- EDPR has a formal agreement with its parent company (EDP Group) whereby EDP has agreed to provide the necessary financing for the execution of EDPR's Growth Plan;
- Current Accounts and Overdrafts negotiated with commercial banks (as backup).

Electricity market price risk

As of 31 December 2022, electricity market price risk affecting the EDP Renováveis Group is not significant. In the case of EDPR NA, the great majority of the plants are under power purchase agreements or long-term financial contracts, with fixed or

escalating prices. In the case of EDPR EU, the electricity is sold in Spain, France, Italy, Portugal and Poland through regulated tariffs or financial PPAs. In Romania the green certificates have a floor.

For the smaller share of energy with merchant exposure after tariff regimes, PPAs or long-term financial contracts (electricity, green certificates and RECs), market risk is managed through the execution of electricity, green certificate and REC forward contracts. For this exposure EDPR EU and EDPR NA have electricity, green certificates and REC financial swaps that qualify for hedge accounting (cash flow hedge) that are related to sales for the years 2022 to 2025 (see note 37). The purpose of EDP Renováveis Group is to hedge in advance a significant volume of the merchant exposure to reduce the volatility of energy prices in each reporting year.

For 2022, the Group's total generation was 33.4 TWh, of which 67% was subject to both regulated remuneration and long-term contracts and the remaining 33% was remunerated at market price. Anyway, as commented above, this portion of generation remunerated at market price is practically fully hedged, increasing overall hedged position in the year to ca. 95%.

During 2022 energy market prices have experienced significant volatility as a result of Ukraine's crisis, affecting natural gas prices, thus electricity prices globally. Such spike in volatility and prices has become especially relevant in Europe, where maximum historical electricity prices were reached during August 2022. For EDPR EU and EDPR NA, the potential gain from the increase in electricity prices was very limited, since, as indicated above, EDPR´s merchant exposure for the year 2022 was already hedged before the start of this trend.

Considering recent spike in market prices and volatility, EDPR is closely managing and monitoring its exposure to market prices variations, despite it being limited with current hedges in place. For 2023, EDPR´s exposure to a potential decrease of 30% in market prices would be approximately of 36 million Euros.

Capital management

The Group's goal in managing equity, in accordance with the policies established by its main shareholder, is to safeguard the Group's capacity to continue operating as a going concern, grow steadily to meet established growth targets and maintain an optimum equity structure to reduce equity cost.

In conformity with other sector groups, the Group controls its financing structure based on the leverage ratio. This ratio is calculated as net financial borrowings divided by total equity and net borrowings. Net financial borrowings are determined as the sum of financial debt, institutional equity liabilities corrected for non-current deferred revenues, less cash and cash equivalents.

Climate-related risk

The Earth's climate has changed throughout history. Scientists attribute the current global warming trend observed since the mid-20th century to the human expansion of the "greenhouse effect" – warming that results when the atmosphere traps heat radiating from Earth toward space. Over the last century, the burning of fossil fuels like coal and oil has increased the concentration of atmospheric carbon dioxide (CO_2).

EDPR is a clear example of how fighting against climate change creates business opportunities. The Company's core business, to deliver clean energy by developing, building and operating top quality wind farms and solar plants, inherently implies the reduction of greenhouse gas emissions, contributing to the world's fight against climate change and its impacts.

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. As presented in its 2021-25 Business Plan, EDPR plans to add 20 GW in the 2021-2025, of which 11.3 GW is already secured. EDPR will diversify its portfolio geographically and technologically even more, developing more wind onshore, solar, wind offshore, green hydrogen and storage technology along with the entrance in new markets.

During 2022, EDPR added 2,1 GW and finished the year managing a global portfolio of 14.7 GW. Benefiting from a diversified portfolio, the Company generated 33.4 TWh of renewable energy, avoiding the emissions of 20 million tons of CO_2. Capital expenditures and financial investments with capacity additions, ongoing construction and development works during the year totalled 5,147 millions of Euros.

However, EDPR faces climate change not only as a business opportunity, but also as an opportunity to innovate. EDPR's commitment to innovation and new technologies has made it a leader in the renewable energy sector. Currently, the Company continues to take advantage of all expertise obtained since the start of its inception to ensure more efficient solutions, more attractive returns and a more sustainable future. As a result, EDPR engages in projects that englobe wind energy, solar energy, energy storage plants, floating offshore wind farms, green hydrogen and hybrid power plants.

Nevertheless, on the risk side, meteorological changes may pose a risk for EDPR's activities and results since they are carried out in areas of the planet that are being affected by climate change. In addition, 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. However, relevant unexpected meteorological changes could lead to a lower production than the one expected from historical data. Thus, when evaluating a new investment, EDPR considers potential changes in the production forecasted but, even so, the size of the potential deviation in the case of relevant meteorological changes is uncertain.

Moreover, renewable plants in construction and in operation are exposed to weather hazards, natural disasters, etc. These risks depend on the location of the assets. At EDPR, all plants are insured from the physical damage during construction and operation. During operation, any natural disaster, weather hazard or accident will also be partially insured to revenue losses due to the event. Thus, no material impacts are identified in the EDPR's consolidated financial statements as a consequence of climate change.

As a sector leader, EDPR is aware of the urgency to fight climate change and even though its business inherently implies a positive impact on the environment, the Company continues to work on a daily basis to hold itself to a higher standard and to incorporate innovation in its value chain in order to further contribute to the protection of the climate.

06. Consolidation perimeter

During the year ended in 31 December 2022, the changes in the consolidation perimeter of the EDP Renováveis Group were:

Companies acquired:

The following acquisitions were classified as asset purchases, out of scope of IFRS 3 – Business Combinations, due to the substance of these transactions, the type of assets acquired and the very early stage of the projects:

- EDP Renováveis, S.A. acquired 100% of the Colombian company Parque Solar Fotovoltaico El Copey, S.A.S. E.S.P.;
- EDP Renewables Europe, S.L.U. acquired 100% of the Hungarian companies Szabadsolar, Kft., Sunglare Capture, Kft., Sunglare Expert, Kft. and Napenergia, Kft.; 100 % of the German company EDP Renewables Germany GmbH; 100% of the Greek company Aeolos Evias Energiaki, M.A.E. and the 100% of the Romanian company Fravezac, S.R.L.;
- EDP Renovables España, S.L.U. acquired 100% of the companies Rocio Hive, S.L., Palma Hive, S.L. and Pedregal Hive, S.L.;
- EDP Renewables Italia Holding, S.r.l. acquired 100% of the companies Solar Italy I, S.r.l., Solar Italy II, S.r.l. and Solar Italy IV, S.r.l.;
- EDP Renewables Polska, Sp. Z o.o. acquired 100% of the companies Farma Fotowoltaiczna Radziejów, Sp. z o.o., Farma Fotowoltaiczna Ujazd, Sp. Z.o.o.,Farma Fotowoltaiczna Warta, Sp. Z o.o., Farma Fotowoltaiczna Wielkopolska, Sp. Z o.o., Farma Fotowoltaiczna Budzyn, Sp. Z o.o., Farma Fotowoltaiczna Dobrzyca, Sp. Z o.o. and Farma Fotowoltaiczna Tomaszów, Sp. Z o.o.;
- EDPR NA Distributed Generation LLC acquired 100% of the companies Bar Harbor Community Solar LLC, Mohave Power Holdings, LLC, Ragsdale Solar LLC, HB Steel Community Solar LLC, Citizens Dickenson Solar LLC, Citizens Westmoreland Solar LLC, Bear Peak Beccaria LLC, Bear Peak Brady LLC, Bear Peak East Carroll LLC, Bear Peak Glen Hope LLC, Bear Peak Jennerstown LLC, Bear Peak Juniata LLC, Bear Peak Paint II LLC, Bear Peak Richmond LLC, Generate USF McClellan, LLC, Generate USF Manassas, LLC, Generate USF Las Vegas, LLC, Generate USF N Las Vegas, LLC, Generate USF Loveland, LLC, Generate USF Fairburn, LLC and Generate USF Phoenix, LLC;
- EDP Renewables North America LLC acquired 100% of the company Hickory Solar LLC and New Road Power, LLC;
- EDP Renováveis Brasil, S.A. acquired 100% of the companies Central Geradora Fotovoltaica Zebu, Ltda., Solar Barra I, S.A., Solar Barra II, S.A., Solar Barra III, S.A., Solar Barra IV, S.A., Eólica Barra I, S.A. to Eólica Barra XI, S.A. and Central Solar Presidente JK I, S.A.;
- EDPR Sunseap Pte. Ltd. through its subsidiaries acquired 100% of the Chinese companies Wuhan Panshuo Energy Technology Co., Ltd., Qinghe Xinoufuneng New Energy Technology Co., Ltd., Yancheng Qingneng Power Technology Co., Ltd., Suzhou Liansong New Energy Technology Co., Ltd., Chongqing Xingzhi New Energy Technology Co., Ltd., Tianjin Xingsheng Energy Development Co., Ltd., Zhenjiang Ruichengda New Energy Co., Ltd., Dongguan Jiehuang New Energy Technology Co., Ltd., Hubei Jianghui New Energy Co., Ltd., Weihai Deao New Energy Co., Ltd., Heze Dechen new energy Co., Ltd., Wuxi Lingzhong New Energy Technology Co., Ltd., Suzhou Xingyi Energy Engineering Co.,

Ltd., Tianjin Xingrun Energy Development Co., Ltd., 100% of the Indonesian company PT Right People Renewable Energy, 100% of the Vietnamese companies Long Dai Phat Investment Co., Ltd., DKT Energy Investment Co., Ltd.

Additionally, the following companies were acquired:

- In the first quarter of 2022, EDP Renováveis, S.A acquired a 91.4% stake in a distributed solar generation portfolio, Sunseap Group Pte. Ltd., located in Southeast Asia, which includes a portfolio that allows EDPR to set up to 10 GW of solar projects for an amount of 659,658 thousand Euros. This transaction was framed within the scope of IFRS 3 – Business combinations that has implied the recognition of provisional goodwill in the consolidated financial statements in the amount of 363,485 thousand Euros (see note 19 and 42).

  In addition, during the second quarter of 2022, EDP Renováveis, S.A acquired a 0.88% stake in Sunseap Group Pte. In 2022 EDPR signed put and call options agreements for the remaining percentage of the shares of the Sunseap Group with the minority shareholders. As a consequence, EDPR has call options to acquire the remaining stake of the capital of the Sunseap Group and the sellers have put options to sell their shares. Considering the premises of IFRS 3 Business Combinations and in order to follow consistently the Group's policy in similar situations, EDPR have recognized in the consolidated financial statements the put option as a liability, measured at the present value of the best estimate of the amount payable at date of acquisition (IAS 32), and following the premises stated for the anticipated-acquisition method, has recognized 100% of investment in the consolidated financial statements. This transaction hasn't given rise to any Non-Controlling Interest (NCI), since EDPR has acquired the 92.28% of Sunseap Group and has assumed an anticipated acquisition of the remaining 7.71% due to the put option over the NCI.

- During the year ended as at 31 December 2022, EDPR NA Distributed Generation LLC. acquired, through several stand-alone transactions, the 100% stake in a distributed solar generation portfolio, Longroad, located in North America for a total of 99.3MW solar operational projects. The total amount paid for these transactions has been 132,992 thousand Euros. These transactions were framed within the scope of IFRS 3 – Business combinations that has implied the recognition of a provisional goodwill in the amount of 28,965 thousand Euros and 923 thousand Euros of a provisional badwill (see notes 19 and 42).

- In the third quarter, EDP Renewables Europe, S.L.U. acquired a 66.80% stake in a solar generation portfolio, Kronos Solar Projects GmbH. Group, for a total of 9,4GW under development located in Germany, Netherlands, France and UK, for an amount of 663,030 thousand Euros (which includes an amount of 341,996 thousand Euros corresponding to the certain put options and 71,035 thousand Euros related to the estimation for the success fee to be paid to the sellers, based on the solar capacity delivered by these projects). This transaction was framed within the scope of IFRS 3 – Business combinations. that has implied the recognition of a provisional goodwill in the amount of 651,657 thousand Euros (see notes 19, 35 and 42).

  Upon completion of the agreement, Kronos Solar Projects GmbH performed a capital increase which was subscribed solely by EDP Renewables Europe, S.L.U. and lead to EDP Renewables Europe, S.L.U. holding 70% of the total stake of the acquired company, the amount of the capital increase is not considered within the consideration transferred for the business combination.

  As part of the business combination EDPR signed put and call options agreements for the remaining percentage of the shares of the Kronos Group with the minority shareholders. As a consequence, EDPR has call options to acquire the remaining stake of the capital of the Kronos Group and the sellers have put options to sell their shares. Considering the premises of IFRS 3 Business Combinations and in order to follow consistently the Group's policy in similar situations, EDPR has recognized, in the consolidated financial statements, the put option as a liability, measured at the present value of the best estimate at the date of acquisition (IAS 32), and following the premises stated for the anticipated-acquisition method, has recognized 100% of investment in the consolidated financial statements. This transaction hasn't given rise to any NCI, since EDPR has acquired the 70% of Kronos Group and has assumed an anticipated acquisition of the remaining 30% due to the put option over the NCI.

- In the third quarter, Sunseap Commercial & Industrial Assets (Vietnam) Co., Ltd. acquired a 99.99% stake in a solar generation portfolio, Xuan Thien Ninh Thuan Co., Ltd. and Xuan Thien Thuan Bac Co., Ltd., that owns 200 MWac (255MWdc) solar operational project in Vietnam, for a total amount of 202,298 thousand Euros (that includes an amount of 41,288 thousand Euros related to some retentions that would be paid if and when certain milestones are fulfilled). This transaction was framed within the scope of IFRS 3 – Business combinations. that has implied the recognition of provisional goodwill in the consolidated financial statements in the amount of 21,236 thousand Euros (see notes 19, 35 and 42).

Companies sold and liquidated:

- In the second quarter of 2022, EDPR Group, through its fully owned subsidiary EDP Renewables Polska, Sp. Z o.o., sold to Mirova Anemoska the EDPR's entire stake in the Polish companies Winfan, Sp. z o.o., Lichnowy Windfarm, Sp. z o.o., Kowalewo Wind, Sp. z o.o., EWP European Wind Power Krasin, Sp. z o.o., Nowa Energia 1, Sp. z o.o. and Farma Wiatrowa Bogoria, Sp. z o.o. Total shares proceeds for the transaction amount to 88,466 thousand Euros. This transaction has generated a gain, net of transaction costs, amounting to 51,795 thousand Euros, which has been registered within the "Other income" caption of the consolidated income statement (see note 9).
- In the second quarter of 2022, EDPR Group, through its fully owned subsidiary EDP Renovables España, S.L., sold to China Three Gorges ("CTG") the EDPR's entire stake in the Spanish companies Eólica La Janda, S.L. and Parc Eòlic Serra Voltorera, S.L. Total shares proceeds for the transaction amount to 207,018 thousand Euros. This transaction has generated a gain, net of transaction costs, amounting to 42,596 thousand Euros, which has been registered within the "Other income" caption of the consolidated income statement (see note 9).
- In the third quarter of 2022, EDPR Group, through its fully owned subsidiary EDP Renewables Italia Holding, S.r.l., sold to ERG, S.p.A ("ERG") the EDPR's entire stake in the Italian companies WinCap, S.r.l. TACA Wind, S.r.l., San Mauro, S.r.l., Conza Energia, S.r.l., Lucus Power, S.r.l, Breva Wind, S.r.l. and Aria del Vento. Total shares proceeds for the transaction amount to 293,027 thousand Euros. This transaction has generated a gain, net of transaction costs, amounting to 168,568 thousand Euros, which has been registered within the "Other income" caption of the consolidated income statement (see note 9).
- In the fourth quarter of 2022, EDPR Group, through its fully owned subsidiary EDP Renováveis Brasil, S.A., sold to Copel Geração e Transmissão S.A. the EDPR's entire stake in the Brazilian companies Aventura Holding, S.A.. and its subsidiaries (Central Eólica Aventura II, S.A., Central Eólica Aventura III, S.A., Central Eólica Aventura IV, S.A., Central Eólica Aventura V, S.A.) and SRMN Holding, S.A. and its subsidiaries (Central Eólica SRMN I, S.A., Central Eólica SRMN II, S.A, Central Eólica SRMN III, S.A., Central Eólica SRMN IV, S.A., Central Eólica SRMN V, S.A.). Total shares proceeds for the transaction amount to 184,778 thousand Euros. This transaction has generated a gain, net of transaction costs, amounting to 119,085 thousand Euros, which has been registered within the "Other income" caption of the consolidated income statement (see note 9).
- In the fourth quarter of 2022, EDPR Group, through its fully owned subsidiary EDP Renewables Europe, S.L.U., sold to OW Group the EDPR's remaining stake in the offshore company Moray West Holdings Limited. Total shares proceeds for the transaction amount to 33,825 thousand Euros (30,000 thousand GBP). This transaction has generated a gain, net of transaction costs, amounting to 16,981 thousand Euros, which has been registered within the "Joint Venture and Associates" caption of the consolidated income statement (see note 20).
- In the fourth quarter of 2022, EDPR Group, through its fully owned subsidiary EDP Renewables North America LLC., sold to Northern Indiana Public Service Company LLC ("NIPSCO") the EDPR's entire stake in the US company Meadow Lake Solar Park LLC. Total shares proceeds for the transaction amount to 281,563 thousand Euros (296,500 thousand USD). This transaction has generated a gain amounting to 15,791 thousand Euros (19,312 thousand USD), which has been registered within the "Other income" caption of the consolidated income statement (see note 9).
- EDP Renováveis, S.A. sold the company Solar Works! B.V. to EDP Group (see note 20).
- EDP Renewables North America LLC sold the company RSBF E470 I LLC, NJ GSEB Fal Solar LLC, ME Punky Meadows, Parkman Solar DG LLC and Waterville Solar LLC, RI- Comolli with no significant impacts in the consolidated financial statements.
- EDP Renovables España S.L. sold the 49% of the stake in the company Desarrollos Renovables de Teruel, S.L.
- Viesgo Renovables, S.L.U. liquidated the company Northeolic Monte Buño, S.L.

Companies Incorporated:

- EDPR Vento II Holding LLC (*)
- EDPR Vento III Holding LLC (*)
- EDPR Scarlet II LLC
- Clover Creek Solar Project II LLC (*)
- EDPR Cross Solutions, S.A.
- EDPR Korea Ltd.
- EDPR Sicilia Uno, S.r.l.
- EDPR Sicilia Due, S.r.l.
- EDPR Scarlet I LLC (*)
- EDPR Scarlet III LLC (*)
- Fotovoltaica Flutuante do Grande Lago, S.A.
- Crooked Lake Solar II LLC (*)
- Cypress Knee Solar Park LLC (*)
- Eagle Creek Solar Park LLC (*)
- Rose Run Solar Park LLC (*)
- Salt Lick Solar Park LLC (*)
- Lotus Blocker LLC (*)
- Lotus DevCo I LLC (*)
- Lotus DevCo II LLC (*)
- EDPR Solar Ventures VI LLC (*)
- 2022 SOL VI LLC (*)
- EDPR Solar Ventures VII LLC (*)
- 2022 SOL VII LLC (*)
- EDPRNA DG Ohio Development LLC (*)
- EDPRNA DG Illinois Development CO LLC (*)
- EDPRNA DG Wisconsin Development CO LLC (*)

- EDPRNA DG New York Development CO LLC (*)
- Big River Solar Park LLC (*)
- Shy Place Solar Park LLC (*)
- Eoles Montjean, S.A.S.
- EDPR Sardegna, S.r.l.
- EDPR Sud Italia, S.r.l.
- EDPR Puglia Uno, S.r.l.
- EDPR Puglia Due, S.r.l.
- EDPR Basilicata, S.r.l.
- EDPRNA DG Mississippi Development LLC (*)
- EDPR NA DG Missouri Development LLC (*)
- Rongcheng Xingyi Energy Technology Co., Ltd.
- Qingdao Xingqi Energy Co., Ltd.
- Eólica da Coutada II, S.A.
- Central Eólica Asas de Zabelê I, S.A.
- Central Eólica Asas de Zabelê II, S.A.
- Central Eólica Asas de Zabelê III, S.A.
- Central Eólica Asas de Zabelê IV, S.A.
- Central Solar Zebu II, S.A.
- Central Solar Zebu III, S.A.
- Central Solar Zebu IV, S.A.
- Central Solar Zebu V, S.A.
- Central Solar Zebu VI, S.A.
- Central Eólica Asas de Zabelê V, S.A.
- Central Eólica Asas de Zabelê VI, S.A.
- Central Eólica Asas de Zabelê VII, S.A.
- Central Solar Zebu VII, S.A.
- Central Solar Zebu VIII, S.A.
- Central Solar Zebu IX, S.A.
- Central Solar Presidente JK II, S.A.
- Central Solar Presidente JK III, S.A.
- Central Solar Presidente JK IV, S.A.
- Central Solar Presidente JK V, S.A.
- Central Solar Presidente JK VI, S.A.
- Central Solar Presidente JK VII, S.A.
- Central Solar Presidente JK VIII, S.A.
- Central Solar Presidente JK IX, S.A.
- Central Solar Presidente JK X, S.A.
- Central Solar Presidente JK XI, S.A.
- Central Solar Presidente JK XII, S.A.
- Central Geradora Fotovoltaica Monte Verde Solar I, S.A.
- Central Geradora Fotovoltaica Monte Verde Solar VI, S.A.
- Central Eólica Borborema I, S.A.
- Central Eólica Borborema II, S.A.
- Central Eólica Borborema III, S.A.
- Central Eólica Borborema IV, S.A.
- Central Eólica Itaúna I, S.A.
- Central Eólica Itaúna II, S.A.
- Central Eólica São Domingos I, S.A.
- Central Eólica São Domingos II, S.A.
- Central Eólica São Domingos III, S.A.
- Desarrollos Renovables de la Frontera, S.L.
- Desarrollos Renovables de Allande, S.L.U.
- ICE Tudela S.L. EDPRNA DG Georgia Development, LLC
- EDPRNA DG Texas Development, LLC
- RE Sandrini LLC (*)
- Sugar Plum Solar Park LLC (*)
- EDPR Scarlet II Bess LLC (*)
- Ragsdale Solar II LLC (*)
- Sweet Acres Solar Park LLC (*)
- EDPRNA DG California Development, LLC (*)
- EDPRNA DG Indiana Development, LLC (*)
- EDPRNA DG Pennsylvania Development, LLC (*)
- EDPRNA DG Michigan Development, LLC (*)
- EDPRNA DG Maryland Development, LLC (*)
- EDPRNA DG Virginia Development, LLC (*)
- EDPRNA DG PR Radar, LLC (*)
- EDPRNA DG Distributed Sun Holding, LLC
- EDPRNA DG York County Sun, LLC (*)
- Sounding Creek Solar Park GP Ltd
- Sounding Creek Solar Park LP
- Iron Valley Solar Park LLC (*)
- Trolley Barn Storage LLC (*)
- EDPR Northeast Solar Park LLC (*)
- Edgeware BESS Project GP Ltd
- Edgeware BESS Project GP Limited Partnership
- Sunseap China Energy (Qingdao) Co., Ltd.
- RL Sunseap Energy Sdn. Bhd.

* EDPR Group holds, through its subsidiary EDPR NA, a set of subsidiaries legally established in the United States without share capital and that, as at 31 December 2022, do not have any assets, liabilities, or any operating activity.

Others:

- EDP Renováveis, S.A. acquired 50% of the Polish companies Lomartico Investments, Sp. Z o.o., Medsteville Investments, Sp. Z o.o. and Ondentille Investments, Sp. Z o.o., (acquisition with no control).
- EDPR France Holding, S.A.S. acquired 51% of the company Centrale Eolienne D'Occey, S.A.S. According to the Shareholder Agreements, key operation and financial matters are included under "Reserved Matters" and shall be approved and resolved by the unanimously of the Board of Directors, therefore is considered under joint control.
- EDP Renewables Italia Holding acquired the remaining 49% strike of the Italian company Sarve, S.r.l. as a consequence of the put option exercised by the previous shareholders. This transaction has not significant impacts in the consolidated financial statements.This was previously consolidated,
- EDPR Sunseap Group acquired an additional 15% of the strike in the Korean company OMA Haedori Co., Ltd. This transaction has not significant impacts in the consolidated financial statements.
- EDPR Sunseap Group acquired an additional 18% of the strike in the Thailand company Thai Sunseap Co Ltd and obtaining control over the company. This transaction has not significant impacts in the consolidated financial statements.

07. Revenues

Revenues are analysed as follows:

THOUSAND EUROS	31 DEC 2022	31 DEC 2021
REVENUES BY BUSINESS AND GEOGRAPHY		
Electricity in Europe	1,269,806	902,605
Electricity in North America	685,211	567,316
Electricity in LATAM	52,793	66,089
Electricity in APAC	79,424	-
	2,087,235	1,536,010
Other revenues	2,425	3,959
	2,089,660	1,539,969
Services rendered	55,227	43,359
Changes in inventories and cost of raw material and consumables used		
Cost of consumables used and changes in inventories	-6,906	-2,870
Total Revenues	2,137,981	1,580,458

The breakdown of revenues by segment is presented in the segmental reporting (see annex I).

Increase in revenues is, mainly, explained by the income from the projects that have reached the COD during 2022 and the increase in prices as a consequence of the current world economic situation explained in the note "Conflict situation and geopolitical instability in Eastern Europe – Macroeconomic, Regulatory, Operational, Accounting Impact and relationship with Stakeholders."

Other revenues include settlement of energy trading derivative and hedge.

08. Income from institutional partnerships in North America

Income from institutional partnership in North America in the amount of 233,505 thousand Euros (31 December 2021: 177,205 thousand Euros), includes revenue recognition related to production tax credits (PTC), investments tax credits (ITC) and other tax benefits, mostly from accelerated tax depreciation related to projects Sol I, II and V, Blue Canyon I, Vento I to V, Vento IX to XVI, Vento XVIII and Vento XX to XXII (see note 33).

09. Other income

Other income is analysed as follows:

THOUSAND EUROS	31 DEC 2022	31 DEC 2021
Amortisation of deferred income related to power purchase agreements	1,041	1,773
Contract and insurance compensations	60,789	27,957
Gains on business combination	578	7,831
Gains on disposals	411,372	500,664
Other income	52,246	97,506
	526,026	635,731

The amount of 7,831 thousand Euros in caption Gains of business combinations in 2021 referred to the acquisition of the operating company SPV Parco Eólico Aria del Vento S.R.L. (see note 6 and 42).

As at 31 December 2022, the caption Gains on disposals essentially includes:

- Gain amounting to 51,795 thousand Euros resulting from the sale of the entire stake in the Polish companies Winfan, Sp. z o.o., Lichnowy Windfarm, Sp. z o.o., Kowalewo Wind, Sp. z o.o., EWP European Wind Power Krasin, Sp. z o.o., Nowa Energia 1, Sp. z o.o. and Farma Wiatrowa Bogoria, Sp. z o.o. (see note 6).
- Gain amounting to 42,596 thousand Euros resulting from the sale of the entire stake in the Spanish companies Eólica La Janda, S.L. y Parc Eòlic Serra Voltorera, S.L. (see note 6).
- Gain amounting to 168,568 thousand Euros resulting from the sale of the entire stake in the Italian companies WinCap, S.r.l. TACA Wind, S.r.l., San Mauro, S.r.l., Conza Energia, S.r.l., Lucus Power, S.r.l, Breva Wind, S.r.l. and Aria del Vento S.R.L. (see note 6).
- Gain amounting to 119,085 thousand Euros resulting from the sale of the entire stake in the Brazilian companies Aventura Holding, S.A.. and its subsidiaries (Central Eólica Aventura II, S.A., Central Eólica Aventura III, S.A., Central Eólica Aventura IV, S.A., Central Eólica Aventura V, S.A.) and SRMN Holding, S.A. and its subsidiaries (Central Eólica SRMN I, S.A., Central Eólica SRMN II, S.A, Central Eólica SRMN III, S.A., Central Eólica SRMN IV, S.A., Central Eólica SRMN V, S.A. (see note 6).
- Gain amounting to 15,791 thousand Euros resulting from the sale of the entire stake in the North American company Meadow Lake Solar Park LLC (see note 6).
- Income amounting to 12,492 thousand Euros resulting from the lower cost to pay related to the project Indiana Crossroads Wind Farm LLC (see note 35).

As at 31 December 2021, the caption Gains on disposals essentially includes:

- Gain amounting to 307,699 thousand Euros resulting from the sale of the entire stake in the Portuguese companies Eólica do Sincelo, S.A. and Eólica da Linha, S.A. (see note 6).
- Gain amounting to 95,119 thousand Euros resulting from loss of control in the company 2019 Vento XX LLC and subsidiaries (see note 6). This amount includes 37,758 thousand Euros for the gain related to the fair value of the retained investment. It should also be considered an additional result in the amount of 811 thousand Euros related to the additional sale of a 12% stake in the company.
- Gain amounting to 62,995 thousand Euros resulting from the sale of the entire stake in the North American company Indiana Crossroads Wind Farm LLC (see note 6).
- Gain amounting to 34,825 thousand Euros resulting from loss of control in the companies Riverstart Development LLC and Riverstart Ventures LLC and subsidiaries (see note 6). This amount includes 8,167 thousand Euros for the gain related to the fair value of the retained investment.

As at 31 December 2022, the caption other income mainly includes:

- An amount of 739 thousand Euros which refers to changes in the fair value of the variable price related to the sale in 2018 to Sumitomo Corporation and in 2020 to OW Offshore SL of shares in the companies Éoliennes en Mer Dieppe – Le Tréport, SAS and Éoliennes en Mer Îles d'Yeu et de Noirmoutier, SAS (see note 24);
- An amount of 748 thousand Euros which refers to changes in the fair value of the variable price, related to the sale in 2020 to OW Offshore S.L. of Mayflower Wind Energy LLC;

- An amount of 8,678 thousand Euros which refers to the success fee received from OW related to the stake of Moray West Holdings Limited sold in 2019;
- Price adjustment amounting to 12,428 thousand Euros according to the corresponding agreements in the transaction of selling 49% of EDPR Portugal portfolio of companies to CTG that took place in 2013;
- Price adjustment amounting to 5,633 thousand Euros according to the corresponding agreements in the transaction of selling 49% of EDP Renewables Polska SP.Zo.o portfolio of companies to CTG that took place in 2016;
- Management and cost reinvoiced to equity accounted projects in the amount of 5,403 thousand Euros;

As at 31 December 2021, the caption other income includes: i) the gain in the amount of 9,705 thousand Euros which refers to changes in the fair value of the variable price related to the sale in 2018 to Sumitomo Corporation and in 2020 to OW Offshore SL of shares in the companies Éoliennes en Mer Dieppe – Le Tréport, SAS and Éoliennes en Mer Îles d'Yeu et de Noirmoutier, SAS (see note 24); and ii) the gain in the amount of 29,950 thousand Euros which refers to changes in the fair value of the variable price, related to the sale in 2020 to OW Offshore S.L. of Mayflower Wind Energy LLC.

As at 31 December 2022 the caption contract and insurance compensations increased as a consequence of the liquidity damage received for certain projects under construction in North America.

10. Supplies and services

This caption is analysed as follows:

THOUSAND EUROS	31 DEC 2022	31 DEC 2021
Rents and leases	38,472	28,823
Maintenance and repairs	225,819	186,278
SPECIALISED WORKS:		
- IT Services, legal and advisory fees	18,225	24,758
- Shared services	22,854	19,661
- Other services	71,302	44,480
Other supplies and services	62,302	31,674
	438,974	335,674

The caption Rents and leases mainly includes costs for variable lease payments and rental costs for short-term leases.

The caption Other supplies and services has increased in the year ended 31 December 2022, mainly, due to the increase of information system services, studies and other expenses associated with the initial stage of development of projects as well as the consequence of the integration of the new geographies (see note 6).

11. Personnel costs and employee benefits

Personnel costs and employee benefits is analysed as follows:

THOUSAND EUROS	31 DEC 2022	31 DEC 2021
PERSONNEL COSTS		
Board remuneration (see note 39)	838	729
Remunerations	194,855	135,779
Social charges on remunerations	30,978	23,541
Employee's variable remuneration	52,985	37,739
Other costs	7,255	4,922
Own work capitalised (see note 16)	-72,666	-47,049
	214,245	155,661
EMPLOYEE BENEFITS		
Costs with pension plans	8,985	6,523
Costs with medical care plans and other benefits	17,381	12,075
	26,366	18,598
	240,611	174,259

As at 31 December 2022, Costs with pension plans relates essentially to defined contribution plans in the amount of 8,848 thousand Euros (31 December 2021: 6,430 thousand Euros).

The average breakdown by management positions and professional category of the permanent staff during 2022 and 2021 is as follows:

	2022	2021
Senior Managers	350	267
Managers	271	187
Specialists	1,661	1,260
Technicians	450	254
	2,732	1,968

The breakdown by gender of the permanent staff during 2022 and 2021 is as follows:

	31 DEC 2022		31 DEC 2021	
	MALE	FEMALE	MALE	FEMALE
Senior Managers	287	94	213	73
Managers	209	105	153	58
Specialists	1,155	709	896	497
Technicians	428	99	192	68
	2,079	1,007	1,454	696

The increase in the number of employees is a consequence of the acquisition of the Sunseap Group and Kronos Group (see note 6).

In the companies in Spain where there is a legal obligation to have people with disabilities in the workforce to comply with the LISMI due to the number of employees, EDPR has opted for the exceptionality measures provided by the Law. The Company is

able to comply with the quota that legally applies to it through contracts of goods or services with companies that promote the hiring of disabled people and also through donations.

EDPR's companies under this obligation are covered with the exceptionality measures since March 2021 until 2023. For the rest of EDPR countries, the approach is the same. In 2020, as part of EDPR's global strategy, a Diversity and Equality Committee was set up with the participation of the Management Team, whose objective is to integrate the commitment to this issue within the company. One of the objectives of this Committee is focused on the group of people with disabilities as one of the most important topics to be developed.

12. Other expenses

Other expenses are analysed as follows:

THOUSAND EUROS	31 DEC 2022	31 DEC 2021
Taxes	142,058	86,981
Losses on fixed assets	19,895	10,656
Other costs and losses	75,816	67,384
	237,769	165,021

The caption Taxes, on 31 December 2022, besides other direct and indirect taxes, includes the amount of 54,362 thousand euros related to the additional income obtained by electricity generation in Romania and resulting from the difference between the average monthly selling price of electricity and the price fixed by the Romanian Authorities (see note 1).

The caption Taxes, on 31 December 2021, besides other direct and indirect taxes, included the amount of 4,493 thousand Euros related to taxes for energy generators in Spain, affecting all the wind farms in operation, amounting to 7% of revenues for each wind farm. The reason for the significant decrease refers to the issuance of the Royal Decree Law 17/2021 by which the Spanish Government announced the temporary suspension of the 7% Energy Tax, for the third and fourth quarters of the year 2021 and 2022.

Losses on fixed assets as at 31 December 2022 and 2021 mainly refers to abandonment of projects in Europe and North America.

Other costs and losses include as at 31 December 2022, mainly, operating costs associated with compensations and availability bonus to O&M suppliers (see note 9).

13. Amortisation and impairment

This caption is analysed as follows:

THOUSAND EUROS	31 DEC 2022	31 DEC 2021
PROPERTY, PLANT AND EQUIPMENT		
Buildings and other constructions	497	382
Plant and machinery	641,234	564,527
Other	6,614	5,202
Impairment loss (see note 16 and 19)	54,432	-
	702,777	570,111
RIGHT-OF-USE ASSETS		
Right-of-use assets	44,067	34,807
Intangible assets		
Industrial property, other rights and other intangibles	23,900	18,402
	770,744	623,320
Impairment of goodwill	-	-
	-	-
Amortisation of deferred income (Government grants)	-19,433	-16,031
	751,311	607,289

Right of use assets includes depreciation of IFRS 16 related assets.

Amortisation of deferred income (Government grants) refers to grants for fixed assets received by EDPR NA subgroup under the American Recovery and Reinvestment Act promoted by the United States that are amortised through the recognition of revenue in the income statement over the useful life of the related assets (see note 34).

14. Financial income and financial expenses

Financial income and financial expenses are analysed as follows:

THOUSAND EUROS	31 DEC 2022	31 DEC 2021
FINANCIAL INCOME		
Interest income	37,352	11,551
Derivative financial instruments:		
Interest	16,893	951
Fair value	340,608	30,623
Foreign exchange gains	284,643	64,442
Other financial income	1,136	418
	680,632	107,985
FINANCIAL EXPENSES		
Interest expense	225,201	145,960
Derivative financial instruments:		
Interest	84,342	28,514
Fair value	265,177	31,447
Foreign exchange losses	434,499	60,782
Own work capitalised	-41,342	-32,457
Unwinding	136,296	110,983
Other financial expenses	25,561	11,353
	1,129,734	356,582
Net financial income / (expenses)	- 449,102	-248,597

Derivative financial instruments include interest liquidations on the derivative financial instrument established between EDPR and EDP – Energias de Portugal, S.A. (see notes 24, 35 and 37). The increase in the captions fair value is a due to the current world economic situation describe in note "Conflict situation and geopolitical instability in Eastern Europe".

The increase on both foreign exchange gains a loses is related to the financing in foreign currency, mainly in US Dollars.

In accordance with the corresponding accounting policy, the borrowing costs (interest) capitalised in tangible fixed assets in progress as at 31 December 2022 amounted to 41,342 thousand Euros (at 31 December 2021 amounted to 32,457 thousand Euros) (see note 16), which are included under Own work capitalised (financial interest). The interest rates used for this capitalisation vary in accordance with the related loans' Interest expense refers to interest on loans bearing interest at contracted and market rates.

Interest expense refers to interest on loans bearing interest at contracted and market rates.

Unwinding expenses refers essentially to: (i) the implied return in institutional partnerships in North America amounting to 96,955 thousand Euros (31 December 2021: 79,023 thousand Euros) (see note 33); (ii) financial update of lease liabilities related to IFRS 16 in the amount of 33,612 thousand Euros (31 December 2021: 28,852 thousand Euros) (see note 35); and (iii) financial update of provisions for dismantling and decommissioning of wind and solar farms in the amount of 5,729 thousand Euros (31 December 2021: 3,106 thousand Euros) (see note 32).

15. Income tax expense and Extraordinary Contribution to the Energy Sector (CESE)

The following note includes an analysis on the reconciliation between the theoretical and the effective income tax rate applicable at the level of the EDPR Group, on a consolidated basis. In general terms, the analysis on the reconciliation between the theoretical and the effective income tax rate aims at quantifying the impact of the income tax, recognised in the income statement, which includes both current and deferred tax. The note also includes an analysis on the extraordinary contribution to the energy sector (CESE).

As the EDPR Group prepares and discloses its financial statements in accordance with IFRS, an alignment between the accounting of income tax expense or income and the corresponding cash flow is not mandatory. Accordingly, this analysis does not represent the income tax paid or received by the EDPR Group for the corresponding reporting period.

Notwithstanding the above, the income tax paid by the EDPR Group on a country-by-country basis is disclosed in the Annual Report, which is available on EDPR's website (www.edpr.com). This website also includes the details on the general principles concerning EDPR Group's mission and tax policy and the overall tax contribution to public finance in 2022.

Main features of the tax systems of the countries in which the EDP Renewables Group operates

The statutory corporate income tax rates applicable in the countries in which EDP Renewables Group operates are as follows:

COUNTRY	31 DEC 2022	31 DEC 2021
EUROPE		
Belgium	25%	25%
France	25%	26.5-27.5%
Germany	15% - 30%	15% - 30%
Greece	22%	24%
Hungary	9%	9%
Italy	24% - 28.8%	24% - 28.8%
Netherlands	15% - 25.8%	15% - 25.8%
Poland	19%	19%
Portugal	22.5% - 31.5%	21% - 31.5%
Romania	16%	16%
Spain	25%	25%
United Kingdom	19%	19%
AMERICA		
Brazil	34%	34%
Canada	26.5%	26.5%
Chile	27%	27%
Colombia	35%	31%
Mexico	30%	30%
United States of America	24.91%	24.91%
APAC		
Australia	30%	30%
Cambodia	20%	20%
China	25%	25%
Indonesia	22%	22%

Japan	30%	30%
South Korea	11% - 27.5%	10%-25%
Malaysia	24% - 33%	24%
The Philippines	20% - 25%	20% - 25%
Singapore	17%	17%
Taiwan	0% - 20%	0% - 20%
Thailand	20%	20%
Vietnam	20%	20%

EDP Renováveis S.A. and its subsidiaries file individual tax returns in accordance with the applicable tax legislation. Nevertheless, the company and the majority of its Spanish subsidiaries are taxed under the tax consolidation group regime foreseen in the Spanish law. EDP - Energias de Portugal, S.A. - Sucursal en España (Branch) is the dominant company of this Group, which includes other subsidiaries that are not within the renewables energy industry.

As per the applicable tax legislation, tax periods may be subject to inspection by the various Tax Administrations during a limited number of years. Statutes of limitation differ from country to country generally as follows: Vietnam: 2 years; USA, Chile, Belgium, Cambodia, Canada, China, Philippines and France: 3 years; Australia, Germany, Spain, United Kingdom, Singapore and Portugal: 4 years; Brazil, Colombia, Greece, Hungary, Indonesia, Italy, Japan, Korea, Malaysia, Netherlands, Poland, Romania, Taiwan, Thailand and Mexico: 5 years; Notwithstanding this, it is important to note that, in case of Portugal, if tax losses/credits being carried-forward are utilized, the statute of limitation is extended to the years when such tax losses/credits were generated. In Spain and France, tax losses may be subject to the Tax Authorities' verification up to 10 years after they are generated; once this period has expired, taxpayers must prove the origin of the tax losses whose utilization is intended. In Netherlands, the statute of limitation is extended to 12 years for non-resident income. In the event of fraud, numerous tax jurisdictions extend its statute of limitation.

Tax losses generated each year are also subject to Tax Administrations's review and reassessment. As per the legislation currently in force, losses may be used to offset yearly taxable income assessed in the subsequent periods as follows: 3 years in Philippines; 5 years in Portugal, Cambodia, China, Greece, Hungary, Indonesia, Vietnam, Thailand and Poland; 7 in Romania; 10 in Malaysia, Mexico, Taiwan and Japan; 12 in Colombia; 15 in Korea; 20 in Canada; and indefinitely in the Australia, United States, Spain, Chile, France, Italy, Belgium, Brazil, Singapore, Netherlands and United Kingdom. Notwithstanding this, it is important to note that, in some geographies, tax losses generated in previous years might be subject to the limitation period that was applicable at the moment when they were generated (e.g., Portugal and the United States). Moreover, in France tax losses in a given year may be carried back against the taxable base assessed in the previous tax year; in Canada in the 3 previous years; in Germany in the previous 2 years; and in Singapore, France, Netherlands, United Kingdom, Vietnam and Australia in the previous year. Notwithstanding this, the deduction of tax losses in Australia, Germany, USA, Portugal, Colombia, Chile, Korea, Spain, Greece, Hungary, Netherlands, Brazil, France, Italy, the United Kingdom, Japan and Poland is limited to a percentage of the taxable income of each period, or subject to other limitations.

EDP Renováveis Group companies may, in accordance with the law, benefit from certain tax benefits or incentives under specific conditions. Most importantly, Production Tax Credits in the US which are the dominant form of wind remuneration in this country, and represent an extra source of revenue per unit of electricity over the first 10 years of the assets life. Wind farms that qualify for the application of the PTC prior to 1 January 2017, benefit from 100% of the credit ($28/MWh in 2018, $25/MWh in 2019, 2020 and 2021, $26/MWh in 2022, being adjusted to inflation in subsequent years). The PTC amount is reduced by 20% for wind farms qualifying in 2017, 40% in 2018 and 60% in 2019. Additional legislation in 2020 & 2021 extended the aforementioned regime to wind facilities, with start of construction in 2020 or 2021, attributing 60% of the tax credit amount. Additionally, EDP Group companies benefit from the Investment Tax Credit which avails solar projects to a credit based upon its capital expenditures. This credit amount equates to 26% for projects that start construction before 2022 and 22% for projects starting construction in 2023 as long as these projects go into service by 2025.

Transfer pricing legislation is duly complied with by EDP Renováveis Group. Its policy follows the rules, guidelines and best international practices applicable across all geographies where the Group operates, in due compliance with the spirit and letter of the Law.

During 2022, the EDPR Group had various tax audits regarding different topics. In May, the commencement of a general tax audit was notified to the Spanish tax consolidation group headed by EDP - Energias de Portugal, S.A. - Sucursal en España (Branch),

whose scope covers fiscal years 2017 – 2019. This audit is currently at a very preliminary stage. In addition, the general tax audit in Romania, made to the company Cernavoda Power, S.A, was finalized and is currently undergoing a litigation phase; however, EDPR does not expect any further liability than the one already recorded in the companies' accounts at 31 December 2022.

Changes in the tax law with relevance to the EDP Renewables Group in 2022

As from 2022, the statutory CIT rates applicable in the following relevant geographies have been modified as follows:

- In Colombia, even though the CIT rate was subject to a reduction from 32% to 31% in 2021, it was raised again from 2022 onwards from 31% to 35%.
- In France, the Finance Bill 2018 voted on 30 December 2017 (LOI n° 2017-1837 du 30 décembre 2017 de finances pour 2018) approved a progressive reduction of the general CIT rate to 25% by 2022. For fiscal years starting in 2022, the CIT rate amounts to 25%.

Windfall / extra-profit taxes

As per described in the referred Note, the European Union Council Regulation 2022/1854 of 6 October 2022 (Regulation) consubstantiated on a European Union wide emergency intervention to address high energy prices. While EDPR fully acknowledges that the existing emergency situation required for extraordinary measures, the Company also considers that (i) the principle of not taxing unrealized extra-profits should always prevail and (ii) the compatibility with existing, legitimately implemented, risk management strategies, needs to be ensured. These requirements are necessary to avoid harming producers that do not actually benefit from the current high electricity prices, due to having hedged, individually or at Group level, their revenues, against fluctuations in the wholesale electricity market. These financial hedges follow the Company's established low risk strategy to secure long term revenues and to remove electricity prices volatility on the company's earnings.

EDPR will pursue all legal actions at its disposal in order to challenge the legality of these measures.

Corporate income tax provision.

This caption is analysed as follows:

THOUSAND EUROS	31 DEC 2022	31 DEC 202
Current tax	-233,540	-46,903
Deferred tax	91,315	-42,922
Income tax expense	-142,225	-89,825

The effective income tax rate as at 31 December 2022 and 2021 is analysed as follows:

THOUSAND EUROS	31 DEC 2022	31 DEC 2021
Profit before tax	962,402	902,591
Income tax expense	-142,225	-89,825
Effective Income Tax Rate	14.78%	9.95%

The difference between the theoretical and the effective income tax expense, results from the application of the law provisions in the determination of the tax base, as demonstrated below.

The reconciliation between the nominal and the effective income tax rate for the Group during the years ended 31 December 2022 and 2021 is analysed as follows:

THOUSAND EUROS	31 DEC 2022	31 DEC 2021
Profit before taxes	962,402	902,591
Nominal income tax rate (*)	25.00%	25.00%
Theoretical income tax expense	-240,601	-225,648
Fiscal revaluations, amortization, depreciation and provisions	-15,098	1,998
Tax losses and tax credits	8,576	35,554
Financial investments in associates	21,851	-26
Difference between tax and accounting gains and losses	76,986	63,852
Non deductible windfall taxes	-35,732	-
Effect of tax rates in foreign jurisdictions and CIT rate changes	-7,823	14,656
Taxable differences attributable to non-controlling interests (USA)	17,926	15,852
Other	31,690	3,937
Effective income tax expense as per the Consolidated Income Statement	-142,225	-89,825

(*) Statutory corporate income tax rate applicable in Spain

The main captions are the following:

- The caption Tax losses and tax credits mainly reflects the effect of the abovereferred PTCs retained by EDPR North America and the effect of tax losses in different geographies.
- The caption Non deductible windfall taxes includes the effect of the Italian and Polish windfall taxes, enacted in 2022, as those taxes are not deductible for CIT purposes.
- The caption Difference between tax and accounting gains and losses refers to changes in the Groups perimeter not subject to income taxes.
- The caption Taxable differences attributable to non-controlling interests (USA) essentially includes the effect inherent to the attribution of taxable income to non-controllable interests in the subgroup EDPR NA, as determined by the tax legislation of that geography.
- The caption Other is mainly referred to the adjustment for inflation and exchange rate in Mexico.

Extraordinary Contribution to the Energy Sector (CESE)

Law 83-C/2013, of the State Budget 2014 ("Lei do Orçamento de Estado 2014"), approved by the Portuguese Government on 31 December 2013, introduced an extraordinary contribution applicable to the energy sector (CESE), with the objective of financing mechanisms that promote the energy sector systemic sustainability, through the establishment of a fund which aims to contribute for the reduction of tariff debt and to finance social and environmental policies in the energy sector. This contribution focuses generally on the economic operators that develop the following activities: (i) generation, transportation or distribution of electricity; (ii) transportation, distribution, storage or wholesale supply of natural gas; and (iii) refining, treatment, storage, transportation, distribution and wholesale supply of crude oil and oil products.

CESE is calculated based on the companies' net assets as at 1 January, which comply, cumulatively, to: (i) property, plant and equipment; (ii) intangible assets, except industrial property elements; and (iii) financial assets assigned to concessions or licensed activities. In the case of regulated activities, CESE focuses on the value of regulated assets if it is higher than the value of those assets.

As at 31 December 2022, EDPR Group recorded in caption Tax Liabilities a fair value for this contribution of 3,075 thousand Euros.

16. Property, plant and equipment

This caption is analysed as follows:

THOUSAND EUROS	31 DEC 2022	31 DEC 2021
COST		
Land and natural resources	50,481	31,491
Buildings and other constructions	30,925	20,646
Plant and machinery:		
- Renewables generation	19,969,929	18,265,839
- Other plant and machinery	9,992	10,467
Other	87,417	76,909
Assets under construction	4,870,215	2,420,599
	25,018,959	20,825,951
ACCUMULATED DEPRECIATION AND IMPAIRMENT LOSSES		
Depreciation charge	-648,345	-570,111
Accumulated depreciation in previous years	-6,280,429	-5,546,034
Impairment losses	-54,432	-
Impairment losses in previous years	-144,899	-147,506
	-7,128,105	-6,263,651
Carrying amount	17,890,854	14,562,300

The movement in Property, plant and equipment for the period ended 31 December 2022, is analysed as follows:

THOUSAND EUROS	BALANCE AT 01 JAN	ADDITIONS	DISPOSALS/ WRITE-OFF	TRANSFERS	EXCHANGE DIFFERENCES	CHANGES IN PERIMETER/ OTHER	BALANCE AT 31 DEC
COST							
Land and natural resources	31,491	18,295	-113	-	942	-134	50,481
Buildings and other constructions	20,646	328	-135	3,814	1,007	5,265	30,925
Plant and machinery	18,276,306	63,589	-25,517	760,334	719,984	185,225	19,979,921
Other	76,909	6,425	-1,464	2,514	2,378	655	87,417
Assets under construction	2,420,599	3,340,158	-14,245	-765,880	-10,081	-100,336	4,870,215
	20,825,951	3,428,795	-41,474	782	714,230	90,675	25,018,959

	BALANCE AT 01 JAN	CHARGE FOR THE PERIOD	IMPAIRMENT LOSSES/ REVERSES	DISPOSALS/ WRITE-OFF	EXCHANGE DIFFERENCES	CHANGES IN PERIMETER / OTHER	BALANCE AT 31 DEC
ACCUMULATED DEPRECIATION AND IMPAIRMENT LOSSES							
Buildings and other constructions	13,056	496	-	-23	1,109	-	14,638
Plant and machinery	6,126,449	641,235	344	-24,900	209,311	-19,925	6,932,514
Assets under construction	73,131	-	54,088	-	-7,851	3,619	122,987
Other	51,015	6,614	-	-1,121	1,731	-273	57,966
	6,263,651	648,345	54,432	-26,044	204,300	-16,579	7,128,105

Plant and machinery include the cost of the wind farms and solar plants under operation.

Additions include, the investment in wind farms and solar plants under development and construction mainly in the United States of America, Colombia, Brazil, Poland, Italy, Canada, Spain, Portugal, Mexico, Singapore, Greece, Taiwan, France, China. Vietnam, Chile and Hungary. This caption also includes the allocation of the acquisition cost of certain companies due to the nature of the transactions, the type of assets and the initial stage of completion of the projects acquired (see note 6). The most significant ones, including additions from their acquisition, are:

- Polish companies Farma Fotowoltaiczna Radziejów, Sp. z o.o. and Farma Fotowoltaiczna Ujazd, Sp. Z.o.o. Farma Fotowoltaiczna Warta, Sp. Z o.o., Farma Fotowoltaiczna Wielkopolska, Sp. Z o.o., Farma Fotowoltaiczna Budzyn, Sp. Z o.o., Farma Fotowoltaiczna Dobrzyca, Sp. Z o.o. and Farma Fotowoltaiczna Tomaszów, Sp. Z o.o. for a total amount of 40,335 thousand Euros;
- Colombian company Parque Solar Fotovoltaico El Copey, S.A.S. E.S.P. for a total amount of 8,036 thousand Euros;
- Hungarian companies Szabadsolar, Kft, Sunglare Capture, Kft., Sunglare Expert, Kft. and Napenergia, Kft. For a total amount of 6,726 thousand Euros;
- Greek company Aeolos Evias Energiaki, M.A.E for a total amount of 20,128 thousand Euros.
- Spanish companies Rocio Hive, S.L., Palma Hive, S.L. and Pedregal Hive, S.L. for a total amount of 19,274 thousand Euros;
- Italian companies Solar Italy I, S.r.l., Solar Italy II, S.r.l. and Solar Italy IV, S.r.l. for a total amount of 41,463 thousand Euros;
- North American Distributed Generation companies for a total amount of 33,498 thousand Euros;
- Brazilian companies for a total amount of 38,204 thousand Euros;
- Asian Distributed Generation companies for a total amount of 19,148 thousand Euros.

Changes in the perimeter / other also includes the change in the dismantling provisions related to the update of the main assumptions as at 31 December 2022 (see note 32).

Transfers from assets under construction into operation refer to wind and solar farms that became operational in Poland, the United States of America, Italy, Brazil, Spain, France, Mexico, Singapore, Taiwan and Canada.

Write-offs mainly refer to abandonment of projects in the United States of America and other certain projects in Europe. This amount is recorded under the caption Losses on fixed assets in the consolidated income statement (see note 12).

Exchange differences are mainly generated by the variation in the exchange rate of the US Dollar, Mexican Peso, Canadian Dollar, Colombian COPS, Singaporean Dollar, Polish zloty and Brazilian Real.

The caption Changes in perimeter/Other mainly includes:

- Increase amounting to 520,521 thousand Euros related to the acquisition of Sunseap, a distributed solar generation business in Singapore (see note 6 and 42);
- Increase amounting to 198,241 thousand Euros related to the acquisition of a certain solar generation business in Vietnam (see note 6 and 42);
- Increase amounting to 97,330 thousand Euros related to the acquisition of a distributed solar generation business in EDPR North America (see note 6 and 42);
- Increase amounting to 4,871 thousand Euros related to the acquisition of a solar generation business “Kronos” (see note 6 and 42);

- Net decrease amounting to 222,919 thousand Euros due to the sale of the companies WinCap, S.r.l., TACA Wind, S.r.l., San Mauro, S.r.l., Conza Energia, S.r.l., Lucus Power, S.r.l., Breva Wind, S.r.l. and Aria del Vento in Italy (see note 6 and 9);
- Decrease amounting to 210,044 thousand Euros due to the sale of the companies Central Eólica Aventura II, S.A., Central Eólica Aventura III, S.A., Central Eólica Aventura IV, S.A., Central Eólica Aventura V, S.A., Central Eólica SRMN I, S.A., Central Eólica SRMN II, S.A., Central Eólica SRMN III, S.A., Central Eólica SRMN IV, S.A. and Central Eólica SRMN V, S.A. in Brazil (see note 6);
- Decrease amounting to 182,766 thousand Euros due to the sale of the companies Meadow Lake Solar Park LLC and RSBF E470 I LLC in the United States of America (see note 6);
- Decrease amounting to 9,152 thousand Euros due to the reclassification to held for sale of certain portfolio in Europe (see note 27).
- Increase in the amount of 9,841 thousand Euros related to the dismantling cost for projects that have reached the COD during the year ended 31 December 2022.
- Update on the estimated dismantling cost according to an in-depth analysis performed by the EDPR's technical department with a net impact of a decrease in the amount of 84,613 thousand Euros

The Company has taken out an insurance global program to cover risks relating to property, plant and equipment. The coverage provided by these policies is considered to be sufficient.

Loans with credit institutions formalized as 'Project Finance' are secured by the shares of the corresponding wind farms and, ultimately, by the fixed assets of the wind farm to which the financing is related (see note 31). Additionally, the construction of certain assets has been partly financed by grants received from different Government Institutions.

Impairment losses are mainly related to certain projects in Colombia as a result of the recoverability assessment (see note 19).

The movement in Property, plant and equipment during 2021, is analysed as follows:

THOUSAND EUROS	BALANCE AT 01 JAN	ADDITIONS	DISPOSALS/ WRITE-OFF	TRANSFERS	EXCHANGE DIFFERENCES	CHANGES IN PERIMETER / OTHER	BALANCE AT 31 DEC
COST							
Land and natural resources	29,585	2,354	-57	-	1,065	-1,456	31,491
Buildings and other constructions	19,276	260	-	-	1,077	33	20,646
Plant and machinery	16,457,307	307,489	-35,006	2,091,321	849,849	-1,394,654	18,276,306
Other	67,562	5,499	-1,350	2,925	2,788	-515	76,909
Assets under construction	2,571,806	2,243,963	-19,403	-2,090,120	115,633	-401,280	2,420,599
	19,145,536	2,559,565	-55,816	4,126	970,412	-1,797,872	20,825,951

	BALANCE AT 01 JAN	CHARGE FOR THE PERIOD	IMPAIRMENT LOSSES/ REVERSES	DISPOSALS/ WRITE-OFF	EXCHANGE DIFFERENCES	CHANGES IN PERIMETER / OTHER	BALANCE AT 31 DEC
ACCUMULATED DEPRECIATION AND IMPAIRMENT LOSSES							
Buildings and other constructions	11,736	382	-	-	938	-	13,056
Plant and machinery	5,523,972	564,527	-	-24,879	253,583	-190,754	6,126,449
Assets under construction	72,981	-	-	-	150	-	73,131
Other	45,129	5,202	-	-1,322	2,135	-129	51,015
	5,653,818	570,111	-	-26,201	256,806	-190,883	6,263,651

Plant and machinery include the cost of the wind farms and solar plants under operation.

Additions include the investment in wind farms and solar plants under development and construction mainly in the United States, Poland, Brazil, Spain, Italy, Portugal, Mexico, France, Canada, Colombia and Greece. This caption also includes the allocation of

the acquisition cost of certain companies due to the nature of the transactions, the type of assets and the initial stage of completion of the projects acquired (see note 6). The most significant ones, including additions from their acquisition, are:

- Greek companies Aioliki Oitis Energiaki Single-Member LLC, Kadmeios Anemos Energiaki, A.E. and Voiotikos Anemos Anonimi Energiaki Etaireia Wind Shape, Ltd. for a total amount of 16,700 thousand Euros.
- Italian company C & C Tre Energy S.r.l. in the amount of 10,203 thousand Euros;
- Romanian companies Energopark, S.R.L., International Solar Energy, S.R.L., Solar Phoenix, S.R.L. and Beta Wind, S.R.L. for a total amount of 19,548 thousand Euros;
- Polish companies Elektrownia Kamienica, Sp. z o.o., Neo Solar Chotków, Sp. z o.o., Neo Solar Przykona II, Sp. z o.o., Farma Fotowoltaiczna Koden, Sp. z o.o. and WF Energy III, Sp. z o.o. for a total amount of 22,919 thousand Euros;
- Chilean companies Los Llanos Solar, SpA, Parque Eólico San Andrés, SpA, Parque Eólico Victoria, SpA. and Parque Eólico Punta de Talca, SpA for a total amount of 4,305 thousand Euros.
- Hungarian company Nyírség Watt, Kft. in the amount of 2,467 thousand Euros.

Transfers from assets under construction into operation refer to wind and solar farms that became operational in the United States, Canada, Portugal, Mexico, Italy, France, Poland, Brazil, Spain and Greece.

Write-offs mainly refer to abandonment of projects in Europe.

Exchange differences are mainly generated by the variation in the exchange rate of the US Dollar, Mexican Peso and Canadian Dollar.

The caption Changes in perimeter/Other mainly includes:

- Increase amounting to 134,949 thousand Euros related to the acquisition of a distributed solar generation business in EDPR North America. The effect of the fair value adjustment of the assets, in the amount of 447 thousand Euros, has been included in the caption Additions (see note 6 and 42);
- Increase amounting to 21,651 thousand Euros related to the acquisition of the Italian operational company Parco Eolico Aria Del Vento S.R.L. The effect of the fair value adjustment of the assets, in the amount of 13,993 thousand Euros, has been included in the caption Additions (see note 6 and 42);
- Increase amounting to 19,724 thousand Euros related to the acquisition of the Vietnamese operational company Trung Son Energy Development LLC and Singaporean companies Trina Solar Investment First Pte. Ltd. and LYS Energy Investment Pte. Ltd.. The effect of the fair value adjustment of the assets, in the amount of 5,631 thousand Euros, has been included in the caption Additions (see note 6 and 42);
- Increase amounting to 7,564 thousand Euros related to the acquisition of the UK companies Vento Ludens Ltd and the operational company Muirake Wind Farm Ltd. The effect of the fair value adjustment of the assets, in the amount of 13,201 thousand Euros, has been included in the caption Additions (see note 6 and 42);
- Decrease amounting to 558,047 thousand Euros due to the loss of control in the company 2019 Vento XX LLC with a subsequent loss of share interest in companies Lexington Chenoa Wind Farm LLC and Broadlands Wind Farm LLC (see note 6);
- Decrease amounting to 372,381 thousand Euros due to the reclassification to held for sale of certain portfolio of European companies;
- Decrease amounting to 350,901 thousand Euros due to the sale of the company Indiana Crossroads Wind Farm LLC (see note 6);
- Decrease amounting to 268,864 thousand Euros due to the loss of control in the companies Riverstart Development LLC, Riverstart Ventures LLC and subsidiaries (see note 6).
- Decrease amounting to 221,082 thousand Euros due to the sale of the companies Eólica do Sincelo, S.A. and Eólica da Linha, S.A. (see note 6).

Assets under construction as at 31 December 2022 and 31 December 2021 are analysed as follows:

THOUSAND EUROS	31 DEC 2022	31 DEC 2021
EDPR NA	2,589,575	1,079,633
EDPR EU	1,074,177	825,986
EDPR LATAM	1,098,164	509,951
EDPR APAC	108,299	5,029
	4,870,215	2,420,599

Assets under construction as at 31 December 2022 are mainly related to wind and solar farms under construction and development in the United States of America, Poland, Brazil, Colombia, South Asia, Spain, Italy, Mexico, France, Canada, Greece, Hungary and Portugal.

Financial interests capitalized during the period amount to 41,342 thousand Euros as at 31 December 2022 (31 December 2021: 32,457 thousand Euros) (see note 14).

Personnel costs capitalised during the period amount to 72,666 thousand Euros as at 31 December 2022 (31 December 2021: 47,049 thousand Euros) (see note 11).

The EDP Renováveis Group has purchase obligations disclosed in Note 38 – Commitments.

17. Right of use assets

This caption is analysed as follows:

THOUSAND EUROS	31 DEC 2022	31 DEC 2021
COST		
Land and natural resources	1,070,178	721,642
Buildings and other constructions	51,490	35,720
Plant and machinery:	-	119
Other	6,743	5,568
	1,128,411	763,049
ACCUMULATED DEPRECIATION AND IMPAIRMENT LOSSES		
Depreciation charge	-44,067	-34,807
Accumulated depreciation	-96,042	-59,454
	-140,109	-94,261
Carrying amount	988,302	668,788

The movements in Right of use assets, for the Group, for the period ended 31 December 2022, are as follows:

THOUSAND EUROS	BALANCE AT 01 JAN	ADDITIONS	DISPOSALS / WRITE-OFF	TRANSFERS	EXCHANGE DIFFERENCES	CHANGES IN PERIMETER / OTHER	BALANCE AT 31 DEC
COST							
Land and natural resources	721,642	316,735	-1,613	3,221	28,222	1,971	1,070,178
Buildings and other constructions	35,720	15,015	-	-3,193	1,108	2,840	51,490
Plant and machinery:	119	-	-	-119	-	-	-
Other	5,568	1,508	-288	-74	32	-3	6,743
	763,049	333,258	-1,901	-165	29,362	4,808	1,128,411

THOUSAND EUROS	BALANCE AT 01 JAN	CHARGE FOR THE PERIOD	DISPOSALS/ WRITE-OFF	TRANSFERS	EXCHANGE DIFFERENCES	CHANGES IN PERIMETER / OTHER	BALANCE AT 31 DEC
ACCUMULATED DEPRECIATION AND IMPAIRMENT LOSSES							
Land and natural resources	75,789	35,523	-795	325	2,554	-125	113,271
Buildings and other constructions	15,168	7,451	-	-407	391	-13	22,590
Plant and machinery:	10	4	-	-14	-	-	-
Other	3,294	1,089	-116	-24	8	-3	4,248
	94,261	44,067	-911	-120	2,953	-141	140,109

Cost additions include new lease contracts mainly located in the USA, Spain, Canada and Poland.

Exchange differences are mainly generated by the variation in the exchange rate of the US Dollar.

The caption Changes in perimeter/Other mainly includes:

- Increase amounting to 39,000 thousand Euros related to the acquisition of the Sunseap Group (see note 6);
- Decrease amounting to 9,705 thousand Euros due to the sale of a certain portfolio in Europe;
- Decrease amounting to 24,346 thousand Euros due to the sale of certain portfolio in North America.

The movements in Right of use assets, for the Group, for the period ended 31 December 2021, are as follows:

THOUSAND EUROS	BALANCE AT 01 JAN	ADDITIONS	DISPOSALS/ WRITE-OFF	EXCHANGE DIFFERENCES	CHANGES IN PERIMETER/ OTHER	BALANCE AT 31 DEC
COST						
Land and natural resources	699,214	136,690	-210	43,557	-157,609	721,642
Buildings and other constructions	30,246	4,285	-46	1,275	-40	35,720
Plant and machinery:	118	-	-	1	-	119
Other	4,152	1,439	-20	4	-7	5,568
	733,730	142,414	-276	44,837	-157,656	763,049

THOUSAND EUROS	BALANCE AT 01 JAN	ADDITIONS	DISPOSALS/ WRITE-OFF	EXCHANGE DIFFERENCES	CHANGES IN PERIMETER/ OTHER	BALANCE AT 31 DEC
ACCUMULATED DEPRECIATION AND IMPAIRMENT LOSSES						
Land and natural resources	-48,143	-28,225	2	-3,058	3,635	-75,789
Buildings and other constructions	-9,348	-5,453	3	-389	19	-15,168
Plant and machinery:	-7	-3	-	-	-	-10
Other	-2,187	-1,126	20	-1	-	-3,294
	-59,685	-34,807	25	-3,448	3,654	-94,261

Cost additions include new lease contracts mainly located in the USA, Portugal, Spain, Brazil, Italy, Mexico, Canada and Greece. New leases are typically signed for a similar period than the useful life of the projects. See note 35 for maturity of lease contracts.

Exchange differences are mainly generated by the variation in the exchange rate of the US Dollar.

The caption Changes in perimeter/Other mainly includes:

- Increase amounting to 4,858 thousand Euros related to the acquisition of a distributed solar generation business in EDPR North America (see note 6);
- Decrease amounting to 53,882 thousand Euros due to the loss of control in the company 2019 Vento XX LLC with a subsequent loss of share interest in companies Lexington Chenoa Wind Farm LLC and Broadlands Wind Farm LLC (see note 6).
- Decrease amounting to 41,134 thousand Euros due to the sale of the company Indiana Crossroads Wind Farm LLC (see note 6).
- Decrease amounting to 36,758 thousand Euros due to the loss of control in the companies Riverstart Development LLC, Riverstart Ventures LLC and subsidiaries (see note 6).
- Decrease amounting to 16,884 thousand Euros due to the sale of the companies Eólica do Sincelo, S.A. and Eólica da Linha, S.A. (see note 6).
- Decrease amounting to 12,405 thousand Euros due to the reclassification to held for sale of certain portfolio of European companies.

18. Intangible assets

This caption is analysed as follows:

THOUSAND EUROS EUROS	31 DEC 2022	31 DEC 2021 (*)
Cost		
Industrial property, other rights and other intangible assets	426,891	232,351
Concession Rights	55,913	31,493
Intangible assets under development	70,511	44,461
	553,315	308,305
Accumulated amortisation		
Amortisation charge	-23,900	-18,402
Accumulated amortisation in previous years	-137,010	-119,282
Impairment losses	-	-
Impairment losses in previous years	-11,559	-11,746
	-172,469	-149,430
Carrying amount	380,846	158,875

* See note 2.A) for details regarding the modification as a result of the change in the Green Certificates and RECs accounting policy

Industrial property, other rights and other intangible assets include mainly:

- Fair value adjustments related to the power sales contracts acquired in the business combination of the Sunseap Group, Xuan Thien and Longroad (see note 6 and 42).
- Power sales contracts in relation to former asset acquisitions out of the scope of IFRS 3 in the amount of 58,892 thousand Euros (31 December 2021: 55,460) that are amortized over the term of the power sales contracts. The variation is explained by the effect of the exchange rates;
- Software, substation access rights and wind generation permit and licenses amounting to 135,698 thousand Euros (31 December 2021: 145,134 thousand Euros);

The movement in Intangible assets for the period ended 31 December 2022, are as follows:

THOUSAND EUROS	BALANCE AT 01 JAN	ADDITIONS	DISPOSALS / WRITE-OFFS	TRANSFERS	EXCHANGE DIFFERENCES	CHANGES IN PERIMETER / OTHER	BALANCE AT 31 DEC
COST							
Industrial property, other rights and other intangible assets	232,351	1,574	-	6,038	4,990	181,938	426,891
Concession rights	31,493	420	-853	5,933	41	18,879	55,913
Intangible assets under development	44,461	15,515	-1,315	-12,753	514	24,089	70,511
	308,305	17,509	-2,168	-782	5,545	224,906	553,315

THOUSAND EUROS	BALANCE AT 01 JAN	ADDITIONS	DISPOSALS/ WRITE-OFFS	EXCHANGE DIFFERENCES	OTHERS	BALANCE AT 31 DEC
ACCUMULATED AMORTISATION AND IMPAIRMENT LOSSES						
Industrial property, other rights and other intangible assets	140,246	20,093	-	3,568	-16,364	147,543
Concession Rights	9,183	3,807	-177	15	12,098	24,926
	149,429	23,900	-177	3,583	-4,266	172,469

Additions mainly refer to software development during the period.

Changes in the perimeter mainly refers to the fair value of power purchase agreements associated to the generation assets agreements acquired in the business combination transactions. An amount of 113,717 thousand Euros corresponds to the Sunseap Group, 85,476 thousand Euros corresponds to the Xuan Thien and 20,667 thousand Euros to Longroad from the acquisition of the Sunseap Group (see note 6 and 42).

The movement in Intangible assets during 2021(*), is analysed as follows:

THOUSAND EUROS	BALANCE AT 01 JAN	ADDITIONS	DISPOSALS/ WRITE-OFFS	TRANSFERS	EXCHANGE DIFFERENCES	CHANGES IN PERIMETER / OTHER	BALANCE AT 31 DEC
COST							
Industrial property, other rights and other intangible assets	220.581	877	-	4,956	8,687	-2,750	232,351
Concession rights	27,786	60	-	6,561	3	-2,917	31,493
Intangible assets under development	44,199	13,346	-392	-15,643	203	2,748	44,461
	292,566	14,283	-392	-4,126	8,893	-2,919	308,305

* See note 2.A) for details regarding the modification as a result of the change in the Green Certificates and RECs accounting policy

THOUSAND EUROS	BALANCE AT 01 JAN	ADDITIONS	DISPOSALS/ WRITE-OFFS	EXCHANGE DIFFERENCES	OTHERS	BALANCE AT 31 DEC
ACCUMULATED AMORTISATION AND IMPAIRMENT LOSSES						
Industrial property, other rights and other intangible assets	120,304	15,684	-	4,257	-	140,245
Concession Rights	6,702	2,718	-	1	-236	9,185
	127,006	18,402	-	4,258	-236	149,430

* See note 2.A) for details regarding the modification as a result of the change in the Green Certificates and RECs accounting policy

Additions mainly refer to software license acquisitions during the period.

As at 31 December 2021 the caption Others mainly includes a decrease amounting to 6,553 thousand Euros related to the sale of the companies Eólica do Sincelo, S.A. and Eólica da Linha, S.A. (see note 6).

19. Goodwill

For the Group, the breakdown of Goodwill resulting from the difference between the cost of the investments and the corresponding share of the fair value of the net assets acquired, is analysed as follows:

THOUSAND EUROS	31 DEC 2022	31 DEC 2021
Goodwill booked in EDPR EU :	1,177,206	578,120
- EDPR Spain	419,023	470,784
- EDPR France	25,904	25,904
- EDPR Portugal	43,712	43,712
- Kronos Solar Group	651,657	-
- Other	36,910	37,720
Goodwill booked in EDPR NA	758,736	686,842
Goodwill booked in EDPR LATAM	668	627
Goodwill booked in EDPR APAC	393,354	2,446
	2,329,964	1,268,035

The movements in Goodwill, by subgroup, during the period ended 31 December 2022 is as follows:

THOUSAND EUROS	BALANCE AT 01 JAN	INCREASES	DECREASES	IMPAIRMENT	EXCHANGE DIFFERENCES	CHANGE PERIMETER / OTHERS	BALANCE AT 31 DEC
EDPR EU :							
- EDPR Spain	470,784	-	-	-	-	-51,761	419,023
- EDPR France	25,904	-	-	-	-	-	25,904
- EDPR Portugal	43,712	-	-	-	-	-	43,712
- Kronos Solar Group	-	-	-	-	-	651,657	651,657
- Other	37,720	-	-	-	-125	-685	36,910
EDPR NA	686,842	-	-	-	42,929	28,965	758,736
EDPR LATAM	627	-	-	-	75	-33	668
EDPR APAC	2,446	-	-	-	6,186	384,721	393,354
	1,268,035	-	-	-	49,065	1,012,864	2,329,964

Changes in the perimeter / others refer to:

- Increase amounting to 651,657 thousand Euros provisional goodwill related to the business combination for the acquisition of the Kronos Solar Group (see note 6 and 42);
- Increase amounting to 363,485 thousand Euros provisional goodwill related to the business combination for the acquisition of the Sunseap Group (see note 6 and 42);
- Increase amounting to 28,965 thousand Euros provisional goodwill related to the business combination for the acquisition of certain portfolio in the United States of America (see note 6 and 42);
- Increase amounting to 21,236 thousand Euros provisional goodwill related to the business combination for the acquisition of certain portfolio in Vietnam (see note 6 and 42);
- Decrease in the amount of 51,761 thousand Euros related to the sale of Spanish companies during the period ended 31 December 2022 (see note 6 and 9).
- Decrease in amount of 685 thousand Euros related to completion of a sale of a certain European portfolio (see note 6 and 9).

The movements in Goodwill, by subgroup, during 2021 are analysed as follows:

THOUSAND EUROS	BALANCE AT 01 JAN	INCREASES	DECREASES	IMPAIRMENT	EXCHANGE DIFFERENCES	CHANGES PERIMETER / OTHERS	BALANCE AT 31 DEC
EDPR EU Group:							
- EDPR Spain Group	470,784	-	-	-	-	-	470,784
- EDPR France Group	25,904	-	-	-	-	-	25,904
- EDPR Portugal Group	43,712	-	-	-	-	-	43,712
- Other	37,147	-	-	-	29	544	37,720
EDPR NA Group	644,499	-	-	-	52,274	-9,931	686,842
EDPR LATAM Group	620	-	-	-	7	-	627
EDPR APAC Group	-	-	-	-	103	2,343	2,446
	1,222,666	-	-	-	52,413	-7,044	1,268,035

Changes in the perimeter / others refer to:

- Increase amounting to 2,343 thousand Euros related to the business combination for the acquisition of the Vietnamese operational company Trung Son Energy Development LLC and Singaporean companies Trina Solar Investment First Pte. Ltd. and LYS Energy Investment Pte. Ltd. (see note 6 and 42);
- Increase amounting to 1,575 thousand Euros related to the business combination for the acquisition of the distribution generation business in EDPR NA (see note 6 and 42).
- Increase amounting to 544 thousand Euros related to the business combination for the acquisition of the UK companies Vento Ludens Ltd and the operational company Muirake Wind Farm Ltd (see note 6).
- Decrease in the amount of 11,506 thousand Euros related to the sale of companies in EDPR NA (see note 6).

Impairment tests – EDPR Group

Goodwill, property, plant and equipment, right of use assets, intangible assets and investments in joint ventures and associates of the EDPR Group are tested for impairment each year. In the case of operational wind farms and solar plants, it is performed by determining the recoverable value through the value in use. Goodwill is allocated to each country (CGUs) where EDPR Group performs its activity, so the EDPR Group calculates cash flows in each country in order to determine the recoverable amount of goodwill and the rest of the assets allocated.

To perform this analysis, a Discounted Cash Flow (DCF) method was used. This method is based on the principle that the estimated value of an entity or business is defined by its capacity to generate financial resources in the future, assuming these can be removed from the business and distributed among the company's shareholders, without compromising the maintenance of the activity. Therefore, for the businesses developed by EDPR's CGUs, the valuation was based on free cash flows generated by the business, discounted at appropriate discount rates.

The future cash flows projection period used is the useful life of the assets (20 to 35 years) which is consistent with the current depreciation method. The cash flows also incorporate the long-term off-take contract in place and long-term estimates of power prices, whenever the asset holds merchant exposure.

The main assumptions used for the impairment tests are as follows:

- **Power produced:** net capacity factors used for each CGU utilize the wind studies carried out, which takes into account the long-term predictability of wind output and that wind generation is supported in nearly all countries by regulatory mechanisms that allow for production and priority dispatching whenever weather conditions permit;
- **Electricity remuneration:** regulated or contracted remuneration has been applied where available, as for the CGUs that benefit from regulated remuneration or that have signed contracts to sell their output during all or part of their useful life; where this is not available, prices were derived using price curves projected by the company based on its experience, internal models and using external data references;
- **New capacity:** tests were based on the best information available on the wind and solar farms expected to be built in coming years, adjusted by probability of success and by the growth prospects of the company based on the Business Plan Targets, which includes the commitment to develop under construction wind farms, its historical growth and market size projections. The tests considered the contracted and expected prices to buy turbines from various suppliers;
- **Operating costs:** established contracts for land leases and maintenance agreements were used; other operating costs were projected consistent with the company's experience and internal models;
- **Terminal value:** considered as a 15% of the initial investment in each wind farm, considering inflation;
- **Discount rate:** the discount rates used are post-tax (which does not differ significatively from the discount rate pre-tax), reflect EDPR Group's best estimate of the risks specific to each CGU and range as follows:

	2022	2021
Europe	3.7%-8.6%	2.9%-5.6%
North America	6.0%	4.6%
LATAM	5.9%-9.6%	7.6%-9.3%
APAC	6.9%-10.8%	4.6%-7.7%

Impairment tests done have taken into account the regulation changes in each country, as disclosed in note 1.

As a result of the impairment tests, it has been required to book an impairment in Property, plant and equipment during the year ended 31 December 2022, mainly, for certain Colombian projects which do not have any associated goodwill (in 2021 it had not been required to book any additional impairment or reverse existing impairments). Further, EDPR has performed the following sensitivity analyses in the results of goodwill impairment tests performed in Europe, North America, LATAM and APAC in some of the key variables, such as:

- 5% reduction of Merchant Prices used in the base case. This sensitivity analysis performed for this assumption independently would not suppose any impairment for the goodwill allocated to each country;
- 100 basis points increase of the discount rate used in the base case. This sensitivity analysis performed for this assumption independently would not suppose any impairment for the goodwill allocated to each country.

20. Investments in Joint Ventures and Associates

This caption is analysed as follows:

THOUSAND EUROS	31 DEC 2022	31 DEC 2021
INVESTMENTS IN ASSOCIATES		
Interests in joint ventures	1,057,048	911,196
Interests in associates	100,201	77,326
Carrying amount	1,157,249	988,522

For the purpose of the consolidated financial statements presentation, goodwill arising from the acquisition of joint ventures and associated companies is presented in this caption. None of the companies is listed.

The movement in Investments in joint ventures and associates, is analysed as follows:

THOUSAND EUROS	2022	2021
Balance as at 1 January	988,522	474,884
Changes in the consolidation perimeter	25,002	-
Changes in consolidation method	-	96,204
Acquisitions / other perimeter variations	-839	371,143
Disposals	-	-3,960
Share of profits of joint ventures and associates	161,534	41,184
Dividends	-45,445	-29,599
Exchange differences	23,142	35,713
Hedging reserve in joint ventures and associates	85,782	-5,376
Others	-80,449	8,329
Balance as at the end of the period	**1,157,249**	**988,522**

Acquisition and other perimeter variations includes an amount related to capital increases of 2,586 thousand Euros mainly of the entities of Evoikos Voreas A.E., Total Sofrano A.E. and Charge+ Pte. Ltd and a negative amount of 3,425 thousand Euros related to capital reductions mainly of the entities of San Juan de Bargas Eólica, S.L. and Unión de Generadores de Energía, S.L. The caption in 2021 mainly included share capital increases in OW Offshore S.L. (Ocean Winds) in the amount of 331,519 thousand Euros.

Changes in the consolidated perimeter mainly includes an amount of 9,111 thousand Euros related to the acquisition of Sunseap Group (see note 42) and the fair value adjustment amounting to 14,842 thousand Euros.

The caption "joint venture and associates" in the income statement includes a gain amounting to 16,981 thousand Euros resulting from the sale of the remaining stake in the offshore company Moray West Holdings Limited and an amount of 752 thousand Euros resulting from the sale of the stake in the company Solar Works! B.V., which are not reflected in the chart above due to this amount is recorded in the corresponding holding companies (see note 6).

Changes in the consolidation method in 2021 refered to:

- Increase amounting to 32,763 thousand Euros due to the loss of control in the companies Riverstart Development LLC, Riverstart Ventures LLC and subsidiaries (see note 6);
- Increase amounting to 63,441 thousand Euros due to the loss of control in the company 2019 Vento XX LLC with a subsequent loss of share interest in companies Lexington Chenoa Wind Farm LLC and Broadlands Wind Farm LLC (see note 6).

The following table resumes the companies' financial information of joint ventures included in the Group consolidated accounts, as of December 2022:

THOUSAND EUROS	OW OFFSHORE, S.L. AND SUBSIDIARIES	FLAT ROCK WINDPOWER LLC	GOLDFINGER VENTURES II LLC	GOLDFINGER VENTURES LLC	2019 VENTO XX LLC AND SUBSID.	2017 VENTO XVII LLC AND SUBSID.
COMPANIES' FINANCIAL INFORMATION OF JOINT VENTURES						
Non-Current Assets	2,625,312	196,542	322,496	211,527	632,137	539,395
Current Assets	457,761	12,882	-2,069	221	7,830	11,673
Cash and cash equivalents	237,416	10,400	58	-	-	-
Total Equity	1,069,680	203,387	211,917	153,491	24,236	202,561
Long term Financial debt	493,044	-	-	-	-	-
Non-Current Liabilities	987,607	4,391	98,885	54,690	597,474	340,973
Short term Financial debt	4,918	-	-	448	517	219
Current Liabilities	1,025,786	1,646	9,625	3,567	18,257	7,534
Revenues	46,200	20,238	17,172	12,484	39,529	46,946

THOUSAND EUROS	OW OFFSHORE, S.L. AND SUBSIDIARIES	FLAT ROCK WINDPOWER LLC	GOLDFINGER VENTURES II LLC	GOLDFINGER VENTURES LLC	2019 VENTO XX LLC AND SUBSID.	2017 VENTO XVII LLC AND SUBSID.
PPE and intangible assets amortisations	-8,466	-14,719	-10,039	-10,556	-23,872	-25,529
Other financial expenses	-121,882	-60	-3,432	-1,724	-20,218	-17,905
Income tax expense	7,298	-	-	-	-	-
Net profit for the period	257,040	-6,653	20,039	11,192	27,652	33,995
AMOUNTS PROPORTIONALLY ATTRIBUTED TO EDPR GROUP						
Net assets	490,929	111,047	93,349	68,989	34,035	62,510
Goodwill	5,352	-	-	-	-	-
Dividends paid	-	1,012	5,858	3,677	4,186	4,311

THOUSAND EUROS	2018 VENTO XIX LLC AND SUBSIDIARIES	FLAT ROCK WINDPOWER II LLC	SOL V	EVOIKOS VOREAS A.E.	EVOLUCIÓN 2000, S.L.	OTROS
COMPANIES' FINANCIAL INFORMATION OF JOINT VENTURES						
Non-Current Assets	489,003	80,600	324,297	1,021	27,826	30,487
Current Assets	18,917	4,901	4,415	878	8,964	15,502
Cash and cash equivalents	-	3,889	-	878	7,125	7,175
Total Equity	101,026	82,815	194,623	1,723	27,272	14,461
Long term Financial debt	-	-	-	-	-	16,211
Non-Current Liabilities	398,228	1,677	125,503	-	4,037	18,716
Short term Financial debt	38	-	58	-	1	317
Current Liabilities	8,666	1,009	8,586	176	5,481	12,812
Revenues	22,271	7,653	17,751	-	23,673	2,833
PPE and intangible assets amortisations	-20,377	-5,682	-9,473	-	-2,594	-900
Other financial expenses	-17,990	-27	-3,630	-5	-86	-994
Income tax expense	-	-	-	-	-5,080	6
Net profit for the period	16,866	-2,916	20,389	-153	14,022	-552
AMOUNTS PROPORTIONALLY ATTRIBUTED TO EDPR GROUP						
Net assets	40,986	41,407	39,001	21,454	16,071	37,270
Goodwill	-	-	-	-	2,667	27
Dividends paid	2,290	-	1,217	-	7,063	-

The following table resumes the companies' financial information of joint ventures included in the Group consolidated accounts, as of December 2021:

THOUSAND EUROS	OW OFFSHORE S.L. AND SUBSIDIARIES	FLAT ROCK WINDPOWER LLC	GOLDFINGER VENTURES II LLC AND SUBSID.	2019 VENTO XX LLC AND SUBSID.	GOLDFINGER VENTURES LLC AND SUBSID.	2017 VENTO XVII LLC AND SUBSID.
COMPANIES' FINANCIAL INFORMATION OF JOINT VENTURES						
Non-Current Assets	1,181,672	198,883	313,792	644,157	209,580	525,213
Current Assets	266,754	5,205	1,685	16,121	554	5,453
Cash and cash equivalents	82,639	4,282	870	9,429	-47	-159
Total Equity	707,268	197,721	194,044	215,942	141,812	177,217
Long term Financial debt	50,037	-	-	-	-	-
Non-Current Liabilities	650,372	4,080	112,157	415,353	65,228	344,720
Short term Financial debt	3,720	-	101	456	98	-
Current Liabilities	90,786	2,287	9,276	28,983	3,094	8,729

THOUSAND EUROS	OW OFFSHORE S.L. AND SUBSIDIARIES	FLAT ROCK WINDPOWER LLC	GOLDFINGER VENTURES II LLC AND SUBSID.	2019 VENTO XX LLC AND SUBSID.	GOLDFINGER VENTURES LLC AND SUBSID.	2017 VENTO XVII LLC AND SUBSID.
Revenues	10,040	9,711	10,657	30,600	11,063	34,952
PPE and intangible assets amortisations	-4,532	-13,097	-7,372	-15,714	-9,212	-19,352
Other financial expenses	-69,164	-53	-3,202	-26,102	-1,708	-14,259
Income tax expense	1,080	-	-	-	-	-
Net profit for the period	34,813	-14,667	12,931	534,542	9,187	20,545
AMOUNTS PROPORTIONALLY ATTRIBUTED TO EDPR GROUP						
Net assets	358,986	102,608	84,775	67,457	63,217	57,919
Goodwill	5,352	-	-	-	-	-
Dividends paid	-	9,809	4,539	-	3,270	3,885

THOUSAND EUROS	2018 VENTO XIX LLC AND SUBSIDIARIES	FLAT ROCK WINDPOWER II LLC	EVOIKOS VOREAS A.E.	SOFRANO S.A.	EVOLUCIÓ N 2000 S.L.	OTHERS
COMPANIES' FINANCIAL INFORMATION OF JOINT VENTURES						
Non-Current Assets	477,623	81,368	625	582	33,502	306,237
Current Assets	13,913	1,893	752	227	9,805	3,795
Cash and cash equivalents	-86	1,704	752	96	5,778	334
Total Equity	133,497	80,735	685	645	27,620	81,755
Long term Financial debt	-	-	-	-	-	-
Non-Current Liabilities	351,971	1,554	-	-	10,336	137,777
Short term Financial debt	-	-	-	-	3,680	184
Current Liabilities	6,068	972	692	164	5,351	90,500
Revenues	22,019	3,723	-	-	8,343	319
PPE and intangible assets amortisations	-16,498	-5,117	-	-	-2,623	-
Other financial expenses	-17,347	-24	-	-	-98	-26
Income tax expense	-	-	-	-	-577	-
Net profit for the period	13,463	-6,184	-38	-33	3,686	35,466
AMOUNTS PROPORTIONALLY ATTRIBUTED TO EDPR GROUP						
Net assets	47,447	40,367	20,925	15,409	16,242	35,844
Goodwill	-	-	-	-	2,667	27
Dividends paid	3,118	-	-	-	-	-

The following table resumes the companies' financial information of associates included in the Group consolidated accounts, as of December 2022:

THOUSAND EUROS	PARQUE EÓLICO SIERRA DEL MADERO, S.A.	EÓLICA DE SÃO JULIÃO, LDA.	UNIÓN DE GENERADORES DE ENERGÍA, S.L.	GEÓLICA MAGALLÓN, S.L.
COMPANIES' FINANCIAL INFORMATION OF ASSOCIATES				
Non-Current Assets	41,120	5,839	2,600	4,441
Current Assets	32,020	23,725	1,626	11,800
Equity	51,374	-1,219	3,171	4,243
Non-Current Liabilities	3,852	15,411	28	2,211
Current Liabilities	17,914	15,372	1,027	9,787
Revenues	30,477	15,821	-	571
Net profit for the period	17,973	12,496	8,665	8,247
AMOUNTS PROPORTIONALLY ATTRIBUTED TO EDPR GROUP				
Net assets	21,577	19,639	13,851	10,181
Goodwill	-	1,457	1,913	683
Dividends paid	3,262	-	150	3,880

THOUSAND EUROS	DESARROLLOS EÓLICOS DE CANARIAS, S.A.	SAN JUAN DE BARGAS EÓLICA, S.L.	PARQUE EÓLICO BELMONTE, S.A	OTROS
COMPANIES' FINANCIAL INFORMATION OF ASSOCIATES				
Non-Current Assets	2,246	5,866	18,250	21,061
Current Assets	7,211	6,992	7,440	13,645
Equity	7,193	4,811	15,136	17,460
Non-Current Liabilities	607	1,741	1,934	5,935
Current Liabilities	1,658	6,306	8,620	11,311
Revenues	8,212	475	12,469	13,638
Net profit for the period	4,568	3,784	6,863	3,705
AMOUNTS PROPORTIONALLY ATTRIBUTED TO EDPR GROUP				
Net assets	9,697	8,455	6,251	10,550
Goodwill	6,479	-	1,725	-
Dividends paid	1,542	3,451	360	3,186

The following table resumes the companies' financial information of associates included in the Group consolidated accounts, as of December 2021:

THOUSAND EUROS	EÓLICA SÃO JULIÃO LDA.	PARQUE EÓLICO SIERRA DEL MADERO S.A.	GEÓLICA MAGALLÓN S.L.	SAN JUAN DE BARGAS EÓLICA S.L.
COMPANIES' FINANCIAL INFORMATION OF ASSOCIATES				
Non-Current Assets	6,007	44,104	5,619	7,547
Current Assets	529	24,124	10,010	7,636
Equity	-11,931	41,171	6,700	11,367
Non-Current Liabilities	14,496	8,066	1,477	725
Current Liabilities	3,971	18,991	7,452	3,091

THOUSAND EUROS	EÓLICA SÃO JULIÃO LDA.	PARQUE EÓLICO SIERRA DEL MADERO S.A.	GEÓLICA MAGALLÓN S.L.	SAN JUAN DE BARGAS EÓLICA S.L.
Revenues	6,657	16,656	7,343	5,463
Net profit for the period	-2,724	7,766	5,982	5,132
AMOUNTS PROPORTIONALLY ATTRIBUTED TO EDPR GROUP				
Net assets	16,115	17,290	11,680	12,036
Goodwill	1,457	-	683	-
Dividends paid	-	-	1,068	817

THOUSAND EUROS	DESARROLLOS EÓLICOS DE CANARIAS S.A.	EOS PAX IIA, S.L.	PARQUE EÓLICO BELMONTE S.A.	OTHER
COMPANIES' FINANCIAL INFORMATION OF ASSOCIATES				
Non-Current Assets	2,711	867	17,811	21,681
Current Assets	5,274	167	5,054	9,944
Equity	6,072	-462	9,506	8,124
Non-Current Liabilities	845	995	9,302	17,881
Current Liabilities	1,068	501	4,057	5,620
Revenues	5,804	8,416	3,914	3,115
Net profit for the period	3,171	2,872	1,278	-460
AMOUNTS PROPORTIONALLY ATTRIBUTED TO EDPR GROUP				
Net assets	9,196	3,481	4,568	2,960
Goodwill	6,479	-	1,726	3,976
Dividends paid	70	1,455	-	1,568

During 2022, the significant companies' financial information of joint ventures and associates presented the following fair value reconciliation of net assets proportionally attributed to EDPR Group:

THOUSAND EUROS	EQUITY	% INVESTMENT	FAIR VALUE ADJUSTMENTS	GOODWILL	OTHERS	NET ASSETS
OW Offshore S.L. and subsidiaries	1.069,680	50.00%	-49,265	5,352	-	490,929
Flat Rock Windpower LLC	203,387	50.00%	-	-	9,356	111,047
Goldfinger Ventures II LLC	211,917	50.00%	-12,610	-	-	93,349
Goldfinger Ventures LLC	153,491	50.00%	-7,756	-	-	68,989
2019 Vento XX and subsidiaries	24,236	20.00%	29,188		-	34,035
2017 Vento XVII LLC and subs.	202,561	20.00%	21,998		-	62,510
2018 Vento XIX LLC and subs.	101,026	20.00%	20,781	-	-	40,986
Flat Rock Windpower II LLC	82,815	50.00%	-	-	-	41,407
Sol V	194,623	20.00%	76	-	-	39,001
Evoikos Voreas A.E[1]	1,723	51.00%	20,575	-	-	21,454
Evolución 2000, S.L.	27,212	49.15%	-	2,667	-	16,071
Parque Eólico Sierra del Madero, S.A.	51,374	42.00%	-	-	-	21,577
Eólica de São Julião, Lda.	-1,219	45.00%	18,731	1,457	-	19,639
Unión de Generadores de Energía, S.L.	3,171	50.00%	10,352	1,913	-	13,851
Geólica Magallón, S.L.	4,243	36.23%	7,961	683	-	10,181

THOUSAND EUROS	EQUITY	% INVESTMENT	FAIR VALUE ADJUSTMENTS	GOODWILL	OTHERS	NET ASSETS
Desarrollos Eólicos de Canarias, S.A.	7,193	44.75%	-	6,479	-1	9,697
San Juan de Bargas Eólica, S.L.	4,811	47.01%	6,193	-	-	8,455
Parque Eólico Belmonte, S.A.	15,136	29,90%	-	1,725	-	6,251

(1) According to the relevant shareholder agreements, it has been concluded a joint control over the company.

During 2021, the significant companies' financial information of joint ventures and associates presented the following fair value reconciliation of net assets proportionally attributed to EDPR Group:

THOUSAND EUROS	EQUITY	% INVESTMENT	FAIR VALUE ADJUSTMENTS	GOODWILL	OTHERS	NET ASSETS
OW Offshore S.L. and subsidiaries	707,268	50.00%	-	5,352	-	358,986
Flat Rock Windpower LLC	197,721	50.00%	-	-	3,747	102,608
Goldfinger Ventures II LLC	194,044	50.00%	-12,247	-	-	84,775
2019 Vento XX and subsidiaries	215,942	20.00%(1)	24,269(2)	-	-	67,457
Goldfinger Ventures LLC and subs.	141,812	50.00%	-7,689	-	-	63,217
2017 Vento XVII LLC and subs.	177,217	20.00%(1)	22,476	-	-	57,919
2018 Vento XIX LLC and subs.	133,497	20.00%(1)	20,748	-	-	47,447
Flat Rock Windpower II LLC	80,735	50.00%	-	-	-	40,367
Evoikos Voreas A.E.(*)	685	51.00%(1)	20,575	-	-	20,924
Evolución 2000 S.L.	27,620	49.15%(1)	-	2,667	-	16,242
Sofrano S.A.(*)	645	51.00%(1)	15,080	-	-	15,409
Parque Eólico Sierra del Madero S.A	41,171	42.00%	-	-	-	17,290
Eólica de São Julião, Lda.	-11,931	45.00%	-	1,457	-	16,115
San Juan de Bargas Eólica, S.L.	11,367	47.01%	6,692	-	-	12,036
Geólica Magallón, S.L.	6,700	36.24%	8,569	683	-	11,680
Desarrollos Eólicos de Canarias, S.A	6,072	44.75%	-	6,479	-	9,196
Eos Pax IIa, S.L.	-462	48.50%	3,705	-	-	3,481
Parque Eólico Belmonte, S.A.	9,506	29.90%	-	1,726	-	4,568

(1) According to the relevant shareholder agreements, it has been concluded a joint control over the company.
(2) Includes the impact of the sale of 12% stake after loss of control

EDPR commitments to provide funding to Joint Ventures as at 31 December 2022 are:

		2022 CAPITAL OUTSTANDING BY MATURITY			
THOUSAND EUROS	TOTAL	LESS THAN 1 YEAR	FROM 1 TO 3 YEARS	FROM 3 TO 5 YEARS	MORE THAN 5 YEARS
EDPR Commitments to provide funding to Joint Ventures	295,780	295,780	-	-	-
	295,780	295,780	-	-	-

EDPR commitments to provide funding to Joint Ventures as at 31 December 2021 are:

		2021			
		CAPITAL OUTSTANDING BY MATURITY			
THOUSAND EUROS	TOTAL	LESS THAN 1 YEAR	FROM 1 TO 3 YEARS	FROM 3 TO 5 YEARS	MORE THAN 5 YEARS
EDPR Commitments to provide funding to Joint Ventures	384,621	384,621	-	-	-
	384,621	384,621	-	-	-

EDPR Commitments to provide funding for Joint Ventures in 2022 and 2021 refer to funds agreed to be provided to Ocean Winds for financing the offshore business.

EDPR Group granted parent company guarantees for certain joint venture projects. Total guarantees granted refer to financial and operational guarantees granted by EDPR to joint ventures in the amount of 411,637 thousand Euros and 455,579 thousand Euros respectively (17,795 thousand Euros and 267,200 thousand Euros respectively as at 31 December 2021). Further, EDP Energías de Portugal Sucursal en España has operational guarantees to EDPR's joint ventures in the amount of 11,719 thousand Euros (11,037 thousand Euros as at 31 December 2021). In addition, EDP Energías de Portugal Sucursal en España had granted financial guarantees to EDPR's joint ventures in the amount of 261,187 thousand Euros as at 31 December 2021.

21. Deferred tax assets and liabilities

EDP Renováveis Group records the tax effect resulting from temporary differences between the assets and liabilities determined on an accounting basis and on a tax basis. As at 31 December 2022, on a consolidated basis, the movement by nature of Net Deferred Tax Assets and Liabilities are as follows:

				NET DEFERRED TAX ASSETS	
THOUSAND EUROS	BALANCE AT 31.12.2021	MOV. RESULTS	MOV. RESERVES	PERIMETER VARIATIONS, EXCHANGE DIFFERENCES AND OTHERS	BALANCE AT 31.12.2022
Tax losses and tax credits	762,913	58,118	3,244	32,658	856,933
Provisions	23,320	708	-30	-3,991	20,006
Financial instruments	133,261	131,506	185,624	-96,555	353,836
Property plant and equipment	68,105	-16,823	-	-12,029	39,254
Non-deductible financial expenses	15,858	-14,403	-	-2,838	-1,383
Other temporary differences	36,808	19,362	-3,159	42,340	95,352
Assets/liabilities compensation of deferred taxes	-708,461	-32,463	3,159	-875	-738,641
	331,803	146,005	188,838	-41,289	625,357

THOUSAND EUROS	BALANCE AT 31.12.2021	MOV. RESULTS	MOV. RESERVES	NET DEFERRED TAX LIABILITIES PERIMETER VARIATIONS, EXCHANGE DIFFERENCES AND OTHERS	BALANCE AT 31.12.2022
Financial instruments	2,119	47,295	53,420	-68,472	34,361
Property plant and equipment	302,384	12,550	39,411	27,694	382,039
Allocation of fair value to assets and liabilities acquired	461,374	2,215	-	-4,481	459,109
Income from institutional partnerships (North America)	383,232	32,733	-91	23,714	439,588
Other temporary differences	24,715	23,700	-1	13,404	61,819
Assets/liabilities compensation of deferred taxes	-719,260	-32,463	3,159	9,940	-738,624
	454,564	86,030	95,898	1,799	638,290

As at 31 December 2021, on a consolidated basis, the movement by nature of Net Deferred Tax Assets and Liabilities are as follows:

THOUSAND EUROS	BALANCE AT 31.12.2020	MOV. RESULTS	MOV. RESERVES	NET DEFERRED TAX ASSETS PERIMETER VARIATIONS, EXCHANGE DIFFERENCES AND OTHERS	BALANCE AT 31.12.2021
Tax losses and tax credits	618,024	91,431	294	53,164	762,913
Provisions	10,640	6,805	-4	5,879	23,320
Financial instruments	12,195	-123,565	244,193	437	133,260
Property plant and equipment	64,795	4,954	-839	-803	68,107
Non-deductible financial expenses	34,530	-3,683	-	-14,989	15,858
Other temporary differences	40,397	-6,428	-40	2,879	36,808
Assets/liabilities compensation of deferred taxes	-658,413	15,289	-178	-65,161	-708,463
	122,168	-15,197	243,426	-18,594	331,803

THOUSAND EUROS	BALANCE AT 31.12.2020	MOV. RESULTS	MOV. RESERVES	NET DEFERRED TAX LIABILITIES PERIMETER VARIATIONS, EXCHANGE DIFFERENCES AND OTHERS	BALANCE AT 31.12.2021
Financial instruments	10,943	-3,587	-5,371	134	2,119
Property plant and equipment	284,601	-6,128	-2,232	26,143	302,384
Allocation of fair value to assets and liabilities acquired	433,443	7,568	2,406	17,957	461,374
Income from institutional partnerships (North America)	343,468	11,048	58	28,658	383,232
Other temporary differences	22,104	2,492	520	-401	24,715
Assets/liabilities compensation of deferred taxes	-667,457	13,044	1,636	-66,483	-719,260
	427,102	24,437	-2,983	6,008	454,564

The compensation between deferred tax assets and liabilities is performed at each subsidiary, and therefore the consolidated financial statements reflect the total deferred tax assets and deferred tax liabilities of the Group's subsidiaries.

Management considers that in accordance with the business plan approved by the Board of Directors, the deferred tax assets related to tax losses and tax credits will be recoverable with future tax profit.

The Group tax losses carried forward are analysed as follows:

THOUSAND EUROS	31 DEC 2022	31 DEC 2021
EXPIRATION DATE		
2022	-	1,344
2023	2,983	10,430
2024	1,555	22,753
2025	3,189	7,049
2026	11,842	20,943
2027	62,869	7,007
2028	4,985	23,739
2029 to 2043	2,314,380	1,760,552
Without expiration date	851,916	726,232
	3,253,720	2,580,050

In addition to the above, EDPR North America LLC has State tax losses that are recorded in the Group's accounts. The associated deferred tax asset raised to 78,566 thousand Euros as at 31 December 2022 (69,232 thousand Euros as at 31 December 2021).

Of the total tax losses available to carry forward as at 31 December 2022, an amount of 344,469 thousand Euros does not have an associated deferred tax asset, in accordance with the applicable accounting standards since, at the present date, there is still not sufficient visibility about the future period in which such tax losses will be used.

22. Inventories

This caption is analysed as follows:

THOUSAND EUROS	31 DEC 2022	31 DEC 2021(*)
Advances on account of purchases	4,749	4,892
Finished and intermediate products	11,490	11,215
Green certificates and RECs	172,658	157,533
Raw and subsidiary materials and consumables	63,947	46,167
	252,844	219,807

* See note 2.A) for details regarding the modification as a result of the change in the Green Certificates and RECs accounting policy

The caption Green certificates and RECs has increased amounting to 15,115 thousand Euros related to the Green certificates and RECs generated during the period pending to be sold.

23. Debtors and other assets from commercial activities

Debtors and other assets from commercial activities are analysed as follows:

THOUSAND EUROS	31 DEC 2022	31 DEC 2021
DEBTORS AND OTHER ASSETS FROM COMMERCIAL ACTIVITIES - NON-CURRENT		
Trade receivables	54	617
Deferred costs	23,209	20,621
Sundry debtors and other operations	12,743	11,685
	36,006	32,923
DEBTORS AND OTHER ASSETS FROM COMMERCIAL ACTIVITIES – CURRENT		
Trade receivables	370,231	364,676
Services rendered	44,825	29,349
Advances to suppliers	44,810	4,845
Deferred costs	58,473	48,062
Sundry debtors and other operations	55,344	19,037
	573,683	465,969
Impairment losses	-3,996	-658
	605,693	498,234

The amount of trade receivables - current as at 31 December 2022 principally refers to Europe in the amount of 188,828 thousand Euros (228,481 thousand Euros as at 31 December 2021) and to North America in the amount of 120,288 thousand Euros (115,725 thousand Euros as at 31 December 2021), which mainly includes electricity generation invoicing and services rendered. Also, as at 31 December 2022 the caption includes an amount of 32,210 thousand Euros related to Sunseap Group (see note 6).

The caption of Sundry debtors and other assets from commercial activities – Current includes 3,996 thousand Euros, which is the result of impairment losses under the expected credit loss model recommended in IFRS 9. This amount includes as at 31 December 2022 1,136 thousand Euros related to the acquisition of the Sunseap Group (see note 6).

The caption Advances to suppliers mainly includes as at 31 December 2022 an amount of 44,801 thousand Euros as a result of the under construction of certain projects in LATAM and Europe.

The caption Sundry debtors and other operations – current increase mainly due to the amount pending to collect from the stoppage of certain turbines.

The credit risk analysis are disclosed in note 5, under the Counterparty credit risk management section.

The fair values and carrying amounts of current debtors and other assets do not differ significantly.

24. Other debtors and other assets

Other debtors and other assets are analysed as follows:

THOUSAND EUROS	31 DEC 2022	31 DEC 2021
OTHER DEBTORS AND OTHER ASSETS - NON-CURRENT		
Loans to related parties	185,775	172,906
Derivative financial instruments	137,597	51,013
Sundry debtors and other operations	138,802	547,496
	462,174	771,415
OTHER DEBTORS AND OTHER ASSETS – CURRENT		
Loans to related parties	337,020	91,498
Derivative financial instruments	163,262	60,868
Sundry debtors and other operations	722,624	622,944
	1,222,906	775,310
	1,685,080	1,546,725

Sundry debtors and other operations- non-current mainly includes:

- Fair value of the variable price in the amount of 41,452 thousand Euros in connection with the sale in 2020 of the stake in the company Mayflower Wind Energy LLC in the context of the sale of the offshore business to OW Offshore S.L. (35,866 thousand Euros as at 31 December 2021);
- 51,758 thousand Euros (36,170 thousand Euros as at 31 December 2021) mainly related to Interconnection and transmission deposits in EDPR NA;
- 30,000 thousand Euros related to the advance payment paid during 2022 for future investment acquisitions.
- 9,424 thousand Euros as at 31 December 2022 (13,049 thousand Euros as at 31 December 2021) as part of the price adjustment, according to the corresponding agreements, in the transaction of selling 49% of EDP Renováveis Portugal S.A to CTG that took place in 2013.
- Fair value of the variable price in connection with the sale in 2020 and 2018 of 29.5% and 13.5% stake of the French companies Éoliennes en Mer Dieppe - Le Tréport, S.A.S. and Éoliennes en Mer Îles d'Yeu et de Noirmoutier, S.A.S. to OW Offshore S.L. and Sumitomo Corporation respectively, in accordance with the relevant agreements signed, that amounts to 77,920 thousand Euros and 29,112 thousand Euros, respectively, as at 31 December 2022 has been reclassified to the caption Sundry debtors and other operations – current. The amount included in the caption for this concept as at 31 December 2021 was 77,440 thousand Euros and 28,853 thousand Euros respectively.

As at 31 December 2021 the caption sundry debtors and other operations- non-current included an amount of 350,359 thousand Euros related to the sale transaction in 2020 of the entire stake in the company Rosewater Wind Farm LLC and the sale transaction in 2021 of the company Indiana Crossroads Wind Farm LLC. The amount does not collected during the period ended 31 December 2022 has been reclassified to the caption sundry debtors and other operations-current.

Loans to related parties mainly include loans granted to Ocean Winds in the amount of 184,644 thousand Euros in the long-term with maturity in 2029 and 326,730 thousand Euros in the short-term, in the context of the agreement with ENGIE on January 2020 to establish a co-controlled 50/50 joint venture, OW Offshore S.L., to jointly develop fixed and floating offshore wind business (26,118 thousand Euros in the short-term and 172,095 thousand Euros in the long-term as at 31 December 2021). These loans bear interest at market rates, which are fixed or with reference rate indexed to Euribor in its majority, plus a market spread.

At 31 December 2022 the caption Sundry debtors and other operations-current mainly includes:

- Fair value of the variable price in connection with the sale of the French companies described in the caption Sundry debtors and other operations non-current;
- Receivable for the proceeds for the sale of the Brazilian companies Aventura Holding, S.A. and SRMN Holding, S.A. and its subsidiaries in the amount 184,778 thousand Euros (see note 6 and 9);

- Cash collateral held in markets where the Group enters into derivative instruments and trades US green certificates in the amount of 238,375 thousand Euros (161,362 thousand Euros as at 31 December 2021);
- 118,323 thousand Euros related to the sale transaction in 2020 of the entire stake in the company Rosewater Wind Farm LLC and the sale transaction in 2021 of the company Indiana Crossroads Wind Farm LLC;
- Receivables related to the derivatives with the EDP Group in the amount of 19,916 thousand Euros;
- 4,634 thousand Euros related to the advance payment paid during 2022 for future investment acquisitions.
- 16,063 thousand Euros as part of the price adjustment, according to the corresponding agreements, in the transaction of selling 49% of EDP Renováveis Portugal S.A. to CTG that took place in 2013 (see note 9), which include an amount of 3,653 thousand Euros reclassified during 2022 from the caption Sundry debtors and other operations non-current.

At 31 December 2021 the caption Sundry debtors and other operations-current mainly includes:

- Receivable for the proceeds, including shareholder loans, for the sale of the companies Eólica do Sincelo, S.A. and Eólica da Linha, S.A. in the amount of 356,025 thousand Euros (see note 6);
- Cash collateral held at exchanges where the Group enters into derivative instruments and trades US green certificates in the amount of 161,362 thousand Euros;
- Estimated corporate income tax due by EDP Energias de Portugal, S.A. Sucursal en España in the amount of 38,611 thousand Euros (11,748 as at 31 December 2020).

For derivatives, refer to note 37.

The fair values and carrying amounts of other debtors and other assets do not differ significantly.

25. Current tax assets

Current tax assets is analysed as follows:

THOUSAND EUROS	31 DEC 2022	31 DEC 2021
Income tax	68,345	16,964
Value added tax (VAT)	208,883	192,698
Other taxes	25,156	15,134
	302,384	224,796

The increase in the income tax caption corresponds, mainly, to the amount related with the tax paid in the past for the sale of certain companies which Directors and legal experts have estimated recoverable.

26. Cash and cash equivalents

Cash and cash equivalents are analysed as follows:

THOUSAND EUROS	31 DEC 2022	31 DEC 2021
Cash	410	79
BANK DEPOSITS		
Current deposits	799,938	540,204
Term deposits	30,632	38,938
Specific demand deposits in relation to institutional partnerships	1,536	231
	832,106	579,373
Other short-term investments	339,416	424,332
	1,171,932	1,003,784

Term deposits include temporary financial investments to place treasury surpluses.

Specific demand deposits in relation to institutional partnerships are funds required to be held in escrow sufficient to pay the remaining construction related costs of projects in institutional equity partnerships (see note 33), under the accounting policy. The governing agreements of these partnerships and specific escrow agreements define the appropriate expenditure of these funds.

The caption "Other short-term investments" essentially includes, as at 31 December 2022 and 31 December 2021, the debit balance of the current account with EDP Servicios Financieros España S.A. in accordance with the terms and conditions of the contract signed between the parties (see note 39).

27. Assets and liabilities held for sale

The criteria for classifying assets and liabilities as held for sale and discontinued operations, as well as their presentation in the EDPR Group's consolidated financial statements, are presented under accounting policies.

This caption is analysed as follows:

THOUSAND EUROS	31 DEC 2022		31 DEC 2021	
	ASSETS HELD FOR SALE	LIABILITIES HELD FOR SALE	ASSETS HELD FOR SALE	LIABILITIES HELD FOR SALE
Electricity generation assets – Offshore wind	-	-	25,111	-
Electricity generation assets – Onshore wind	9,198	-	470,813	62,487
	9,198	-	495,924	62,487

Electricity generation assets – Offshore wind

Reduction of 25,111 thousand Euros related to the closing of the sale of remaining stake in Moray West Holdings Limited (see note 6 and 20).

Electricity generation assets – Onshore wind

Reduction of 470,813 thousand Euros related to the closing of the sale of certain onshore wind portfolio in Spain and Poland (see note 6 and 9).

Increase in 9,189 thousand Euros related to the process of selling a project in Europe and other non-current Property, plant and equipment. As at 31 December 2022 there are no liabilities associated with these non-current assets held for sale.

As at 31 December 2022 the following reclassifications were made to held for sale:

THOUSAND EUROS	ONSHORE WIND	OFFSHORE WIND	TOTAL
ASSETS			
Property, plant and equipment	9,152	-	9,152
Right-of-use assets	-	-	-
Other assets	46	-	46
Cash and cash equivalents	-	-	-
Non-Current Assets Held for Sale	9,198	-	9,198
LIABILITIES			
Financial debt	-	-	-
Provisions	-	-	-
Other liabilities	-	-	-
Non-Current Liabilities Held for Sale	-	-	-

As at 31 December 2021 the following reclassifications were made to held for sale:

THOUSAND EUROS	ONSHORE WIND	OFFSHORE WIND	TOTAL
ASSETS			
Property, plant and equipment	373,878	-	373,878
Right-of-use assets	12,350	-	12,350
Other assets	75,095	25,111	100,206
Cash and cash equivalents	9,490	-	9,490
Non-Current Assets Held for Sale	470,813	25,111	495,924
LIABILITIES			
Financial debt	-	-	-
Provisions	6,965	-	6,965
Other liabilities	55,522	-	55,522
Non-Current Liabilities Held for Sale	62,487	-	62,487

These reclassifications were made only for financial statement presentation purposes, without impact on the measurement of these assets and liabilities, as it is expected that the fair value less costs to sell is higher than its book value, in accordance with IFRS 5.

28. Share capital and share premium

On April 15, 2021, EDPR made a capital increase by issuing 88,250,000 ordinary shares, with a par value of 5 Euros each and a subscription price of 17 Euros per share, with the exclusion of the pre-emptive subscription rights of the Company´s shareholders. The new shares are fungible with EDPR's other shares and will confer on their holders, as from the date of the respective issue, the same rights as the other shares existing prior to the capital increase. As such, the share capital of EDPR at 31 December 2022 and 31 December 2021 amounts to 4,802,790,810 euros, represented by 960,558,162 shares of 5 euros par value each, all of a single class and series.

The shares are in book-entry bearer form, the company is entitled to request the listing of its shares and all the shareholders are registered in the relevant book-entry records. These shares have the same voting and profit-sharing rights and are freely transferable.

EDP Renováveis, S.A. shareholder's structure as at 31 December 2022 and 2021 is analysed as follows:

	NO. OF SHARES	% CAPITAL	% VOTING RIGHTS
EDP - Energias de Portugal, S.A. Sucursal en España (EDP Branch)	720,191,372	74.98%	74.98%
Other (*)	240,366,790	25.02%	25.02%
	960,558,162	100.00%	100.00%

(*) Shares quoted on the Lisbon stock exchange

There were no changes in Share capital and Share premium during 2022. The Share premium is freely distributable.

Movements in Share capital and Share premium during 2021 were as follows:

	SHARE CAPITAL	SHARE PREMIUM
Balance as at 1 January 2021	4,361,541	552,035
Movements during the period (net of transaction costs)	441,250	1,046,978
Balance as at 31 December 2021	4,802,791	1,599,013

Earnings per share attributable to the shareholders of EDPR are analysed as follows:

	31 DEC 2022	31 DEC 2021
Profit attributable to the equity holders of the parent (in thousand Euros)	616,231	655,443
Profit from continuing operations attributable to the equity		
holders of the parent (in thousand Euros)	616,231	655,443
Weighted average number of ordinary shares outstanding	960,558,162	934,818,579
Weighted average number of diluted ordinary shares outstanding	960,558,162	934,818,579
Earnings per share (basic) attributable to equity holders of the parent (in Euros)	0.64	0.70
Earnings per share (diluted) attributable to equity holders of the parent (in Euros)	0.64	0.70
Earnings per share (basic) from continuing operations attributable to the equity holders of the parent (in Euros)	0.64	0.70
Earnings per share (diluted) from continuing operations attributable to the equity holders of the parent (in Euros)	0.64	0.70

The EDPR Group calculates its basic and diluted earnings per share attributable to equity holders of the parent using the weighted average number of ordinary shares outstanding during the period.

The company does not hold any treasury stock as at 31 December 2022 and 31 December 2021.

The average number of shares was determined as follows:

	31 DEC 2022	31 DEC 2021
Ordinary shares issued at the beginning of the period	960,558,162	872,308,162
Effect of shares issued during the period	-	62,510,417
Average number of realised shares	960,558,162	934,818,579
Average number of shares during the period	960,558,162	934,818,579
Diluted average number of shares during the period	960,558,162	934,818,579

29. Other comprehensive income, reserves and retained earnings

This caption is analysed as follows:

THOUSAND EUROS	31 DEC 2022	31 DEC 2021
OTHER COMPREHENSIVE INCOME		
Fair value reserve (cash flow hedge)	-1,052,141	-754,882
Fair value reserve (equity instruments at fair value)	19,737	4,146
Exchange differences - Currency translation arising on consolidation	672,254	383,406
Exchange differences - Net investment hedge	-790,670	-544,039
Exchange differences - Net investment hedge - Cost of hedging	-20,925	711
	-1,171,745	-910,658
OTHER RESERVES AND RETAINED EARNINGS		
Retained earnings and other reserves	2,903,746	2,344,797
Additional paid in capital	60,666	60,666
Legal reserve	214,829	214,829
	3,179,241	2,620,292
	2,007,496	1,709,634

Currency translation reserve – Net investment hedge and Cost of hedging

The changes in these captions for the year 2022 are as follows:

THOUSAND EUROS	NET INVESTMENT HEDGE	COST OF HEDGING
Balance as at 31 December 2021	-544,039	711
Changes in fair value	-320,792	-28,849
Tax effect fair value changes	77,383	7,213
Exchange rate	-	-
Transfer to income statement resulting from the sale of a foreign subsidiary	-3,222	-
Others	-	-
Balance as at 31 December 2022	-790,670	-20,925

The changes in these captions for the year 2021 are as follows:

THOUSAND EUROS	NET INVESTMENT HEDGE	COST OF HEDGING
Balance as at 31 December 2020	-569,648	-166
Changes in fair value	-148,401	877
Tax effect fair value changes	30,422	-
Exchange rate	155,207	-
Transfer to income statement resulting from the sale of a foreign subsidiary	-15,751	-
Others	4,132	-
Balance as at 31 December 2021	-544,039	711

Additional paid in capital

The accounting for transactions among entities under common control is excluded from IFRS 3. Consequently, in the absence of specific guidance, within IFRSs, the Group EDPR has adopted an accounting policy for such transactions, judged appropriate. According to the Group's policy, business combinations among entities under common control are accounted for in the consolidated financial statements using the book values of the acquired company (subgroup) in the EDPR consolidated financial statements. The difference between the carrying amount of the net assets received and the consideration paid is recognised in equity.

Legal reserve

The legal reserve has been appropriated in accordance with Article 274 of the Spanish Companies Act whereby companies are obliged to transfer 10% of the profits for the year to a legal reserve until such reserve reaches an amount equal to 20% of the share capital. This reserve is not distributable to shareholders and may only be used to offset losses, if no other reserves are available, or to increase the share capital.

Profit distribution (parent company)

The EDP Renováveis, S.A. Board of Directors proposal for 2022 profits distribution to be presented in the Annual General Meeting is as follows:

	EUROS
BASE FOR DISTRIBUTION	
Loss for the year 2022	-220,662,410
Retained earnings from previous periods	240,139,541
DISTRIBUTION	
Prior years' losses	-220,662,410
Dividends	240,139,541

The EDP Renováveis, S.A. Board of Directors proposal for 2021 profits distribution was presented in the Annual General Meeting was as follows:

	EUROS
BASE FOR DISTRIBUTION	
Loss for the year 2021	-95,471,089.00
Retained earnings from previous periods	86,450,234.58
DISTRIBUTION	
Prior years' losses	-95,471,089.00
Dividends	86,450,234.58

Fair value reserve (cash flow hedge)

The Fair value reserve (cash flow hedge) comprises the effective portion of the cumulative net change in the fair value of cash flow hedging instruments.

Fair value reserve (equity instruments at fair value)

This reserve includes the cumulative net change in the fair value of equity instruments at fair value as at the balance sheet date:

	THOUSAND EUROS
Balance as at 1 January 2021	3,318
Parque Eólico Montes de las Navas, S.L.	828
Balance as at 31 December 2021	4,146
Parque Eólico Montes de las Navas, S.L. Eólicas Páramo de Poza, S.A. Others	4,542 10,352 697
Balance as at 31 December 2022	19,737

Exchange differences arising on consolidation

This caption reflects the amount arising on the translation of the financial statements of subsidiaries and associated companies from their functional currency into Euros. The most significant exchange rates used in the preparation of the consolidated financial statements are as follows:

		EXCHANGE RATES AT 31 DECEMBER 2022		EXCHANGE RATES AT 31 DECEMBER 2021	
		CLOSING RATE	AVERAGE RATE	CLOSING RATE	AVERAGE RATE
US Dollar	USD	1.067	1.053	1.133	1.183
Zloty	PLN	4.690	4.688	4.599	4.567
Brazilian Real	BRL	5.639	5.440	6.310	6.378
New Leu	RON	4.947	4.931	4.948	4.921
Pound Sterling	GBP	0.887	0.853	0.840	0.860
Canadian Dollar	CAD	1.444	1.369	1.439	1.483
Mexican Peso	MXN	20.781	21.198	23.28	23.99
Colombian Peso	COP	5,133.687	4,470.960	4,527	4,426
Hungarian Forint	HUF	400.87	391.286	369.2	358.5
Vietnamese Dong	VND	25,182	24,601	25,852	27,079
Singaporian Dollar	SGD	1.43	1.451	-	-

30. Non-controlling interests

This caption is analysed as follows:

THOUSAND EUROS	31 DEC 2022	31 DEC 2021
Non-controlling interests in income statement	200,871	154,135
Non-controlling interests in share capital and reserves	1,344,263	1,253,891
	1,545,134	1,408,026

Non-controlling interests, by subgroup, are analysed as follows:

THOUSAND EUROS	31 DEC 2022	31 DEC 2021
EDPR NA	912,461	886,475
EDPR EU	520,217	461,283
EDPR LATAM	65,131	58,524
EDPR APAC	47,325	1,744
	1,545,134	1,408,026

The movement in non-controlling interests of EDP Renováveis Group is mainly related to:

THOUSAND EUROS	31 DEC 2022	31 DEC 2021
Balance as at 1 January	1,408,026	1,276,282
Dividends distribution	-62,867	-38,387
Net profit for the year	200,871	154,135
Exchange differences arising on consolidation	55,916	67,203
Acquisitions and sales without change of control	-2,076	1,020
Increases/(Decreases) of share capital	-98,508	-69,164
Other changes	43,772	16,937
Balance as at 31 December	1,545,134	1,408,026

31. Financial debt

Financial debt current and Non-current is analysed as follows:

THOUSAND EUROS	31 DEC 2022	31 DEC 2021
FINANCIAL DEBT - NON-CURRENT		
Bank loans:		
- EDPR EU	66,876	114,592
- EDPR LATAM	325,656	330,402
- EDPR NA	361,177	368,622
- EDPR APAC	182,886	-
Loans received from EDP group entities:		
- EDP Renováveis, S.A.	207,507	230,036
- EDP Renováveis Servicios Financieros, S.L.	3,698,948	2,293,120
Other loans:		
- EDPR EU	15,374	16,332
- EDPR APAC	11,428	-
Total Debt and borrowings - Non-current	4,869,851	3,353,104
Collateral Deposit - Project Finance and others (*)	-23,311	-23,397
Total Collateral Deposits - Non-current	-23,311	-23,397
FINANCIAL DEBT - CURRENT		
Bank loans:		
- EDPR EU	318,482	46,056
- EDPR LATAM	9,393	11,156
- EDPR NA	37,455	45,881
- EDPR APAC	66,847	-
Loans received from EDP group entities:		
- EDP Renováveis, S.A.	37,026	99,150
- EDP Renováveis Servicios Financieros, S.L.	770,298	439,029
Other loans:		
- EDPR EU	1,207	1,001
- EDPR APAC	1,258	-
Interest payable	48,137	45,572
Total Debt and borrowings - Current	1,290,103	687,845
Collateral Deposit - Project Finance and others (*)	-26,734	-25,708
Total Collateral Deposits - Current	-26,734	-25,708
Total Debt and borrowings – Current and Non-current	6,159,954	4,040,949
Total Debt and borrowings net of collaterals – Current and Non-current	6,109,909	3,991,844

(*) Collateral deposits mainly refer to amounts held in bank accounts to comply with obligations under project finance agreements entered into by certain EDP Renewable subsidiaries.

Loans received from EDP group entities current and non-current as at 31 December 2022 mainly refer to a set of loans granted by EDP Finance BV amounting to 4,213,354 thousand Euros (31 December 2021: 2,652,919 thousand Euros), including accrued interests and deducted of debt origination fees (3,906,456 thousand Euros non-current and 306,898 thousand Euros current) (31 December 2021: 2,290,156 thousand Euros non-current and 362,763 thousand Euros current)

and by EDP Servicios Financieros España S.A. amounting to 544,832 thousand Euros current (31 December 2021: 445,499 thousand euros, 233,000 thousand Euros non-current and 212,499 thousand Euros current), the balance includes an amount related to cash pooling of 311,807 thousand Euros. The bundled average maturity regarding long-term loans is approximately 5 years and bear interest at weighted average fixed market rates of 1.8% for EUR loans and 4% for USD loans. On 2022, EDPR has received from EDP Group a total amount of 1,736 millions of Euros. The purpose of these corporate financings was the acquisition of platforms over different geographies such us Kronos in Germany, Sunseap in Singapore, Xuan Thien in Vietnam and the remaining part was destinated for the internal development of projects.

The main events regarding financing and refinancing of the Group refers mainly: i) net effect of the external financial debt where the incorporation of the Sunseap Group (note 6) resulted in the addition of 246,171 thousands Euros, the Nation Rise project financing in Canada also increase debt in 9,759 thousands Euros and ii) Brazilian project Boqueirao plus additional dispositions in existing projects resulting in 165,459 thousand Euros debt increase.

For these corporate loans mentioned above, 1,267 million Euros were financed through different synthetic loans, that means, EDP Servicios Financieros España S.A hedges its variable payments with a Cross-currency Interest Rate Swap. Instead of paying a EUR loan, EDP Servicios Financieros España S.A will pay a USD leg and receive a EUR leg, that will match the EUR payment leg of the loan 325 million Euros in February, 448 million Euros in April and 494 million Euros in November.

As at 31 December 2022, future debt and borrowings payments and accrued interest by type of loan and currency are analysed as follows:

THOUSAND EUROS	2023	2024	2025	2026	2027	FOLLOWING YEARS	TOTAL
BANK LOANS							
Euro	302,990	25,224	11,755	158	-	-	340,127
Polish Zlotych	15,938	19,121	8,226	3,901	-	-	47,186
American dólar	33,194	23,874	23,242	28,104	23,822	177,350	309,585
Brazilian Real	14,298	17,817	19,441	24,287	22,737	250,173	348,753
Canadian dólar	6,338	6,442	7,789	7,974	8,107	114,015	150,665
Singapore dólar	31,147	2,336	4,695	2,568	23,091	15,262	79,099
Other	32,526	12,226	12,846	9,752	11,082	31,156	109,588
	436,431	107,040	87,994	76,743	88,839	587,956	1,385,002
THOUSAND EUROS	**2023**	**2024**	**2025**	**2026**	**2027**	**FOLLOWING YEARS**	**TOTAL**
LOANS RECEIVED FROM EDP GROUP							
Euro	589,224	-	-	-	-	1,126,220	1,715,444
American Dollar	262,507	488,641	233,350	507,242	568,779	982,223	3,042,742
	851,731	488,641	233,350	507,242	568,779	2,108,443	4,758,186
OTHER LOANS							
Euro	1,243	1,011	1,031	1,304	1,073	10,954	16,616
Other	1,305	-	11,428	-	-	-	12,733
	2,549	1,011	12,459	1,304	1,073	10,954	29,350
Origination fees	-607	-	-	-11,977	-	-	-12,584
	1,290,103	596,692	333,803	573,312	658,691	2,707,353	6,159,954

As at 31 December 2021, future debt and borrowings payments and accrued interest by type of loan and currency are analysed as follows:

THOUSAND EUROS	2022	2023	2024	2025	2026	FOLLOWING YEARS	TOTAL
BANK LOANS							
Euro	31,419	31,096	25,224	11,755	-	-	99,494
American Dollar	35,845	18,037	18,551	20,566	21,429	236,241	350,669
Brazilian Real	19,092	10,870	12,860	14,303	14,583	198,039	269,747
Others	25,509	16,472	9,256	10,015	5,022	151,765	218,039
	111,865	76,475	65,891	56,639	41,034	586,045	937,949
LOANS RECEIVED FROM EDP GROUP							
Euro	211,587	233,000	-	-	-	-	444,587
American Dollar	363,683	247,219	460,166	219,632	466,405	896,855	2,653,960
	575,270	480,219	460,166	219,632	466,405	896,855	3,098,547
OTHER LOANS							
Euro	1,005	1,202	1,020	1,031	1,052	12,027	17,337
	1,005	1,202	1,020	1,031	1,052	12,027	17,337
Origination fees	-295	-703	-313	-613	-516	-10,444	-12,884
	687,845	557,193	526,764	276,689	507,975	1,484,483	4,040,949

The Group has project finance financings that include the usual guarantees on this type of financings, namely the pledge or a promise of pledge of bank accounts and assets of the related projects. As at 31 December 2022, these financings amount to 1,097,288 thousand Euros (31 December 2021: 843,778 thousand Euros), which are included within the financial debt caption. At 31 December 2022 and 2021, the Group confirms the fulfilment of all the covenants of the Project Finance Portfolio under the Facilities Agreements. Additionally, there are 16,111 thousand Euros of other loans that are guaranteed by EDPR (31 December 2021: 17,329 thousand Euros).

The fair value of EDP Renováveis Group's debt is analysed as follows:

	31 DEC 2022		31 DEC 2021	
THOUSAND EUROS	CARRYING VALUE(*)	MARKET VALUE	CARRYING VALUE(*)	MARKET VALUE
Financial debt - Non-current	4,869,851	4,196,714	3,353,104	3,354,591
Financial debt - Current	1,290,103	1,290,103	687,845	687,845
	6,159,954	5,486,817	4,040,949	4,042,436

(*) Net of origination fees

The market value of the medium/long-term (non-current) debt and borrowings that bear a fixed interest rate is calculated based on the discounted cash flows at the rates ruling at the balance sheet date. The market value of debt and borrowing that bear a floating interest rate is considered not to differ from its book value as these loans bear interest at a rate indexed to Euribor. The book value of the short-term (current) debt and borrowings is considered to be the market value.

32. Provisions

Provisions are analysed as follows:

THOUSAND EUROS	31 DEC 2022	31 DEC 2021
Dismantling and decommission provisions	264,756	313,594
Provision for other liabilities and charges	4,987	10,565
Long-term provision for other liabilities and charges	4,266	4,249
Short-term provision for other liabilities and charges	723	6,316
Employee benefits	468	474
	270,213	324,633

Dismantling and decommission provisions refer to the costs to be incurred for dismantling wind and solar farms and restoring sites and land to their original condition, in accordance with the corresponding accounting policy. The above amount mainly refers to: (i) 140,723 thousand Euros for wind farms and solar plants in North America (31 December 2021: 163,100 thousand Euros); (ii) 110,441 thousand Euros for wind farms and solar plants in Europe (31 December 2021: 146,014 thousand Euros); (iii) 2,679 thousand Euros for wind farms and solar plants in LATAM (31 December 2021: 3,370 thousand Euros) and (iv) 10,913 thousand Euros for wind farms and solar plants in APAC (31 December 2021: 1,110 thousand Euros).

The variation during the year ended 31 December 2022 in the dismantling provision is mainly explained by:

- Increase in the amount of 6,162 thousand Euros due to the Sunseap Group acquisition (see note 6), 5,639 thousand Euros related to the Long Road acquisition (see note 6), 2,303 thousand Euros related to the Xuan Thien acquisition.
- Increase in the amount of 9,841 thousand Euros for projects that have reached the COD during the year ended 31 December 2022.
- Decrease in amount of 5,505 thousand Euros related to the sale transactions of the year (see nota 6 and 9).
- Update on the estimated dismantling cost according to an in-deep analysis performed by the EDPR's technical department as well as update in the discount and inflation rates used for determining the provisions, with a net impact of a decrease in the amount of 84,613 thousand Euros
- Increase in the amount of 11,606 thousand Euros related to the effect of the exchange rates variation, and mainly for the US Dollar.
- Increase for the unwinding charged for the period ended 31 December 2022 amounted to 5,729 thousand Euros.

Short-term provision for other liabilities and charges decreases, mainly, in 5,940 thousand Euros related the reversal of the provision booked in 2016 related with Portuguese regulation "Portaria 268-B/2016" as, according to the legal assessment, the risk of any outflow finally due is no longer probable.

There were no significant movements in provisions for other liabilities and charges in 2021.

EDP Renováveis believes that the provisions booked on the consolidated statement of financial position adequately cover the foreseeable obligations described in this note. Therefore, it is not expected that they will give rise to liabilities in addition to those recorded.

33. Institutional partnerships in North America

This caption is analysed as follows:

THOUSAND EUROS	31 DEC 2022	31 DEC 2021
Deferred income related to benefits provided	798,362	731,573
Liabilities arising from institutional partnerships in North America	1,413,800	1,528,168
	2,212,162	2,259,741

The movements in Institutional partnerships in North America are analysed as follows:

THOUSAND EUROS	31 DEC 2022	31 DEC 2021
Balance at the beginning of the period	2,259,741	1,933,542
Proceeds received from institutional investors	57,095	779,825
Deferred transaction costs	-2,172	-4,431
Cash paid to institutional investors	-134,480	-83,230
Income (see note 7)	-233,505	-177,205
Unwinding (see note 14)	96,955	79,023
Loss of control of companies with institutional partnerships	-	-420,522
Exchange differences	142,242	168,318
Others	26,286	-15,579
Balance at the end of the period	2,212,162	2,259,741

The Group has entered in several partnerships with institutional investors in the United States, through limited liability companies operating agreements that apportions the cash flows generated by the wind farms between the investors and the Company and allocates the tax benefits, which include Production Tax Credits (PTC), Investment Tax Credits (ITC) and accelerated depreciation, largely to the investor.

Proceeds received from institutional investors mainly refer to proceeds secured and received amounting to 57,095 thousand Euros (60,130 thousand US dollars) in exchange for an interest in onshore wind and solar projects.

In 2021, EDPR NA had lost control over the Vento XX portfolio upon the completion of the sale of 68% of equity shareholding and over the Rivestart portfolio (see note 6), implying a decrease in the amount of 420,522 thousand Euros in the Institutional partnerships liabilities related to these portfolio.

EDPR NA is providing its tax equity investors with standard corporate guarantees typical of these agreements to indemnify them against costs they may incur as a result of fraud, wilful misconduct or a breach of EDPR NA of any operational obligation under the tax equity agreements.

Caption others includes, mainly, as at 31 December 2022 an amount of 26,506 thousand Euros related to the changes in the perimeter during the year (7,216 thousand Euros as at 31 December 2021)(see note 42).

34. Trade and other payables from commercial activities

Trade and other payables from commercial activities are analysed as follows:

THOUSAND EUROS	31 DEC 2022	31 DEC 2021
TRADE AND OTHER PAYABLES FROM COMMERCIAL ACTIVITIES - NON-CURRENT		
Government grants / subsidies for investments in fixed assets	317,446	311,203
Electricity sale contracts - EDPR NA	4,353	5,092
Property, plant and equipment suppliers	202,826	189,052
Other creditors and sundry operations	108,424	129,340
	633,049	634,687
TRADE AND OTHER PAYABLES FROM COMMERCIAL ACTIVITIES – CURRENT		
Suppliers	248,577	176,410
Property, plant and equipment suppliers	2,387,080	1,334,230
Other creditors and sundry operations	283,087	178,151
	2,918,744	1,688,791
	3,551,793	2,323,478

Government grants for investments in fixed assets are essentially related to grants received by EDPR NA subgroup under the American Recovery and Reinvestment Act promoted by the United States of America Government.

Property plant and equipment suppliers-non-current mainly includes success fees payables in the long term for the acquisition of certain projects in the USA for a total amount of 46,600 thousand Euros (31 December 2021: 47,481 thousand Euros), Colombia for a total amount of 47,754 thousand Euros (40,022 thousand Euros), UK for a total amount of 32,754 thousand Euros (31 December 2021: 34,760 thousand Euros), Greece for a total amount of thousand Euros 32,687 (31 December 2021: 24,769 thousand Euros), Poland for a total amount of 22,155 thousand Euros (31 December 2021 18,712 thousand Euros) and Romania for a total amount of 13,396 thousand Euros (31 December 2021 12,131 thousand Euros) that, due to the nature of such transactions, the type of assets acquired and the initial stage of completion of the projects, they have been considered asset acquisitions (see note 6).

Variation in other creditors and sundry operations – non-current is mainly explained by the evolution of the energy pool prices in the Spanish market related to the establishment of the pool boundaries adjustment as a result of the publication of

Royal Decree-Law 413/2014 and Order IET/1045/2014, and the regulatory reforms established by Royal Decree-Law 6/2022 and Royal Decree-Law 10/2022.

The balance of such concept as at 31 December 2022 amounts to a credit amount of 87,369 thousand Euros (101,859 thousand Euros as at 31 December 2022)of which a credit amount of 40,330 thousand Euros refers to the current 2022 semi-period, a credit amount of 36,940 thousand Euros refers to the 2020-2021 semi-period, a credit amount of 13,268 thousand Euros refers to the 2017-2019 semi-period and a debit amount of 3,169 thousand Euros refers to the 2014-2016 semi-period.

The movements during the period, which has been recorded under the revenues caption of the consolidated income statement, are mainly related to:

- Decrease amounting to 11,422 thousand Euros as a resulting of the wind capture rate updated for the 2020-2021 period.
- Increase amounting to 40,324 thousand Euros as a result of the adjustment for the current 2022 semi-period.

The rest of the movements in the caption are relating to the straight-line basis recognition according to the EDPR accounting policy.

Because of the high electricity prices that are occurring in the Spanish market, considering the market prices until December 2022, the EDPR Group facilities whose commissioning was in the years 2006-2007 will reach net present value equal to zero the next regulatory semi-period (2026) instead of at the end of the regulatory useful life of the facility. Thus, EDPR Group has stopped recognizing, for these installations, adjustments for deviations from market prices, and has derecognized the net accruals (assets & liabilities). The accounting impact as at 31 December 2022, in the amount of 40,324 thousand Euros, has been recorded as an increase under the revenues caption of the consolidated income statement.

Variation in suppliers, besides the normal course of the business, is impacted by the acquisition of the distributed generation business of Sunseap Group and Long Road portfolio.

Property plant and equipment suppliers -current refer to wind and solar farms in construction mainly in the USA in the amount of 1,225,554 thousand Euros (873,189 thousand Euros as of December 31, 2021), Canada in the amount of 108,275 thousand Euros, Colombia in the amount of 356,474 thousand Euros, Poland in the amount of 172,308 thousand Euros (31 December 2021: 104,864 thousand Euros), Mexico in the amount of 74,769 thousand Euros (31 December 2021: 60,338 thousand Euros), Italy in the amount of 69,769 thousand Euros (31 December 2021: 43,754 thousand Euros), Spain in the amount of 73,724 thousand Euros (31 December 2021: 32,016 thousand Euros) and Portugal in the amount of 97,709 thousand Euros.

The caption Property plant and equipment suppliers -current also includes success fees payables for the acquisition of certain projects in the amount of 141,838 thousand Euros (31 December 2021: 97,390 thousand Euros) mainly in US, Colombia, UK, Greece, Italy, Romania and Poland that due to the nature of such transactions, the type of assets acquired and the initial stage of completion of the projects, they have been considered asset acquisitions.

The fair values and carrying amounts of current trade and other payables do not differ significantly.

The Company has prepared the below information for Spanish subsidiaries, according to criterion required by the Spanish Accounting and Auditing Institute (ICAC) resolution of 29 January 2017 and the requirements introduced by the Law 18/2022 approved in 2022 on disclosures in notes to financial statements of late payments to suppliers in commercial transactions:

THOUSAND EUROS	31 DEC 2022	31 DEC 2021
DAYS		
Average payment period	28	42
Ratio paid operations	31	46
Ratio of pending operations	7	23
Total payments made	62,402	123,843
Total outstanding payments	9,566	23,575

In 2022, total number of invoices paid by Spanish companies within the legal payment period amounted to 10,212 invoices, 97% of total invoices, while the payments made within the legal payment period amounted to 54,931 thousand Euros, which represents 88% of total payments. The average supplier payment period was of 28 days, below the payment period stipulated by law of 60 days.

35. Other liabilities and other payables

Other liabilities and other payables are analysed as follows:

THOUSAND EUROS	31 DEC 2022	31 DEC 2021
OTHER LIABILITIES AND OTHER PAYABLES - NON-CURRENT		
Amount payable for changes in the perimeter	71,035	21,200
Loans from non-controlling interests	82,895	122,964
Derivative financial instruments	1,335,600	437,620
Rents due from lease contracts	966,932	648,082
Other creditors and sundry operations	387,882	1,352
	2,844,344	1,231,218
OTHER LIABILITIES AND OTHER PAYABLES – CURRENT		
Amount payable for changes in the perimeter	229,186	62,589
Derivative financial instruments	647,419	788,580
Loans from non-controlling interests	17,407	39,762
Rents due from lease contracts	72,889	50,445
Other creditors and sundry operations	43,343	26,267
	1,010,244	967,643
	3,854,588	2,198,861

The caption Loans from non-controlling interests Current and Non-Current mainly includes:

- Loans granted by ACE Portugal (CTG Group) due to the sale in 2017 of 49% of shareholding in EDPR PT – Parques Eólicos S.A and subsidiaries for a total amount of 20,713 thousand Euros, including accrued interests (25,760 thousand Euros as of 31 December 2021), bearing interest at a fixed rate of 3.75%;
- Loans granted by ACE Poland (CTG Group) due to the sale in 2016 of 49% of shareholding in EDP Renewables Polska HoldCo, S.A. and subsidiaries for a total amount of 41,026 thousand Euros including accrued interests (74,086 thousand Euros as at 31 December 2021), bearing interest at a fixed rate of a range between 2.95% and 7.23%;
- Loans granted by ACE Italy (CTG Group) due to the sale in 2016 of 49% of shareholding in EDP Renewables Italia, S.r.l. and subsidiaries for a total amount of 31,954 thousand Euros including accrued interests (43,868 thousand Euros as at 31 December 2021), bearing interest at a fixed rate of 4.50%;
- In addition, in 2021, the caption Loans from non-controlling interests non-current included loans granted by CITIC CWEI Renewables (CTG Group) due to the sale in 2013 of 49% of shareholding in EDP Renováveis Portugal, S.A. for a total amount of 13,590 thousand Euros including accrued interests that it has been fully paid during the year 2022.

The caption Rents due from lease contracts - Non-Current and Current includes lease liabilities related to IFRS 16. Variation in both captions is as follows:

THOUSAND EUROS	31 DEC 2022	31 DEC 2021
Balance as at 1 January	698,527	689,709
Increases due to new lease contracts	327,487	137,858
Unwinding (note 14)	33,612	28,852
Payment of leases	-54,612	-43,746
Exchange differences	28,590	43,568
Changes in the perimeter and other changes	6,217	-157,714
Balance at the end of the period	1,039,821	698,527

Increases due to new lease contracts are mainly located in the USA, Spain, Canada and Poland.

Changes in the perimeter and other changes in 2022 mainly refers to:

- Increase amounting to 40,581 thousand Euros related to the acquisition of Sunseap Group (see note 6);
- Decrease amounting to 10,072 thousand Euros due to the sale of certain portfolio of European companies;
- Decrease amounting to 24,302 thousand Euros due to the sale of a company in North America (see note 6).

Changes in the perimeter and other changes in 2021 mainly refers to:

- Increase amounting to 4,858 thousand Euros related to the acquisition of a distributed solar generation business in EDPR North America (see note 6);
- Decrease amounting to 55,545 thousand Euros due to the loss of control in the company 2019 Vento XX LLC with a subsequent loss of share interest in companies Lexington Chenoa Wind Farm LLC and Broadlands Wind Farm LLC (see note 6).
- Decrease amounting to 41,134 thousand Euros due to the sale of the company Indiana Crossroads Wind Farm LLC (see note 6).
- Decrease amounting to 36,758 thousand Euros due to the loss of control in the companies Riverstart Development LLC, Riverstart Ventures LLC and subsidiaries (see note 6).
- Decrease amounting to 16,727 thousand Euros due to the sale of the companies Eólica do Sincelo, S.A. and Eólica da Linha, S.A. (see note 6).
- Decrease amounting to 12,533 thousand Euros due to the reclassification to held for sale of certain portfolio of European companies.

As at 31 December 2022, the nominal value of the rents due from lease contracts is detailed as follows: (i) less than 5 years: 379,408 thousand Euros; (ii) from 5 to 10 years: 358,453 thousand Euros; (iii) from 10 to 15 years: 351,681 thousand Euros; and (iv) more than 15 years: 653,040 thousand Euros.

The captions amount payable for changes in the perimeter non-current and current mainly include:

- Increase amounting to 71,035 thousand Euros in the caption non-current related to the acquisition of Kronos Group (see note 42);
- Decrease amounting to 20,395 thousand Euros in the caption non-current related to the payment of the variable price associated to the sale transaction of the company Vento XX and subsidiaries;
- Increase amounting to 41,288 thousand Euros in the caption current related to the acquisition of Xuan Thien Ninh Thuan JSC and Xuan Thien Thuan Vac JSC (see note 42);
- Increase amounting to 166,510 thousand Euros in the caption current related to the remaining cost to pay, mainly, for the projects Meadow Lake Solar Park LLC, Rosewater and Vento XX;
- Decrease amounting to 39,549 thousand Euros in the caption current refers to payment during 2022 for the remaining cost related to the project Indiana Crossroads Wind Farm LLC.

Amount payable for changes in the perimeter -non-current at 31 December 2021 is mainly related to the variable price adjustment in the amount of 20,396 thousand Euros related to the sale of the company Vento XX and subsidiaries (see note

6). Amount payable for changes in the perimeter – current mainly refers to the remaining cost to pay in the amount of 54,326 thousand Euros related to the project Indiana Crossroads Wind Farm LLC.

The caption other creditors and sundry operations non-current and current mainly increase as at 31 December 2022 as a consequence of the present value accrued for the put options associated to the Sunseap Group acquisition (40,991 thousand Euros in non-current and 15,451 thousand Euros in current) and Kronos Group (341,996 thousand Euros in non-current) (see note 6 and 42).

The fair values and carrying amounts of current trade and other payables do not differ significantly.

See note 37 for non-current and current derivatives.

36. Current tax liabilities

This caption is analysed as follows:

THOUSAND EUROS	31 DEC 2022	31 DEC 2021
Income tax	99,463	39,439
Withholding tax	13,674	3,983
Value added tax (VAT)	45,430	91,401
Other taxes	76,837	57,133
	235,404	191,956

The increase in the Income tax caption is mainly explained by the raising prices of the electricity in Europe and the capital gain over the sale of certain projects in Brazil (see note 6 and 9).

37. Derivative financial instruments

As of 31 December 2022, the fair value of derivatives is analysed as follows:

THOUSAND EUROS	FAIR VALUE			NOTIONAL (THOUSAND UNITS)			
	ASSETS	LIABILITIES	UNITS	UNTIL 1 YEAR	1 TO 5 YEARS	MORE THAN 5 YEARS	TOTAL
NET INVESTMENT HEDGE							
Cross currency rate swaps	5,702	-159,114	EUR	91,158	1,430,850	957,776	2,479,784
Currency forwards	22,583	-84,063	EUR	1,819,013	133,660	-	1,952,673
	28,285	-243,177		1,910,171	1,564,510	957,776	4,432,457
FAIR VALUE HEDGES							
Cross currency rate swaps	18	-2,056	EUR	-	-	85,897	85,897
	18	-2,056	EUR	-	-	85,897	85,897
CASH FLOW HEDGE							
Power price swaps	44,117	-1,594,997	MWh	13,261	42,051	72,915	128,227
Interest rate swaps	79,753	-1,725	EUR	159,363	204,355	1,725,040	2,088,758
Currency forwards	13,985	-14,578	EUR	146,760	290	-	147,050
	137,855	-1,611,300					
TRADING							
Power price swaps	29,338	-94,952	MWh	4,082	5,124	871	10,077

THOUSAND EUROS	FAIR VALUE			NOTIONAL (THOUSAND UNITS)			
	ASSETS	LIABILITIES	UNITS	UNTIL 1 YEAR	1 TO 5 YEARS	MORE THAN 5 YEARS	TOTAL
Interest rate swaps	1,189	-105	EUR	700	3,070	8,753	12,523
Cross currency rate swaps	25,539	-1,521	EUR	182,062	32,353	493,896	708,311
Currency forwards	78,635	-29,654	EUR	2,349,940	72,629	-	2,422,569
	134,701	-126,231					
	300,859	-1,983,019					

The fair value of derivative financial instruments is recorded under Other debtors and other assets (note 24) or Other liabilities and other payables (note 35), if the fair value is positive or negative, respectively.

The net investment derivatives are mainly related to the CIRS and Forward in USD and EUR with EDP SA as referred in the notes 39 and 40. The net investment derivatives also include CIRS and Forward in CAD, BRL, COP and SGD with EDP with the purpose of hedging EDP Renováveis Group's operations in Canada, Brazil, Colombia and Singapore.

Interest rate swaps are related to the project finances and have been formalised to convert variable to fixed interest rates.

Cash flow hedge power price swaps are related to the hedging of the sales price. EDPR NA has entered into a power price swap to hedge the variability in the spot market prices received in some of its projects. Additionally, both EDPR NA and EDPR EU have entered in short and long term hedges to hedge the short and long term volatility of certain un-contracted generation of its wind farms.

In certain US power markets, EDPR NA is exposed to congestion and line loss risks which typically have a negative impact on the price received for power generated in these markets. To economically hedge these risk exposures, EDPR NA entered into Financial Transmission Rights ("FTR") and a three year fixed for floating Locational Marginal Price (LMP) swap.

The trading derivative financial instruments are derivatives contracted for economic hedging that are not eligible for hedge accounting.

Fair value of derivative financial instruments is based, mainly, on quotes indicated by external entities, which are compared in each date of report to fair values available in common financial information platforms. These entities use discounted cash flows techniques usually accepted and data from public markets. The only exceptions are the CIRS in USD/EUR with EDP SA, which fair values are determined by the Financial Department of EDP, using the same above-mentioned discounted cash flows techniques and data. As such, according to IFRS13 requirements, the fair value of the derivative financial instruments is classified as of level 2 (see note 40) and no changes of level were made during this period.

As of 31 December 2021, the fair value and maturity of derivatives is analysed as follows:

THOUSAND EUROS	FAIR VALUE			NOTIONAL (THOUSAND UNITS)			
	ASSETS	LIABILITIES	UNITS	UNTIL 1 YEAR	1 TO 5 YEARS	MORE THAN 5 YEARS	TOTAL
NET INVESTMENT HEDGE							
Cross currency rate swaps	13,851	-84,028	EUR	890,293	763,447	-	1,653,740
Currency forwards	2,289	-29,004	EUR	976,870	-	-	976,870
	16,140	-113,032		1,867,163	763,447	-	2,630,610
CASH FLOW HEDGE							
Power price swaps	11,852	-1,031,455	MWh	9,184	14,712	12,964	36,860
Interest rate swaps	17,561	-17,072	EUR	55,934	154,805	232,786	443,525
Currency forwards	21,917	-727	EUR	483,600	391,643	-	875,243

THOUSAND EUROS	FAIR VALUE			NOTIONAL (THOUSAND UNITS)			
	ASSETS	LIABILITIES	UNITS	UNTIL 1 YEAR	1 TO 5 YEARS	MORE THAN 5 YEARS	TOTAL
	51,330	-1,049,254					
TRADING							
Power price swaps	24,305	-53,131	MWh	3,086	2,430	908	6,424
Interest rate swaps	-	-1,085	EUR	675	2,960	9,563	13,198
Cross currency rate swaps	8,125	-1,117	EUR	131,707	136,591	-	268,298
Currency forwards	11,981	-8,581	EUR	1,911,976	7,366	-	1,919,342
	44,411	-63,914					
	111,881	-1,226,200					

The changes in the fair value of hedging instruments and risks being hedged are as follows:

			31 DEC 2022 CHANGES IN FAIR VALUE		31 DEC 2021 CHANGES IN FAIR VALUE	
THOUSAND EUROS	HEDGING INSTRUMENT	HEDGED ITEM	INSTRUMENT	RISK	INSTRUMENT	RISK
Net Investment hedge	Cross currency rate swaps	Subsidiary accounts in USD, RON, BRL, GBP, CAD and COP	-91,970	77,881	-121,686	121,533
Net Investment hedge	Currency forward	Subsidiary accounts in USD	-34,765	9,174	-26,715	-
Fair Value hedge	Currency forward	Subsidiary accounts in PLN	-2,038	-2,038	-6,499	-6,499
Cash-flow hedge	Interest rate swap	Interest rate	77,539	-	23,052	-
Cash-flow hedge	Power price swaps	Power price	-517,166	-	-997,097	-
Cash-flow hedge	Currency forward	Exchange rate	-21,783	-	7,337	-
			-590,183	-85,017	-1,121,608	115,034

Fair value of derivative financial instruments is based on listed market prices, whenever available, or on valuations determined through valuation models that use variables observable on the market. These valuation models are based on generally accepted discounted cash flow techniques and option valuation models generally accepted, using market data obtained through financial information platforms. Therefore, according to IFRS13 requirements, the fair value of the derivative financial instruments is classified as of level 2 (see note 40) and no changes of level were made during this period.

During 2022 and 2021 the following market inputs were considered for the fair value calculation:

INSTRUMENT	MARKET INPUT
Cross currency interest rate swaps	Fair value indexed to the following interest rates: Euribor 3M, Euribor 6M, Libor 3M, ROBOR 3M, daily brazilian CDI, CAD-BA-CDOR 3M, Wibor 3M, Wibor 6M and CO IBR index; and exchange rates: EUR/BRL, EUR/PLN, EUR/CAD, EUR/GBP, EUR/RON EUR/COP and EUR/USD.
Interest rate swaps	Fair value indexed to the following interest rates: Euribor 3M, Euribor 6M, Wibor 6M, Libor 1M, Libor 3M and CAD-BA-CDOR 3M.
Foreign exchange forwards	Fair value indexed to the following exchange rates: EUR/USD, EUR/PLN, EUR/GBP, USD/PLN, USD/HUF, EUR/HUF, USD/CAD, EUR/CAD, BRL/CNY, BRL/EUR, BRL/USD, COP/USD, SGD/USD, EUR/SGD, EUR/TWD, JPY/EUR, EUR/KRW and USD/VND.
Power price swaps	Fair value indexed to the price of electricity.

The movements in cash flow hedge reserve have been as follows:

THOUSAND EUROS	31 DEC 2022	31 DEC 2021
Balance at the beginning of the year	-754,884	-23,251
Fair value changes	-366,010	-740,954
Transfers to results	6,323	3,329
Effect of derivatives in the equity consolidated companies	82,639	-5,375
Effect of the sale with loss of control of EDPR subsidiaries	-20,209	11,369
Balance at the end of the year	-1,052,141	-754,884

The gains and losses on the financial instruments portfolio booked in the income statement are as follows:

THOUSAND EUROS	31 DEC 2022	31 DEC 2021
Net investment hedge - ineffectiveness	-39,680	-153
Cash-flow hedge		
Transfer to results from hedging of financial liabilities	2,829	2,130
Transfer to results from hedging of commodity prices	-9,153	-5,459
Non eligible for hedge accounting derivatives	104,371	59,607
	58,367	56,125

The amount from transfers to results from hedging of commodity prices is registered in Revenues while the remaining gains and losses are registered in Financial income and Financial expense, respectively (see note 14).

The effective interest rates for derivative financial instruments associated with financing operations during 2022, were as follows:

		EDPR GROUP	
	CURRENCY	PAYS	RECEIVES
INTEREST RATE CONTRACTS			
Interest rate swaps	EUR	[1.59% - 3.67%]	[-2.70% - -2.48%]
Interest rate swaps	PLN	[2.48% - 4.17%]	[-7.15% - 7.05%]
Interest rate swaps	USD	[1.08% - 1.86%]	[-4.73% - -3.75%]
Interest rate swaps	CAD	[2.10% - 2.75%]	[-4.88% - -4.20%]
CURRENCY AND INTEREST RATE CONTRACTS			
CIRS (currency interest rate swaps)	EUR/USD	[1.08% - 5.78%]	[-0.29% - 4.73%]
CIRS (currency interest rate swaps)	EUR/CAD	[4.41% - 5.16%]	[1.56% - 2.20%]
CIRS (currency interest rate swaps)	EUR/COP	[4.13%]	[2.13%]
CIRS (currency interest rate swaps)	EUR/GBP	[1.35% - 1.92%]	[-0.00%]
CIRS (currency interest rate swaps)	EUR/BRL	[5.95%]	[-0.44%]
CIRS (currency interest rate swaps)	USD/BRL	[1.37% - 2.02%]	[1.40% - 2.71%]

The effective interest rates for derivative financial instruments associated with financing operations during 2021, were as follows:

		EDPR GROUP	
	CURRENCY	PAYS	RECEIVES
INTEREST RATE CONTRACTS			
Interest rate swaps	EUR	[0.26% - 3.67%]	[0.55% - 0.58%]
Interest rate swaps	PLN	[2.48% - 2.78%]	[-0.25%]
Interest rate swaps	USD	[1.08% - 4.14%]	[-3.5% - -0.09%]
Interest rate swaps	CAD	[2.10% - 2.75%]	[-0.58% - -0.51%]
CURRENCY AND INTEREST RATE CONTRACTS			
CIRS (currency interest rate swaps)	EUR/USD	[0.47% - 1.08%]	[-0.54% - -0.29%]
CIRS (currency interest rate swaps)	EUR/CAD	[0.27% - 0.75%]	[-0.59% - -0.54%]
CIRS (currency interest rate swaps)	EUR/COP	[3.20% - 3.83%]	[-0.58%]
CIRS (currency interest rate swaps)	EUR/GBP	[1.25% - 1.36%]	[0.00%]
CIRS (currency interest rate swaps)	EUR/BRL	[0.03% - 5.95%]	[-0.58% - -0.44%]
CIRS (currency interest rate swaps)	EUR/RON	[3.11%]	[-0.57%]

38. Commitments

As at 31 December 2022 and 2021, the financial commitments not included in the statement of financial position in respect of financial and operational guarantees provided, are analysed as follows:

THOUSAND EUROS	31 DEC 2022	31 DEC 2021
GUARANTEES OF OPERATIONAL NATURE		
EDP Renováveis, S.A.	1,625,852	1,357,766
EDPR NA	1,973,492	919,746
EDPR EU	16,628	6,088
EDPR LATAM	86,373	5,180
EDPR APAC	15,166	-
Total	3,717,511	2,288,780

The above operating guarantees, which are not included in the consolidated statement of financial position or in the Notes, as at 31 December 2022 and 2021, mainly refer to Power Purchase Agreements (PPA), interconnection, permits and market participation guarantees. The significant variation with respect to 2021 is fully in line with the evolution of the business and increasing activity of the EDPR Group during 2022. Concepts covered by PPA guarantees depends on the status of the project and typically cover related risks of development and construction, correct operation and maintenance of the projects and compliance with payment obligations. These guarantees amount to 1,037,351 thousand Euros as at 31 December 2022 of which 341,085 thousand Euros refer to guarantees granted by EDP to EDPR companies and 87,826 thousand Euros refer to guarantees granted by EDP and EDPR to Joint Ventures (867,280 thousand Euros as at 31 December 2021, of which 324,869 thousand Euros refer to guarantees granted by EDP to EDPR companies and 105,987 thousand Euros refer to guarantees granted by EDP and EDPR to Joint Ventures).

Additionally to the above guarantees, an amount of 30,450 thousand Euros refer to guarantees of operational nature related to the Spanish, Polish, Italian and Brazilian companies that were sold as at 31 December 2022 (see note 6) although EDPR assumes temporarily the responsibility under such guarantees until these are effectively replaced. An amount of 152,770 thousand Euros refer to guarantees of financial nature related to Brazilian companies that were also sold, although EDPR only assumed responsibility under such guarantees until 30 January 2023, when this has been effectively replaced.

Refer to note 39 for guarantees granted by EDP Group companies to EDPR Group companies.

Refer to note 20 for guarantees granted by EDP Group and EDPR' Group to joint venture companies.

There are additional financial and operating guarantees granted by EDPR Group that have underlying liabilities already reflected in its Consolidated Statement of Financial Position and/or disclosed in the Notes.

EDPR does not expect any significant liability arising from the above commitments related to financial and operational guarantees provided.

The EDPR Group future cash outflows not reflected in the measurement of the lease liabilities and purchase obligations by maturity date are as follows:

				31 DEC 2022	
				CAPITAL OUTSTANDING BY MATURITY	
THOUSAND EUROS	TOTAL	UP TO 1 YEAR	1 TO 3 YEARS	3 TO 5 YEARS	MORE THAN 5YEARS
Future Cash Outflows not reflected in the measurement of the Lease Liabilities	66,340	9,994	18,429	7,935	29,982
Purchase obligations	5,361,294	3,678,743	1,089,012	126,215	467,324
	5,427,634	3,688,737	1,107,441	134,150	497,306

				31 DEC 2021	
				CAPITAL OUTSTANDING BY MATURITY	
THOUSAND EUROS	TOTAL	UP TO 1 YEAR	1 TO 3 YEARS	3 TO 5 YEARS	MORE THAN 5YEARS
Future Cash Outflows not reflected in the measurement of the Lease Liabilities	32,159	4,549	8,228	2,934	16,448
Purchase obligations	4,948,975	3,081,552	1,358,104	101,874	407,445
	4,981,134	3,086,101	1,366,332	104,808	423,893

The significant variation in commitments with respect to 2021 is fully in line with the evolution of the business and increasing activity of the EDPR Group.

According with IFRS 16 EDPR Group presents the information related to lease contracts in the caption Right-of-use assets (see note 17).

Purchase obligations include debts related with long-term agreements of property, plant and equipment and operational and maintenance contracts product and services supply related to the Group operational activity. When prices are defined under forward contracts, these are used in estimating the amounts of the contractual commitments.

Some of the disposal of non-controlling interests transactions retaining control carried out in previous years incorporate contingent assets and liabilities according to the terms of the corresponding agreements.

39. Related parties

The Members of the Board of Directors of the Company and its delegated Committees do not own directly or indirectly any shares from EDPR, as of 31 December 2022 or 31 December 2021.

According to Article nr 229 of "Ley de Sociedades de Capital" (Spanish Companies Law), the members of the Board of Directors of EDP Renováveis have not communicated, or the parent company has knowledge, of any conflict of interests or incompatibility that could affect the performance of their duties.

Remuneration of the members of the Board of Directors and Management Team

In accordance with the Company's by-laws, the remuneration of the members of the Board of Directors is proposed by the Appointments, Remunerations and Corporate Governance Committee to the Board of Directors on the basis of the overall amount of remuneration authorized by the General Meeting of Shareholders. The Board of Directors approves the distribution and the exact amount to be paid to each Director on the basis of this proposal. The average number of members of the Board of Directors during 2022 is 11 and as a 2021 is 11.

The remuneration paid to the members of the Board of Directors in 2022 and 2021 were as follows:

THOUSAND EUROS	31 DEC 2022	31 DEC 2021
CEO	-	-
Board members	727	729
	727	729

The above amount refers to salaries, allowances and other remuneration as members of the Board of Directors and their membership/chairmanship of the Delegated Committees. Further, EDPR signed an Executive Management Services Agreement with EDP, under which EDP bears the cost for the services rendered by its Executive and Non-Executive Directors, which are Miguel Stilwell d'Andrade, Rui Teixeira, Miguel Setas, Vera de Morais Pinto Pereira Carneiro and Ana Paula Marques. This corporate governance practice of remuneration is in line with the model adopted by the EDP Group, in which the executive Directors of EDP do not receive any remuneration directly from the group companies on whose governing bodies they serve, but rather through EDP.

Under this contract, 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 EDP in 2022 is 1,208 thousand Euros (831 thousand Euros in 2021), of which 979 thousand Euros refers to the management services rendered by the Executive Members and 195 thousand Euros to the management services rendered by the non-executive Members. Also this amount includes 34 thousand Euros related to retirement saving plans.

The retirement savings plan for the members of the Management Team 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.

In the case of the COOs/CTO which are members of the Management Team (Duarte Bello- COO EU&LatAm; Bautista Rodríguez, -CTO&Business Offshore; Sandhya Ganapathy - COO NA; and Pedro Vasconcelos - COO APAC), the remuneration is as follows:

THOUSAND EUROS	31 DEC 2022	31 DEC 2021
Salaries and other allowances	2,808	2,467
Retirement saving plans	44	37
Life insurance premiums	16	5
	2,868	2,509

Additionally they received the following non-monetary benefits: retirement savings plan (as described above), company car and Health Insurance in the amount of 363 thousand Euros (268 thousand Euros in 2021).

Relevant balances and transactions with subsidiaries and associates of China Three Gorges Group

Within the context of the transactions with CTG related to the sale of 49% of EDPR Portugal, EDPR PT-PE, EDPR Italia and EDPR Polska equity shareholding to CTG Group, CTG has granted loans to the EDPR Group in the amount of 93,693 thousand Euros including accrued interests (17,392 thousand Euros as current and 76,301 thousand Euros as non-current) as at 31 December 2022. As at 31 December 2021, this balance amounted to 157,201 thousand Euros including accrued interests (39,734 thousand Euros as current and 117,467 thousand Euros as non-current). See note 35.

During the year ended 31 December 2022, EDPR sold the entire stake in the Spanish companies Eólica La Janda, S.L. and Parc Eòlic Serra Voltorera, S.L. to CTG. Total shares proceeds amounted to 207,018 thousand Euros (see note 6 and 9).

Balances and transactions with EDP Group companies

In their ordinary course of business, EDPR Group companies establish commercial transactions and operations with other Group companies, whose terms reflect current market conditions.

As at 31 December 2022, assets and liabilities with related parties, are analysed as follows:

			ASSETS
THOUSAND EUROS	LOANS AND INTERESTS TO RECEIVE	OTHERS	TOTAL
EDP Energias de Portugal, S.A.	-	100,978	100,978
EDP - Energias de Portugal, S.A. Sucursal en España (EDP Branch)	-	140	140
Joint Ventures and Associated companies	521,584	148,361	669,945
EDP Serviço Universal, S.A.	-	26,860	26,860
EDP Finance B.V.	-	73,812	73,812
EDP Servicios Financieros España, S.A.	326,815	-	326,815
EDP España S.A.U.	-	41,947	41,947
Other EDP Group companies	-	5,322	5,322
	848,399	397,420	1,245,819

			LIABILITIES
THOUSAND EUROS	LOANS AND INTERESTS TO PAY	OTHERS	TOTAL
EDP Energias de Portugal, S.A.	-	634,935	634,935
EDP - Energias de Portugal, S.A. Sucursal en España (EDP Branch)	-	13,243	13,243
Joint Ventures and Associated companies	-	820	820
EDP Finance B.V.	4,213,354	37,693	4,251,047
EDP Servicios Financieros España, S.A.	544,832	3,493	548,325
EDP Global Solutions	-	1,861	1,861
Other EDP Group companies	-	16,951	16,951
	4,758,186	708,996	5,467,182

Assets mainly refer to:

- Debit balance of the Euro and US Dollar current accounts with EDP Servicios Financieros España, S.A. (see note 26) amounting to 326,815 thousand Euros as at 31 December 2022;
- Loans granted to companies consolidated by the equity method, mainly to Ocean Winds in the total amount of 511,374 thousand Euros.
- Others with Joint Ventures and Associated companies correspond mainly with the variable price related to the sale of the offshore business to Ocean Winds in the amount of 77,920 thousand Euros and derivatives contracted with Eólica de São Julião in the amount of 17,775 thousand Euros (see note 24 and 37);
- Commercial receivables related to the sale of energy in EDPR Portugal and EDPR Spain through EDP Serviço Universal, S.A. (which is a last resort retailer due to regulatory legislation) and EDP España S.A.U.;
- Derivatives contracted with EDP Energias de Portugal, S.A. and EDP Finance B.V. which market value as at 31 December 2022 amounts to 84,686 thousand Euros and 73,812 thousand Euros, respectively (see note 37);

Liabilities mainly refer to:

- Loans obtained by EDP Renováveis S.A. and by EDP Renováveis Servicios Financieros S.A. from EDP Finance BV in the amount, including interests and deducted from debt origination fees, of 4,212,912 thousand Euros (31 December 2021: 2,652,219 thousand Euros) and from EDP Servicios Financieros España S.A. in the amount of 544,832 thousand Euros (445,499 thousand Euros as at 31 December 2021) (see note 31) including the cash-pooling in the amount of 311,807 thousand Euros as at 31 December 2022;

- Derivatives contracted with EDP Energias de Portugal, S.A. which market value as at 31 December 2022 amounts to 614,415 thousand Euros and with EDP Finance B.V. which market value as at 31 December 2022 amounts to 37,270 thousand Euros, mainly related to power price derivatives and Cross currency rate swaps (See note 37).

Transactions with related parties for the period ended 31 December 2022 are analysed as follows:

THOUSAND EUROS	OPERATING INCOME	FINANCIAL INCOME	OPERATING EXPENSES	FINANCIAL EXPENSES
EDP Energias de Portugal, S.A.	56,488	296,834	-264,171	-233,580
EDP Energias de Portugal, S.A. Sucursal en España (EDP Branch)	16	-	-36,197	-1,134
Joint Ventures and Associated companies	50,497	16,388	-5,247	-2,761
EDP Serviço Universal, S.A.	255,983	-	-26	-
EDP Finance B.V.	20,234	97,679	-	-170,958
EDP Servicios Financieros España, S.A.	-	-	-	-31,767
EDP España S.A.U.	728,267	-	-8,523	-57
EDP Clientes S.A.	1,928	-	-359	-
EDP Trading Comercialização e Serviços de Energia	37,601	-	-1,002	-
Other EDP Group companies	187	-	-6,557	-
	1,151,201	410,901	-322,082	-440,257

Operating income mainly includes electricity sales to EDP Serviço Universal, S.A. which is a supplier of last resource in Portugal due to regulatory legislation, to EDP España S.A.U. as the commercial agent in Spain, to EDP Trading Comercialização e Serviços de Energia.

Operating income with EDP Energias de Portugal, S.A. are mainly related to derivative financial instruments and the debt received.

Financial expenses with EDP Finance B.V. and EDP Servicios Financieros España S.A., are related interests on the loans granted to EDP Renováveis S.A. and EDP Renováveis Servicios Financieros, S.A. referred above, and the income/expenses related to derivative instruments.

Financial Income is mainly explained by the derivative financial instruments of EDP Energias de Portugal, S.A. and EDP Finance B.V.

As at 31 December 2021, assets and liabilities with related parties, are analysed as follows:

			ASSETS
THOUSAND EUROS	LOANS AND INTERESTS TO RECEIVE	OTHERS	TOTAL
EDP Energias de Portugal, S.A.	-	56,451	56,451
EDP - Energias de Portugal, S.A. Sucursal en España (EDP Branch)	-	39,044	39,044
Joint Ventures and Associated companies	209,488	174,458	383,946
EDP Serviço Universal, S.A.	-	32,690	32,690
EDP Servicios Financieros España, S.A.	-	418,805	418,805
EDP España S.A.U.	-	144,975	144,975
Other EDP Group companies	-	2,906	2,906
	209,488	869,329	1,078,817

			LIABILITIES
THOUSAND EUROS	LOANS AND INTERESTS TO PAY	OTHERS	TOTAL
EDP Energias de Portugal, S.A.	-	576,117	576,117
EDP - Energias de Portugal, S.A. Sucursal en España (EDP Branch)	-	13,294	13,294
Joint Ventures and Associated companies	-	3,335	3,335
EDP Finance B.V.	2,652,919	27,732	2,680,651
EDP Servicios Financieros España, S.A.	445,499	362	445,861
EDP Global Solutions	-	1,429	1,429
Other EDP Group companies	-	10,942	10,942
	3,098,418	633,211	3,731,629

Assets mainly refer to:

- Debit balance of the Euro and US Dollar current accounts with EDP Servicios Financieros España, S.A. (see note 26) amounting to 418,805 thousand Euros as at 31 December 2021;
- Loans granted to companies consolidated by the equity method and namely to Ocean Winds in the total amount of 198,213 thousand Euros and variable price related to the sale of the offshore business to Ocean Winds in the amount of 142,216 thousand Euros (see note 24);
- Commercial receivables related to the sale of energy in EDPR Portugal and EDPR Spain through EDP Serviço Universal, S.A. (which is a last resort retailer due to regulatory legislation) and EDP España S.A.U. respectively;
- Derivatives contracted with EDP Energias de Portugal, S.A. which market value as at 31 December 2021 amounts to 42,851 thousand Euros (see note 37);
- Estimated corporate income tax due by EDP Energias de Portugal, S.A. Sucursal en España in the amount of 38,611 thousand Euros (see note 24).

Liabilities mainly refer to:

- Loans obtained by EDP Renováveis S.A. and by EDP Renováveis Servicios Financieros S.L. from EDP Finance BV in the amount, including interests and deducted from debt origination fees, of 2,652,219 thousand Euros (31 December 2020: 2,832,418 thousand Euros) and from EDP Servicios Financieros España S.A. in the amount of 445,499 thousand Euros (the same amount at 31 December 2020). See note 31;
- Derivatives contracted with EDP Energias de Portugal, S.A. which market value as at 31 December 2021 amounts to 513,350 thousand Euros, mainly related to power price derivatives (see note 37).

Transactions with related parties for the year ended 31 December 2021 are analysed as follows:

THOUSAND EUROS	OPERATING INCOME	FINANCIAL INCOME	OPERATING EXPENSES	FINANCIAL EXPENSES
EDP Energias de Portugal, S.A.	550	36,636	-173,987	-55,616
EDP Energias de Portugal, S.A. Sucursal en España (EDP Branch)	-	-	-29,850	-1,289
Joint Ventures and Associated companies	37,889	7,599	-24,861	-9
EDP Serviço Universal, S.A.	259,593	-	-130	-
EDP Comercializadora, S.A.U,.	15	-	-	-
EDP Finance B.V.	-	-	-	-95,513
EDP Servicios Financieros España, S.A.	-	3	-	-13,980
EDP España S.A.U.	457,638	-	-4,603	-256
EDP Clientes S.A.	719	-	-540	-
Other EDP Group companies	8,175	-	-11,788	-
	764,579	44,238	-245,759	-166,663

As part of its operational activities, the EDP Renováveis Group must present guarantees in favor of certain suppliers and in connection with renewable energy contracts. As at 31 December 2022, EDP España and EDP Energías de Portugal Sucursal en España granted operational guarantees to suppliers in favour of EDP Renováveis S.A. and EDPR NA in the amount of 444,520 thousand Euros (520,475 thousand Euros as at 31 December 2021). The operational guarantees are issued following the commitments assumed by EDPR EU and EDPR NA in relation to Power Purchase Agreements (PPA), interconnection, permits and market participation.

Refer to note 20 for guarantees granted by EDP Group and EDPR Group to joint venture companies.

40. Fair value of financial assets and liabilities

Fair value of financial instruments is based, whenever available, on quoted market prices. Otherwise, fair value is determined through internal models, which are based on generally accepted cash flow discounting techniques and option valuation models or through quotations supplied by third parties.

Non-standard instruments may require alternative techniques, which consider their characteristics and the generally accepted market practices applicable to such instruments. These models are developed considering the market variables that affect the underlying instrument, namely yield curves, exchange rates and volatility factors.

Market data is obtained from generally accepted suppliers of financial data (Bloomberg and Reuters).

As at 31 December 2022 and 2021, the following table presents the interest rate curves of the major currencies to which the Group is exposed. These interest rates were used as the base for the fair value calculations made through internal models referred above:

	31 DEC 2022 CURRENCIES			31 DEC 2021 CURRENCIES	
	EUR	USD	SGD	EUR	USD
3 months	2.13%	4.77%	3.57%	-0.57%	0.21%
6 months	2.69%	5.07%	3.86%	-0.55%	0.38%
9 months	3.45%	5.16%	3.88%	-0.49%	0.42%
1 year	3.69%	5.07%	3.84%	-0.50%	0.58%
2 years	3.39%	4.71%	3.48%	-0.29%	0.91%
3 years	3.31%	4.34%	3.30%	-0.14%	1.14%

	31 DEC 2022 CURRENCIES			31 DEC 2021 CURRENCIES	
	EUR	USD	SGD	EUR	USD
5 years	3.24%	4.02%	3.15%	0.02%	1.33%
7 years	3.20%	3.90%	3.10%	0.13%	1.44%
10 years	3.20%	3.84%	3.04%	0.30%	1.54%

Non-listed equity instruments, for which a reliable and consistent fair value estimate is not available either by internal models or external providers, are recognized at their historical cost.

Equity instruments at fair value and financial assets at fair value through profit or loss

Listed financial instruments are recognized at fair value based on market prices. The financial instruments for which reliable fair value estimates are not available, are recorded in the statement of financial position at their cost.

Cash and cash equivalents, trade receivables and suppliers

These financial instruments include mainly short-term financial assets and liabilities. Given their short-term nature at the reporting date, their book values are not significantly different from their fair values.

Financial debt

The fair value of the financial debt is estimated through internal models, which are based on generally accepted cash flow discounting techniques. At the reporting date, the carrying amount of floating rate loans is approximately their fair value. In case of fixed rate loans, mainly the intercompany loans granted by EDP Group, their fair value is obtained through internal models based on generally accepted discounting techniques.

Derivative financial instruments

All derivatives are accounted at their fair value. For those which are quoted in organized markets, the respective market price is used. For over-the-counter derivatives, fair value is estimated through the use of internal models based on cash flow discounting techniques and option valuation models generally accepted by the market, or by dealer price quotations.

CIRS with EDP – Energias de Portugal, S.A. (note 37)

With the purpose of hedging the foreign exchange risk resulting from the net investment in EDPR NA, the Group entered into CIRS in USD and EUR with EDP – Energias de Portugal, S.A.. These financial derivatives are presented in the statement of financial position at its fair value, which is estimated by discounting the projected USD and EUR cash flows. The discount rates and forward interest rates were based on the interest rate curves referred to above and the USD/EUR exchange rate is disclosed on note 29. See also note 35.

The fair values of assets and liabilities as at 31 December 2022 and 2021 are analysed as follows:

	31 DECEMBER 2022			31 DECEMBER 2021		
THOUSAND EUROS	CARRYING AMOUNT	FAIR VALUE	DIFFERENCE	CARRYING AMOUNT	FAIR VALUE	DIFFERENCE
FINANCIAL ASSETS						
Equity instruments at fair value	43,321	43,321	-	14,878	14,878	-
Debtors and other assets from commercial activities	605,693	605,693	-	498,234	498,234	-
Other debtors and other assets	1,656,881	1,656,881	-	1,546,725	1,546,725	-
Derivative financial instruments	300,859	300,859	-	111,881	111,881	-
Cash and cash equivalents	1,171,932	1,171,932	-	1,003,784	1,003,784	-
	3,778,686	3,778,686	-	3,175,502	3,175,502	-
FINANCIAL LIABILITIES						
Financial debt	6,159,954	5,486,817	673,137	4,040,949	4,042,432	1,483
Suppliers	2,838,483	2,838,483	-	1,699,692	1,699,692	-
Institutional partnerships in North America	2,212,162	2,212,162	-	2,259,741	2,259,741	-
Trade and other payables from commercial activities	713,310	713,310	-	623,786	623,786	-
Other liabilities and other payables	1,871,568	1,871,568	-	972,661	972,661	-
Derivative financial instruments	1,983,019	1,983,019	-	1,226,200	1,226,200	-
	15,778,496	15,105,359	673,137	12,049,229	12,050,712	1,483

The fair value levels used to valuate EDP Renováveis Group financial assets and liabilities are defined as follows:

- **Level 1 –** Quoted prices (unadjusted) in active market for identical assets and liabilities
- **Level 2 –** Inputs other than quoted prices included within Level 1 that are observable for assets or liabilities, either directly (i.e. as prices) or indirectly (i.e., derived from prices)
- **Level 3** – Inputs for assets or liabilities that are not based on observable market data (unobservable inputs).

	31 DECEMBER 2022			31 DECEMBER 2021		
THOUSAND EUROS	LEVEL 1	LEVEL 2	LEVEL 3	LEVEL 1	LEVEL 2	LEVEL 3
FINANCIAL ASSETS						
Equity instruments at fair value	32,876	-	10,445	-	-	14,878
Derivative financial instruments	-	300,859	-	-	111,881	-
	32,876	300,859	10,445	-	111,881	14,878
FINANCIAL LIABILITIES						
Liabilities arising from options with non-controlling interests	-	-	883	-	-	883
Derivative financial instruments	-	1,983,019	-	-	1,226,200	-
	-	1,983,019	883	-	1,226,200	883

The remaining assets and liabilities are valuated within Level 1 or correspond to assets and liabilities which fair value is the same as its carrying amount. In 2022, there are no transfers between levels.

The movement in 2022 and 2021 of the financial assets and liabilities within Level 3 are analysed was as follows:

		TRADE AND OTHER PAYABLES
Balance at the beginning of the year	883	883
Gains / (Losses) in other comprehensive income	-	-
Increases/Purchases	-	-
Disposals	-	-
Others	-	-
Balance at the end of the year	883	883

The Trade and other payables within level 3 are related to Liabilities with non-controlling interests.

The movements in 2022 and 2021 of the derivative financial instruments are presented in note 37.

41. Relevant subsequent events

EDPR secures its first PPA in Greece

EDPR is pleased to announce that it has secured a long-term Power Purchase Agreement ("PPA") with MYTILINEOS - Energy & Metals, one of the largest industrial and energy companies in Greece, to sell the green energy produced by a 78 MW wind portfolio.

This deal marks EDPR's first PPA in Greece and it will be covered by a portfolio that consists of 3 wind projects that are expected to enter into operation between the end of 2024 and 2025, more precisely:

- 2 projects, with 23 MW and 35 MW respectively, located in Voiotia, Greece;
- 1 project with 21 MW located in Achaia, Greece.

With this new portfolio, EDPR has now 11.2 GW secured out of the 20 GW target additions for 2021-25 announced in EDPR Capital Markets Day in February 2021. Additionally, this transaction enables EDPR to achieve more than 3.6 GW of the 6.7 GW target for renewable capacity additions in Europe during 2021-25.

EDPR's success in securing new PPAs reinforces its low-risk profile and growth strategy based on the development of competitive projects with long-term visibility, fostering the acceleration of the energy transition and the decarbonization of the economy.

42. Business Combination

Business Combination closed during the year ended 31 December 2022

Sunseap

EDPR entered in November 2021 into an agreement with BPIN Investment Company Limited (owner of 47% issued shares at the moment of entering into the agreement) , Mr. Frank Phuan and Mr. Lawrence Wu (as the "Founder Shareholders") (owners of 14% issued shares at the moment of entering into the agreement), and the additional selling shareholders (owners of 36% issued shares at the moment of entering into the agreement) for the acquisition of up to 91.4% of the shares of Sunseap Group Pte.Ltd which holds a sizeable portfolio including of close to 10 GW of renewable projects at different stages of development. The agreement also includes the acquisition of the subscription rights granted to some shareholders and employees of the company by EDPR and the new issuance of those shares to be paid by EDPR, the total percentage acquired of 91.4% is inclusive of such shares. At that moment, the completion of this transaction was subject to customary conditions precedent. With this transaction, completed in 24 February 2022 once the aforementioned customary conditions precedent were fulfilled, EDPR acquired 91.4% of the mentioned Group for a total consideration of 659,658 thousand Euros (including the put option present value). This transaction is considered under the scope of IFRS 3 - Business combinations.

EDPR signed the corresponding shareholders agreements which include put and call options agreements for the remaining percentage of the shares of the Sunseap Group with the minority shareholders. As a consequence, EDPR has call options to acquire the remaining stake of the capital of the Sunseap Group and the sellers have put options to sell their shares. EDPR have applied the anticipated-acquisition method (see note 2.A and 6).The exercise price for these options has been determined in an amount equal to 56,442 thousand Euros (see note 35).

Upon completion of the agreement, Sunseap Group Pte.Ltd performed a capital increase which was subscribed solely by EDP Renováveis, S.A and lead to EDP Renováveis, S.A holding 92.28% of the total stake of the acquired company, the amount of the capital increase is not considered within the consideration transferred for the business combination.

The Group used the financial statements as at 28 February 2022 of the company acquired, to determine pre-acquisition balance sheet and results, and, consequently, the companies have been consolidated from that date following the full consolidation method. Thus, this acquisition has contributed to the consolidated financial statements with Revenues, mainly from energy sales, in the approximate amount of 108,763 thousand Euros and with a Net profit in the approximate amount of 224 thousand Euros, referring to the ten-month period ended at 31 December 2022. If this acquisition had occurred in the beginning of the exercise, it would have contributed to the consolidated financial statements with revenues, mainly from energy sales, in the approximate amount of 121,430 thousand Euros and with a Net loss for the period in the approximate amount of 7,623 thousand Euros , referring to the twelve-month period ended at 31 December 2022.

At the acquisition date, EDPR Group has determined the fair value of the assets acquired and liabilities assumed, with the assistance of a specialized and independent firm. The valuation methodology utilized has been the Multi-Excess Earning Method (MEEM) and the discounted cashflow approach. This valuation methodology assumes that the kind of assets to be valued normally generates cash-flows in combination with other tangible and intangible assets and therefore consists in deducting the estimated cost of the use of other assets, such as PP&E or working capital, from the estimated cash flows associated to the asset to be valued. The main components of cashflow, namely production, long term power prices and operational costs were estimated using EDPR's own methodology using historical data and experience assessing investments of similar solar PV projects in EDR's portfolio. These internal assumptions used in the preparation of the cashflows of the portfolio have been challenged by the specialized firm. The after tax cash flows were then discounted at the weighted average cost of capital within a range of 6.3%-10.8% (blended), that has been calculated by the firm, reflecting the risks of the specific countries and adjusted for the profile of each project. Such valuation has determined a fair value of the net assets acquired in the amount of 296,173 thousand Euros.

THOUSAND EUROS	BOOK VALUE AT ACQUISITION DATE	FAIR VALUE ADJUSTMENT	FAIR VALUE AT ACQUISITION DATE
ASSETS			
Property, plant and equipment	409,589	110,932	520,521
Right-of-use assets	39,000	-	39,000
Intangible assets	422	113,295	113,717
Goodwill	2,159	-2,159	-
Investments in joint ventures and associates	9,111	14,842	23,954
Equity instruments at fair value	24	-	24
Deferred tax assets	9,908	-	9,908
Other Non-Current Assets	11,136	-	11,136
Total Non-Current Assets	481,348	236,910	718,259
Inventories	6,945	-	6,945
Debtors and other assets from commercial activities	70,534	-	70,534
Other debtors and other assets	49,532	-	49,532
Current tax assets	6,867	-	6,867
Cash and cash equivalents	127,576	-	127,576
Total Current Assets	261,455	-	261,455
Total Assets	742,803	236,910	979,713

THOUSAND EUROS	BOOK VALUE AT ACQUISITION DATE	FAIR VALUE ADJUSTMENT	FAIR VALUE AT ACQUISITION DATE
LIABILITIES			
Medium / Long term financial debt	233,746	-	233,746
Provisions	6,162	-	6,162
Deferred tax liabilities	1,836	38,836	40,673
Other liabilities and other payables	115,021	-	115,021
Total Non-Current Liabilities	356,766	38,836	395,603
Short term financial debt	30,425	-	30,425
Trade and other payables from commercial activities	70,845	-	70,845
Current tax liabilities	823	-	823
Other current liabilities	147,858	-	147,858
Total Current Liabilities	249,951	-	249,951
Total Liabilities	606,707	38,836	645,554
Total Net assets acquired at fair value			334,160
- Non-controlling interests			-37,986
Total Net assets acquired at fair value			296,173
- Total consideration for the acquisition of the shares			-659,658
		Goodwill	363,485

The aforementioned Sunseap's group valuation has determined a fair value for Property, plant and equipment in the amount of 520,521 thousand Euros, generating a fair value adjustment of 110,932 thousand Euros corresponding to the permits, licences and concessions (PLCs) and an associated deferred tax liability in the amount of 21,472 thousand Euros (see note 16 and 21). Furthermore, the valuation has determined a fair value for Intangible assets in the amount of 113,717 thousand Euros, generating a fair value adjustment of 113,295 thousand Euros corresponding to the power purchase agreements and feed-in-tariffs of the whole portfolio and an associated deferred tax liability in the amount of 17,378 thousand Euros.

The purchase price allocation exercise carried out in accordance with IFRS 3 resulted as a goodwill recognition in the amount of 363,485 thousand Euros, as per the difference of the net assets acquired at fair value and the consideration transferred for the acquisition of the shares.

The aforementioned provisional goodwill recognition resulting from the purchase price allocation, is mainly attributable to EDPR's establishment in the APAC platform within the context of EDP Business plan 2021-25, allowing EDPR to establish a portfolio for the APAC region of close to 10 GW of solar projects, of which 563 MW operating and under construction, and an experienced team of more than 600 employees spread across 9 markets, providing a growth platform for the region.

Xuan Thien

EDPR, through its wholly owned Vietnamese subsidiary Sunseap Commercial & Industrial Assets (Vietnam) Co., Ltd. entered in 2022 into an agreement with Xuan Thien Group for the acquisition of 99.99% of the shares of Xuan Thien Ninh Thuan JSC and Xuan Thien Thuan Vac JSC, each of one holding a PV project totalling 200 MWac (255MWdc) (see note 6). At that moment, the completion of this transaction was subject to customary conditions precedent. With this transaction, completed in 7 September 2022 once the aforementioned customary conditions precedent were fulfilled, EDPR has acquired 99,99% of the shareholding of the mentioned companies for a total consideration of 198,832 thousand Euros. Of the total consideration, 157,544 thousand Euros have been paid as of 31 December 2022, and an amount of 41,288 thousand Euros is accrued under the caption Other liabilities and other payables - Current (see note 35) correspond to the retentions that, in accordance with the sale purchase agreement, will be paid when certain milestones related to financing, module damages repairs and land use rights are fulfilled. This transaction is considered under the scope of IFRS 3 - Business combinations.

The Group used the financial statements as at 7 September 2022 of the companies acquired, to determine pre-acquisition balance sheet and results, and, consequently, the companies have been consolidated from that date following the full

consolidation method. Thus, this acquisition has contributed to the consolidated financial statements with Revenues, mainly from energy sales, in the approximate amount of 9,319 thousand Euros and with a Net profit in the approximate amount of 1,819 thousand Euros, referring to the four months period ended at 31 December 2022. If this acquisition had occurred in the beginning of the exercise, it would have contributed to the consolidated financial statements with revenues, mainly from energy sales, in the approximate amount of 33,225 thousand Euros and with a Net profit for the period in the approximate amount of 8.985 thousand Euros referring to the twelve-month period ended at 31 December 2022.

At the acquisition date, EDPR Group has determined the fair value of the assets acquired and liabilities assumed, with the assistance of a specialized and independent firm. The valuation methodology utilized has been the Multi-Excess Earning Method (MEEM) and the discounted cashflow approach. This valuation methodology assumes that the kind of assets to be valued normally generates cash-flows in combination with other tangible and intangible assets and therefore consists in deducting the estimated cost of the use of other assets, such as PP&E or working capital, from the estimated cash flows associated to the asset to be valued. The main assumptions of cashflow, namely production, long term power prices and operational costs were estimated using EDPR's own methodology using historical data and experience assessing investments of similar solar assets in EDPR's portfolio. These internal assumptions used in the preparation of the cashflows of the portfolio have been challenged by the specialized firm. The after tax cash flows were then discounted at the weighted average cost of capital of 10.3%, that has been calculated by the firm, reflecting the risk of the country and adjusted for the profile of the projects.

Such valuation has determined a fair value of the net assets acquired in the amount of 181,061 thousand Euros.

Fair value of identifiable assets and liabilities at the acquisition date is presented as follows:

THOUSAND EUROS	BOOK VALUE AT ACQUISITION DATE	FAIR VALUE ADJUSTMENT	FAIR VALUE AT ACQUISITION DATE
ASSETS			
Property, plant and equipment	171,487	26,754	198,241
Intangible assets	-	85,476	85,476
Deferred tax assets	-	238	238
Total Non-Current Assets	171,487	112,468	283,956
Debtors and other assets from commercial activities	14,562	-	14,562
Other debtors and other assets	3,500	-16	3,484
Cash and cash equivalents	314	-	314
Total Current Assets	18,376	-16	18,360
Total Assets	189,864	112,452	302,316
LIABILITIES			
Medium / Long term financial debt	102,425	-	102,425
Provisions	2,303	-	2,303
Deferred tax liabilities	-	8,497	8,497
Other liabilities and other payables	-	3,155	3,155
Total Non-Current Liabilities	104,728	965	116,380
Short term financial debt	352	-	352
Other current liabilities	4,521	-	4,521
Total Current Liabilities	4,874	-	4,874
Total Liabilities	109,602	11,652	121,254
Total Net assets acquired at fair value			181,061
- Total considerationfor the acquisition of the shares			-202,298
		Goodwill	21,236

The aforementioned Xuan Thien's projects valuation has determined a fair value for Property, plant and equipment in the amount of 198,241 thousand Euros, generating a fair value adjustment of 26,754 thousand Euros corresponding to the permits, licences and concessions (PLCs) and an associated deferred tax liability in the amount of 2,026 thousand Euros (see note 16 and 21). Furthermore, the valuation has determined a fair value for Intangible assets in the amount of 85,476 thousand Euros, which equals the amount of the fair value adjustment corresponding to the power purchase agreements that these companies have in place and an associated deferred tax liability in the amount of 6,471 thousand Euros.

The purchase price allocation exercise carried out in accordance with IFRS 3 resulted in goodwill recognition in the amount of 21,236 thousand Euros, as per the difference of the net assets acquired at fair value and the consideration transferred for the acquisition of the shares.

The aforementioned provisional goodwill recognition resulting from the provisional purchase price allocation, which is identified according to what is indicated in note 2.A, is mainly attributable to EDPR doubling its operational capacity in Vietnam, strengthening its presence in the APAC region, a market where it entered in 2021 and has been since reinforced with the integration of Sunseap in February 2022.

Kronos Group

In the third quarter, EDPR entered into an agreement with Summercourt Capital GmbH (owner of 85% of the shares) and Bohne-Vermögensverwaltungs-GmbH (owner of 15% of the shares) to acquire a 66.80% stake of Kronos Solar Projects GmbH. which holds a solar generation portfolio of 9,4GW under development located in Germany, Netherlands, France and UK (see note 6). At that moment, the completion of this transaction was subject to customary conditions precedent. With this transaction, completed in 5 October 2022 once the aforementioned customary conditions precedent were fulfilled, EDPR has acquired 66.80% of the mentioned companies for a total consideration of 663,030 thousand Euros of which an amount of 341,995 thousand Euros corresponds to the put options and an amount of 71,035 thousand Euros relates to the estimation for the success fee to be paid to the sellers (see note 35). This transaction is considered under the scope of IFRS 3 - Business combinations.

Upon completion of the agreement, Kronos Solar Projects GmbH performed a capital increase which was subscribed solely by EDP Renewables Europe, S.L.U. and lead to EDP Renewables Europe, S.L.U. holding 70% of the total stake of the acquired company, the amount of the capital increase is not considered within the consideration transferred for the business combination. Furthermore and within the context of this acquisition, and for the purpose of constructing and operating the projects, EDP Renewables Europe, S.L.U. and the sellers have incorporated the company Kronos Projektgesellschaft mbH with the same split in the shareholding (70%-30%).

EDPR signed the corresponding shareholders agreements which include put and call options agreements for the remaining percentage of the shares of the Kronos Group with the minority shareholders. As a consequence, EDPR has call options to acquire the remaining stake of the capital of the Kronos Group and the sellers have put options to sell their shares. EDPR have applied the anticipated-acquisition method (see note 2.A, 6 and 35).

The Group used the financial statements as at 30 September 2022 of the acquired companies, to determine pre-acquisition balance sheet and results, and, consequently, the companies have been consolidated from that date following the full consolidation method and equity method when applicable. Thus, this acquisition has contributed to the consolidated financial statements with no revenues since none of the projects of the portfolio are operating and no sales of projects have occurred during the period and with a Net loss in the approximate amount of 438 thousand Euros, referring to the four-month period ended at 31 December 2022. If this acquisition had occurred in the beginning of the exercise, it would have contributed to the consolidated financial statements with no revenues since none of the projects of the portfolio are operating and no sales of projects have occurred during the year and with a Net loss in the approximate amount of 1,176 thousand Euros , referring to the twelve-month period ended at 31 December 2022.

At the acquisition date, EDPR Group has determined internally the fair value of the assets acquired and liabilities assumed. Since the portfolio acquired is still in an early stage of development EDPR has not allocated any value to specific assets, hence the difference amounting to 651,657 thousand Euros between the consideration transferred and the net assets acquired has been allocated to provisional goodwill. Such assessment has determined a fair value of the net assets acquired in the amount of 11,373 thousand Euros.

Fair value of identifiable assets and liabilities at the acquisition date is presented as follows:

THOUSAND EUROS	BOOK VALUE AT ACQUISITION DATE	FAIR VALUE ADJUSTMENT	FAIR VALUE AT ACQUISITION DATE
ASSETS			
Property, plant and equipment	4,871	-	4,871
Intangible assets	3,331	-	3,331
Other non-current assets	455	-	455
Total Non-Current Assets	8,656	-	8,656
Other debtors and other assets	1,591	-	1,591
Cash and cash equivalents	13,423		13,423
Total Current Assets	15,014	-	15,014
Total Assets	23,670	-	23,670
LIABILITIES			
Provisions	493	-	493
Deferred tax liabilities	151	-	151
Other liabilities and other payables	5	-	5
Total Non-Current Liabilities	649	-	649
Other current liabilities	11,560	-	11,560
Total Current Liabilities	11,560	-	11,560
Total Liabilities	12,209	-	12,209
Total Net assets acquired at fair value			11,461
- Non-controlling interest			88
Total Net assets acquired at fair value			11,373
- Total consideration for the acquisition of the shares			-663,030
		Goodwill	651,657

The aforementioned goodwill recognition resulting from the purchase price allocation, which is identified as provisional according to what is indicated in note 2.A, is mainly attributable to the opportunity of entrance in new regions for EDPR (namely Netherlands and Germany), which benefit from ambitious renewables targets given the increased importance of security of supply and energy independence coupled with government initiatives such as the "Easter Package" in Germany that stands out with ambitious renewables capacity targets, with 360 GW of renewable installed capacity until 2030. In that sense almost 50% of the acquired solar development portfolio is located in Germany. Another element to consider within the goodwill is the well-proven know-how and track record of Kronos's team with 1,4 GW developed through 80 successfully installed projects in 9 countries. Finally, this acquisition is considered to be highly complementary with EDPR geographical current set up, not only allowing the entrance in Germany and Netherlands, but also scaling presence in France and the UK with a fully solar focused business.

Longroad

EDPR, through its majority controlled US subsidiary, EDPR NA Distributed Generation, LLC, entered into an agreement in April 2022 to acquire 100% of the equity interests in ninety one (91) distinct limited liability companies and limited partnerships owning an aggregate nameplate capacity of 99.3 MWdc of operating solar plants located throughout the US. The acquisition of these companies has been structured in 8 different transactions ("tranches") which are independent from each other. However, given that the seller is the same, the assets have same nature and risks and are all located in the same geography, the Group has opted to present all these transactions aggregated in the same note, grouping the assets and liabilities acquired depending on whether the transaction has generated goodwill or badwill. At that moment, the completion of this transaction was subject to certain conditions precedent. The conditions precedent, which were specific for each acquired company, necessitated multiple closings of discrete asset groups in separate tranches. The closing tranches served to organize companies based up common attributes and/or common conditions precedent such as acquired companies with loan repayments, sale leaseback financed companies, and companies with common off-takers.

With the aforementioned conditions precedent fulfilled, EDPR acquired the aforementioned 100% equity interests in 84 companies in four tranches, each of which is considered under the scope of IFRS 3 - Business combinations, for the following cash consideration:

CLOSING DATE	CLOSING DATE	PROJECTS ACQUIRED	PURCHASE PRICE	CAPACITY (MW DC)
THOUSAND			EUR	MW DC
Renewable Venture Solar Fund V GP, LLC	19 April 2022	7	16,659	6.46
Longroad Solar Portfolio IV, LLc	9 August 2022	3	248	1.82
Longroad Solar WF Portfolio, LLc	9 August 2022	6	3,522	10.65
SunE Solar VI, LLC	9 August 2022	2	2,623	1.22
Longroad XII Holdings, LLC	3 October 2022	7	38,257	24.19
MMA Renewable Venture Solar Fund III, LLC	3 October 2022	18	22,867	16.93
Longroad DG Portolio I, LLC	9 December 2022	11	3,661	5.94
Longroad Fund III Holdings, LLC	9 December 2022	30	45,155	32.09
		84	132,992	99.3

The Group used the financial statements as at each respective closing date to determine pre-acquisition results and, consequently, the companies and their operations have been consolidated since that date. The profit and loss and statement of cash flows reflect the activity of these project companies from the respective date of closing presented in the table above through 31 December 2022.

If these acquisitions had occurred at the beginning of 2022, these would have contributed to the consolidated financial statements with Revenues, mainly from energy and environmental attribute (REC) sales, in the approximate amount of 14,244 thousand Euros (15,000 thousand USD) and with Net income for the period in the approximate amount of 2,279 thousand Euros (2,400 thousand USD), referring to the twelve-month period ended at 31 December 2022.

At the acquisition dates for each respective tranche, the Group has determined the fair values of the assets acquired and liabilities assumed, based on valuations performed by a third party. The valuation methodology utilized was a discounted cashflow approach, where cash flows for each project were forecasted for the remaining life of the assets. The main components of cashflow, namely production, long term power prices and operational costs were estimated using EDPR's own methodology using historical data of the assets provided by the seller. The after tax cash flows were then discounted at the weighted average cost of capital of 8.25% reflecting the risk of the debt and equity financing components adjusted for the contracted profile of each project. Lastly to the aggregate value of the portfolio, adjustments were made for one-off items, other balance sheet assets or liabilities and synergies, to reach the final equity valuation.

Such valuation has determined a fair value of the net assets acquired in the amount of 77,372 thousand Euros. Inputs and assumptions included in the valuation models relied upon the use of significant estimates including market energy pricing curves, federal income tax rates and other present value factors.

Fair values of identifiable assets and liabilities at the acquisition dates for tranches resulting in a provisional goodwill from the transaction are presented as follows:

THOUSAND EUROS	BOOK VALUE AT ACQUISITION DATE	FAIR VALUE ADJUSTMENT	FAIR VALUE AT ACQUISITION DATE
ASSETS			
Property, plant and equipment	41,506	-	41,506
Intangible assets	-	11,570	11,570
Other non-current assets	489	-	489
Total Non-Current Assets	41,995	11,570	53,565
Debtors and other assets from commercial activities	629	-	629
Other debtors and other assets	2,682	-	2,682
Cash and cash equivalents	129	-	129
Total Current Assets	3,440	-	3,440
Total Assets	43,435	11,570	57,005
LIABILITIES			
Provisions	4,416	-3,702	714
Deferred tax liabilities	-	-	-
Institutional partnerships in USA wind farms	2,821	-212	2,609
Total Non-Current Liabilities	7,237	-3,914	3,323
Other current liabilities	37	-	37
Total Current Liabilities	37	-	37
Total Liabilities	7,274	-3,914	3,360
Total Net assets acquired at fair value			53,645
- Total consideration transferred for the acquisition of the shares			-61,372
		Goodwilll	7,727

THOUSAND EUROS	BOOK VALUE AT ACQUISITION DATE	FAIR VALUE ADJUSTMENT	FAIR VALUE AT ACQUISITION DATE
ASSETS			
Property, plant and equipment	29,273	-	29,273
Intangible assets	-	9,097	9,097
Other non-current assets	2,170	-	2,170
Total Non-Current Assets	31,443	9,097	40,540
Debtors and other assets from commercial activities	596	-	596
Other debtors and other assets	750	-	750
Cash and cash equivalents	1,662	-	1,662
Total Current Assets	3,008	-	3,008
Total Assets	34,451	9,097	43,548

THOUSAND EUROS	BOOK VALUE AT ACQUISITION DATE	FAIR VALUE ADJUSTMENT	FAIR VALUE AT ACQUISITION DATE
LIABILITIES			
Provisions	1,639	-1,280	359
Deferred tax liabilities	-	-	-
Institutional partnerships in USA wind farms	22,070	-2,900	19,170
Total Non-Current Liabilities	23,709	-4,180	19,529
Other current liabilities	292	-	292
Total Current Liabilities	292	-	292
Total Liabilities	24,001	-4,180	19,821
Total Net 'assets acquired at fair value			23,727
- Total consideration transferred for the acquisition of the shares			-22,804
		Badwillll	923

The purchase price allocation exercise carried out in accordance with IFRS 3 resulted as a provisional goodwill recognition in the amount of 7,727 thousand Euros, as per the difference of the net assets acquired at fair value and the consideration transferred for the acquisition of the shares of the projects Longroad Solar Portfolio IV, LLC, Longroad XII Holdings, LLC, MMA Renewable Ventures Solar Fund III, LLC, Longroad DG Portfolio I, LLC, and Longroad Fund III Holdings, LLC (see note19).

Other purchase price allocations resulted in a provisional badwill recognition. The acquisitions of Renewable Ventures Solar Fund V GP, LLC, Longroad Solar WF Portfolio, LLC, and SunE Solar VI, LLC contributed badwill amounted to 932 thousand Euros (see note 9).

The aforementioned provisional goodwill resulting from the purchase price allocation is mainly attributable to the acquisition of above-market power purchase agreements. The aforementioned valuations have determined a fair value for Intangible assets 20,667 thousand Euros.

In addition to the above, as at 31 December 2022, the last tranche of the transaction recently closed and a purchase price allocation has not yet been finalized for Longroad DG Portfolio I, LLC (DG1) and Longroad Fund III Holdings, LLC (Fund III). The book values of these projects at acquisition date amounted to net assets of 27,578 thousand Euros. The provisional goodwill recognized for these transactions has been 21,238 thousand Euros (see note 19).

Business Combination closed during the year ended 31 December 2021

Distributed Generation

EDPR, through its wholly owned US subsidiary, EDP Renewables North America LLC, entered into an agreement in January 2021 to acquire 85% of C2 Omega LLC (C2). C2 is a US based Distributive Solar Generation Company with 89 MWs of operating and near completion capacity with a near-term pipeline of approximately 120 MWs through 16 states. At that moment, the completion of this transaction was subject to customary conditions precedent.

With the aforementioned customary conditions precedent fulfilled on March 1, 2021, EDPR acquired the aforementioned 85% interest in C2 for 46,530 thousand euros (55,032 thousand USD). This transaction is considered under the scope of IFRS 3 - Business combinations.

Within this transaction, EDPR has gained control over the company C2, with the then unrelated former owners have retained 15% of the ownership. The former sole owners are currently employees of EDPR. EDPR has an option to purchase the remaining 15% after February 2025 at an amount that is the present value of cash flows determined in a pre-defined model. If this call option is not executed by EDPR, then the former owners may put the 15% to EDPR after February 2026 using the present value of cash flows from the same pre-defined model, but with a discount rate 100 basis points higher than what was used in the value of EDPR's call option one year prior.

The Group used the financial statements as at 28 February 2021 of the companies acquired, to determine pre-acquisition results and, consequently, the companies have been consolidated from that date. The profit and loss and statement of cash flows reflect the activity of C2 and its subsidiaries from March 1, 2021 through December 31, 2021.

If this acquisition had occurred at the beginning of 2021, it would have contributed to the consolidated financial statements with Revenues, mainly from energy sales, in the approximate amount of 13,000 thousand Euros and with a Net loss for the period in the approximate amount of 2,400 thousand Euros, referring to the twelve-month period ended at 31 December 2021.

At the acquisition date, EDPR Group has determined the fair value of the assets acquired and liabilities assumed, based on a valuation performed by a third party. The valuation methodology utilized was a discounted cashflow approach, where cash flows for each project were forecasted for the remaining life of the assets. The main components of cashflow, namely production, long term power prices and operational costs were estimated using EDPR's own methodology using historical data of the assets provided by the seller. The after tax cash flows were then discounted at the weighted average cost of capital of 7% reflecting the risk of the debt and equity financing components adjusted for the contracted profile of each project. Lastly to the aggregate value of the portfolio, adjustments were made for one-off items, other balance sheet assets or liabilities and synergies, to reach the final equity valuation.

Such valuation has determined a fair value of the net assets acquired in the amount of 44,955 thousands of Euros.

Fair value of identifiable assets and liabilities at the acquisition date is presented as follows:

THOUSAND EUROS	BOOK VALUE AT ACQUISITION DATE	FAIR VALUE ADJUSTMENT	FAIR VALUE AT ACQUISITION DATE
ASSETS			
Property, plant and equipment	134,949	447	135,396
Other non-current assets	14,101	-	14,101
Total Non-Current Assets	149,050	447	149,497
Debtors and other assets from commercial activities	4,233	-2,308	1.925
Other debtors and other assets	3,208	-	3,208
Cash and cash equivalents	1,767	-	1,767
Total Current Assets	9,208	-2,308	6,900
Total Assets	158,258	-1,861	156,397
LIABILITIES			

THOUSAND EUROS	BOOK VALUE AT ACQUISITION DATE	FAIR VALUE ADJUSTMENT	FAIR VALUE AT ACQUISITION DATE
Medium / Long term financial debt	79,509	-3,294	76,215
Institutional partnerships in US wind farms	7,216	4,259	11,475
Other non-current liabilities	8,308	-	8,308
Total Non-Current Liabilities	95,033	965	95,998
Short term financial debt	175	-	175
Other current liabilities	11,243	-	11,243
Total Current Liabilities	11,418	-	11,418
Total Liabilities	106,451	965	107,416
Total Net assets at fair value			48,981
- Non-controlling interests	7,253	-3,227	4,026
Total Net assets acquired at fair value			44,955
- Total consideration transferred for the acquisition of the shares			-46,530
Goodwill			1,575

The aforementioned C2's valuation has determined a fair value for Property, plant and equipment in the amount of 135,396 thousand Euros, generating a fair value adjustment of 447 thousand Euros (see note 16). 106,190 thousand Euros of this amount is attributable to operating assets and 29,206 thousand Euros is attributable to assets in the development pipeline.

The noncontrolling interest value of 4,026 thousand Euros was determined in two pieces: 1) 4 years of cash flows attributable to the former owners up until EDPR's call option date and 2) the value of the option to purchase the former owner's residual 15% interest.

The fair values of financial debt and Partnerships in US wind farms was derived by taking the forecasted payment streams under those instruments using the market interest rates and returns for those instruments at the acquisition date.

The purchase price allocation exercise carried out in accordance with IFRS 3 resulted in goodwill recognition in the amount of 1,575 thousand Euros, as per the difference of the net assets acquired at fair value and the consideration transferred for the acquisition of the shares.

The aforementioned goodwill resulting from the purchase price allocation is mainly attributable to EDPR using C2 as an entry to the distributive generation market.

Vento Ludens

EDPR entered in July 2021 into an agreement with Vento Ludens Holdings GmbH for the acquisition of 100% of the shares in the UK company Vento Ludens Limited which in turn owns a stake of 79% of the shares in the company Muirake Wind Farm Limited and 100% of the shares in the company Lurg Hill Wind Farm Limited (see note 6). The agreement did not entail any conditions precedent therefore signing and closing was simultaneous.

With this transaction, completed in 20 July 2021, EDPR has acquired a portfolio that consists of 79% of a 5MW operating wind farm comissioned in 2012 with a 20-year Feed in Tariff in Scotland, 100% of 226MW of wind projects located in Scotland and Wales and 100% 44MW of photovoltaic projects located in Ireland for a total consideration of 14,673 thousand Euros (12,698 thousand GBP) that includes a contingent consideration of 1,016 thousand Euros and shareholder loans in the amount of 4,256 thousand Euros. This transaction is considered under the scope of IFRS 3 - Business combinations.

The Group used the financial statements as at 31 July 2021 of the companies acquired, to determine pre-acquisition balance sheet and results, and, consequently, the companies have been consolidated from that date following the full consolidation method. Thus this acquisition has contributed to the consolidated financial statements with Revenues, mainly from energy sales, in the approximate amount of 558 thousand Euros and with a Net loss in the approximate amount of 153 thousand Euros, referring to the five-month period ended at 31 December 2021. If this acquisition had occurred in the beginning of the exercise, it would

have contributed to the consolidated financial statements with Revenues, mainly from energy sales, in the approximate amount of 2,313 thousand Euros and with a Net loss for the period in the approximate amount of 1,697 thousand Euros, referring to the twelve-month period ended at 31 December 2021.

At the acquisition date, EDPR Group has determined the fair value of the assets acquired and liabilities assumed, with the assistance of a specialized and independent firm. The valuation methodology utilized has been the Multi-Excess Earning Method (MEEM) and the discounted cashflow approach. This valuation methodology assumes that the kind of assets to be valued normally generates cash flows in combination with other tangible and intangible assets and therefore consists in deducting the estimated cost of the use of other assets, such as PP&E or working capital, from the estimated cash flows associated to the asset to be valued. The main components of cashflow, namely production, long term power prices and operational costs were estimated using EDPR's own methodology using historical data and experience assessing investments of similar wind farms and solar PV projects in EDPR's portfolio. These internal assumptions used in the preparation of the cashflows of the wind farm have been challenged by the specialized firm. The after tax cash flows were then discounted at the weighted average cost of capital, that has been calculated by the firm, reflecting the risk of the country and adjusted for the profile of the portfolio.

Such valuation has determined a fair value of the net assets acquired in the amount of 9,873 thousands Euros. Fair value of identifiable assets and liabilities at the acquisition date is presented as follows:

THOUSAND EUROS	BOOK VALUE AT ACQUISITION DATE	FAIR VALUE ADJUSTMENT	FAIR VALUE AT ACQUISITION DATE
ASSETS			
Property, plant and equipment	7,564	13,201	20,765
Other non-current assets	126	-	126
Total Non-Current Assets	7,690	13,201	20,891
Cash and cash equivalents	1,130	-	1,130
Other current assets	304	-	304
Total Current Assets	1,434	-	1,434
Total Assets	9,124	13,201	22,325
LIABILITIES			
Deferred tax liabilities	-	3,300	3,300
Other non-current liabilities	7,832	-	7,832
Total Non-Current Liabilities	7,832	3,300	11,132
Other current liabilities	969	-	969
Total Current Liabilities	969	-	969
Total Liabilities	8,801	3,300	12,101
Total Net assets at fair value			10,224
- Non-controlling interests	-73	424	351
Total Net assets acquired at fair value			9,873
- Total consideration transferred for the acquisition of the shares			-10,417
Goodwill			544

The aforementioned Vento Ludens portfolio valuation has determined a fair value for Property, plant and equipment in the amount of 20,765 thousand Euros, generating a fair value adjustment of 13,201 thousand Euros and a corresponding deferred tax liability in the amount of 3,300 thousand Euros (see note 16 and 21). Further, the determination of the Non-controlling interests of the company Muirake Wind Farm Limited at fair value has resulted in a total amount of 351 thousand Euros at acquisition date.

The purchase price allocation exercise carried out in accordance with IFRS 3R, which is identified as provisional according to what is indicated in note 2.A, resulted in a goodwill recognition in the amount of 544 thousand Euros, as per the difference of the net assets acquired at fair value and the consideration transferred for the acquisition of the shares.

The aforementioned goodwill resulting from the purchase price allocation is mainly attributable to EDPR using Vento Ludens portfolio to establish its presence in the UK onshore market with a sizeable and technologically diversified portfolio at different stages of development.

Aria del Vento

EDPR entered in December 2018 into an agreement with Siemens Gamesa Renewable Energy Italy, S.p.A. for the acquisition of the Italian project Aria del Vento. At that moment, the completion of this transaction was subject to customary conditions precedent.The agreement entailed as one of these conditions precedent to closing that Siemens Gamesa Renewable Energy Italy, S.p.A. contributed the project to a company that would then be acquired by EDPR.

With this transaction, completed in June 2021 once the aforementioned customary conditions precedent were fulfilled, EDPR has acquired 100% of the shareholding of the company Parco Eolico Aria del Vento, S.r.l. (see note 6) which owns a wind farm project with a installed capacity of MW 16 which is operational since 2020, for a total consideration of 26,001 thousand Euros.

The Group used the financial statements as at 30 June 2021 of the company acquired, to determine pre-acquisition balance sheet and results, and, consequently, the companies have been consolidated from that date following the full consolidation method. Thus this acquisition has contributed to the consolidated financial statements with Revenues, mainly from energy sales, in the approximate amount of 3,319 thousand Euros and with a Net profit in the approximate amount of 2,822 thousand Euros, referring to the six-month period ended at 31 December 2021.

As the wind farm project was transferred to the company acquired at closing of the transaction, there is no further profit and loss results previously.

At the acquisition date, EDPR Group has determined the fair value of the assets acquired and liabilities assumed, with the assistance of a specialized and independent firm. The valuation methodology utilized has been the Multi-Excess Earning Method (MEEM) and the discounted cashflow approach. This valuation methodology assumes that the kind of assets to be valued normally generates cash flows in combination with other tangible and intangible assets and therefore consists in deducting the estimated cost of the use of other assets, such as PP&E or working capital, from the estimated cash flows associated to the asset to be valued. The main components of cashflow, namely production, long term power prices and operational costs were estimated using EDPR's own methodology using historical data and experience assessing investments of similar wind farms in EDPR's portfolio. These internal assumptions used in the preparation of the cashflows of the wind farm have been challenged by the specialized firm. The after tax cash flows were then discounted at the weighted average cost of capital, that has been calculated by the firm, reflecting the risk of the country and adjusted for the profile of the project.

Such valuation has determined a fair value of the net assets acquired in the amount of 33,832 thousands Euros.

Fair value of identifiable assets and liabilities at the acquisition date is presented as follows:

THOUSAND EUROS	BOOK VALUE AT ACQUISITION DATE	FAIR VALUE ADJUSTMENT	FAIR VALUE AT ACQUISITION DATE
ASSETS			
Property, plant and equipment	21,651	13,993	35,644
Goodwill	5,216	-5,216	-
Other non-current assets	836	-	836
Total Non-Current Assets	27,703	8,777	36,480
Cash and cash equivalents	586	-	586
Other current assets	1,907	-	1,907
Total Current Assets	2,493	-	2,493
Total Assets	30,196	8,777	38,973
LIABILITIES			
Deferred tax liabilities	-	3,358	3,358
Total Non-Current Liabilities	-	3,358	3,358

THOUSAND EUROS	BOOK VALUE AT ACQUISITION DATE	FAIR VALUE ADJUSTMENT	FAIR VALUE AT ACQUISITION DATE
Other current liabilities	1,783	-	1,783
Total Current Liabilities	1,783	-	1,783
Total Liabilities	1,783	3,358	5,141
Total Net assets acquired at fair value			33,832
- Total consideration transferred for the acquisition of the shares			-26,001
Gain on acquisition			-7,831

The aforementioned Aria del Vento's valuation has determined a fair value for Property, plant and equipment in the amount of 35,644 thousand Euros, generating a fair value adjustment of 13,933 thousand Euros and a corresponding deferred tax liability in the amount of 3,358 thousand Euros (see note 16 and 21).

The purchase price allocation exercise carried out in accordance with IFRS 3R, which is identified as provisional according to what is indicated in note 2.A, resulted in a gain recognition in the amount of 7,831 thousand Euros, as per the difference of the net assets acquired at fair value and the consideration transferred for the acquisition of the shares. The gain resulting from the purchase price allocation has been registered in the Other income caption of the consolidated financial statements (see note 9).

The aforementioned gain recognition is mainly attributable to the price of the transaction that was agreed back in 2018, before the construction of the wind farm, and the renewable energy market have changed significantly since then, to awarded tariff which is the result of a regulatory policy designed to support the development of renewable energy sources by providing a guaranteed price for producers and to the valuation carried out by the independent expert.

Trung Son

EDPR entered in April 2021 into an agreement with Trina Solar Investment Pte, Ltd. for the acquisition of 100% of the shares of the holding company called Trina Solar Investment First Pte. Ltd. owning the 100% of the company LYS Energy Investment Pte. Ltd. which in turn owns the 100% of the company holding the 28 MWac (35 MWdc) operational solar PV project called Trung Son Energy Development Joint Stock Company (see note 6). At that moment, the completion of this transaction was subject to customary conditions precedent. With this transaction, completed in 29 June 2021 once the aforementioned customary conditions precedent were fulfilled, EDPR has acquired 100% of the above portfolio for a total consideration of 29,568 thousand Euros (35,179 thousand USD) of which an amount of 16,381 thousand Euros (19,174 thousand USD) refers to shareholders loans. This transaction is considered under the scope of IFRS 3 - Business combinations.

The Group used the financial statements as at 30 June 2021 of the company acquired, to determine pre-acquisition balance sheet and results, and, consequently, the companies have been consolidated from that date following the full consolidation method. Thus, this acquisition has contributed to the consolidated financial statements with Revenues, mainly from energy sales, in the approximate amount of 1,246 thousand Euros and with a Net loss in the approximate amount of 283 thousand Euros, referring to the six-month period ended at 31 December 2021. If this acquisition had occurred in the beginning of the exercise, it would have contributed to the consolidated financial statements with revenues, mainly from energy sales, in the approximate amount of 3,047 thousand Euros and with a Net profit for the period in the approximate amount of 555 thousand Euros , referring to the twelve-month period ended at 31 December 2021.

At the acquisition date, EDPR Group has determined the fair value of the assets acquired and liabilities assumed, with the assistance of a specialized and independent firm. The valuation methodology utilized has been the Multi-Excess Earning Method (MEEM) and the discounted cashflow approach. This valuation methodology assumes that the kind of assets to be valued normally generates cash flows in combination with other tangible and intangible assets and therefore consists in deducting the estimated cost of the use of other assets, such as PP&E or working capital, from the estimated cash flows associated to the asset to be valued. The main components of cashflow, namely production, long term power prices and operational costs were estimated using EDPR's own methodology using historical data and experience assessing investments of similar solar PV projects in EDPR's portfolio. These internal assumptions used in the preparation of the cashflows of the solar PV project have been challenged by the specialized firm. The after tax cash flows were then discounted at the weighted average cost of capital, that has been calculated by the firm, reflecting the risk of the country and adjusted for the profile of the project.

Such valuation has determined a fair value of the net assets acquired in the amount of 10,844 thousands Euros.

Fair value of identifiable assets and liabilities at the acquisition date is presented as follows:

THOUSAND EUROS	BOOK VALUE AT ACQUISITION DATE	FAIR VALUE ADJUSTMENT	FAIR VALUE AT ACQUISITION DATE
ASSETS			
Property, plant and equipment	19,724	5,631	25,355
Other non-current assets	2,073	-	2,073
Total Non-Current Assets	21,797	5,631	27,428
Cash and cash equivalents	1,459	-	1,459
Other current assets	15,381	-	15,381
Total Current Assets	16,840	-	16,840
Total Assets	38,637	5,631	44,268
LIABILITIES			
Deferred tax liabilities	-	1,126	1,126
Other non-current liabilities	31,222	-	31,222
Total Non-Current Liabilities	31,222	1,126	32,348
Other current liabilities	1,076	-	1,076
Total Current Liabilities	1,076	-	1,076
Total Liabilities	32,298	1,126	33,424
Total Net assets acquired at fair value			10,844
- Total consideration transferred for the acquisition of the shares			-13,187
		Goodwill	2,343

The aforementioned Trung Son's portfolio valuation has determined a fair value for Property, plant and equipment in the amount of 25,355 thousand Euros, generating a fair value adjustment of 5,631 thousand Euros and a corresponding deferred tax liability in the amount of 1,126 thousand Euros (see note 16 and 21).

The purchase price allocation exercise carried out in accordance with IFRS 3R resulted in a goodwill recognition in the amount of 2,343 thousand Euros, as per the difference of the net assets acquired at fair value and the consideration transferred for the acquisition of the shares.

The aforementioned goodwill recognition resulting from the purchase price allocation, which is identified as provisional according to what is indicated in note 2.A, is mainly attributable to EDPR using Trung Son's portfolio to establish its presence in Singapore and Vietnam and represents a first step towards the establishment of EDPR's presence in the Asia Pacific region.

At the acquisition date, certain contingent liabilities have been identified, therefore additional provisions have been recognized in the amount of 1,100 thousand Euros.

The purchase price allocation exercise carried out in accordance with IFRS 3 resulted as follows:

- Goodwill recognition in the amount of 148,341 thousand Euros (see note 20) as per the difference of the net assets acquired at fair value and the consideration transferred for the acquisition of the shares. This amount includes the previous Goodwill recognized in the book value at acquisition date amounting to 112,279 thousand Euros and an additional amount of 36,062 thousand Euros, of which an amount of 4,641 thousand Euros refers to associate companies consolidated by the equity method, thus presented in the caption Investments in joint ventures and associates caption (see note 20); and
- Gain in the step acquisition of CEASA in the amount of 1,887 thousand Euros as a consequence of the remeasurement at fair value of the investment previously held, being registered the corresponding difference between the fair value and the book value in the Other income caption of the consolidated financial statements (see note 9).

The aforementioned goodwill resulting from the purchase price allocation, is mainly attributable to the high-quality of the portfolio with strong wind resource (29% average load factor) and with a low risk profile, of which 87% of the capacity is regulated, with an average age of 13 years (~7 years of remaining regulated life) considering that the portfolio also counts with an attractive potential for future extensions/repowering given the aforementioned profile, as well as to the benefits and synergies that are expected to arise as a result of its integration into EDPR Group.

All the business combinations made in 2021, can be considered as final figures in 2022.

43. Environment issues

Expenses of environmental nature are the expenses that were identified and incurred to avoid, reduce or repair damages of an environmental nature that result from the Group's normal activity.

These expenses are booked in the income statement of the year, except if they qualify to be recognised as an asset, according to IAS 16.

During the year, the environmental expenses recognised in the income statement in the amount of 7,734 thousand Euros (31 December 2021: 4,564 thousand Euros) refer to costs with the environmental management plan.

Investments of an environmental nature booked as Property, plant and equipment and intangible assets during 2021 amount to 13,968 thousand Euros (31 December 2021: 19,351 thousand Euros).

As referred in accounting policy 2.P, the Group has established provisions for dismantling and decommissioning of property, plant and equipment when a legal or contractual obligation exists to dismantle and decommission those assets at the end of their useful lives. Consequently, the Group has booked provisions for property, plant and equipment related to electricity wind and solar generation for the responsibilities of restoring sites and land to its original condition, in the amount of 264,756 thousand Euros as at 31 December 2021 (31 December 2021: 313,594 thousand Euros) (see note 32).

44. Operating segments report

The Group generates energy from renewable resources and has, since 1 January 2022, four reportable segments which are the Group's business platforms, Europe, North America, Latam and Apac. The strategic business units have operations in different geographic zones and are managed separately because their characteristics are quite different. For each of the strategic business units, the Group's CEO reviews internal management reports on at least a quarterly basis.

The accounting policies of the reportable segments are the same as described in note 2. Information regarding the results of each reportable segment is included in Annex 1. Performance is based on segment operating profit measures, as included in the internal management reports that are reviewed by the Management. Segment operating profit is used to measure performance as management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries. Inter-segment pricing is determined on an arm's length basis.

A business segment is an identifiable component of the Group, aimed at providing a single product or service, or a group of related products or services, and it is subject to risks and returns that can be distinguished from those of other business segments.

The Group generates energy from renewable sources in several locations and its activity is managed based on the following business segments:

- Europe: refers to companies that operate in Spain, Portugal, Belgium, France, Italy, Germany, Netherlands, Poland, Romania, United Kingdom, Hungary and Greece;
- North America: refers to companies that operate in United States of America, Canada and Mexico;
- LATAM: refers to companies that operate in Brasil, Chile and Colombia;
- APAC: refers to companies that operate in Korea, Singapore, Vietnam, Malaysia, Indonesia, Thailand, Cambodia, China, Taiwan and Japan.

As at 31 December 2021, business segments were the following:

- Europe: refers to EDPR EU Group companies operating in Spain, Portugal, Belgium, France, Italy, Netherlands, Poland, Romania, United Kingdom, Hungary and Greece;

- North America: refers to EDPR North America, EDPR Canada and EDPR Mexico Group companies that operate in United States of America, Canada and Mexico, respectively;
- Brazil: refers to EDPR Brasil Group companies that operate in this country.

Segment definition

The amounts reported in each business segment result from the aggregation of the subsidiaries and business units defined in each segment perimeter, including the intra-segment eliminations, without any inter-segment allocation adjustment.

The financial information disclosed by each business segment is determined based on the amounts booked directly in the subsidiaries that compose the segment, including the intra-segment eliminations, without any inter-segment allocation adjustment.

45. Audit and non-audit fees

PricewaterhouseCoopers (PwC) was reappointed in the Shareholder's Meeting held on April 12th 2021 as the external auditor of the EDPR Group for years 2021, 2022 and 2023. Fees for professional services provided by this company and the other related entities and persons in accordance with Law 22/2015 of 20 July, for the year ended in 31 December 2022 and 2021 are as follows:

					31 DECEMBER 2022
THOUSAND EUROS	EUROPE	NORTH AMERICA	LATAM	APAC	TOTAL
Audit and statutory audit of accounts	1,603	1,795	368	994	4,760
Other non-audit services	218	12	38	-	268
Total	1,821	1,807	406	994	5,028

The amount of Other non-audit services in Europe 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, 2022 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.

Total amount for Europe includes 857 thousand Euros of services provided by PricewaterhouseCoopers Auditores S.L. from which 676 thousand Euros refer to audit services and 181 thousand Euros refer to non-audit services.

The above fees exclude the fees for the companies that were sold during 2022 amounting 147 thousand Euros (see note 6).

The PwC fees for 2021 are as follows:

					31 DECEMBER 2021
THOUSAND EUROS	EUROPE	NORTH AMERICA	BRAZIL	OTHER	TOTAL
Audit and statutory audit of accounts	1,540	1,379	189	84	3,192
Other non-audit services	166	11	6	-	183
Total	1,706	1,390	195	84	3,375

Total amount for Europe includes 786 thousand Euros of services provided by PricewaterhouseCoopers Auditores S.L. from which 624 thousand Euros refer to audit services and 150 thousand Euros refer to non-audit services.

ANNEX I

The Subsidiary Companies consolidated under the full consolidated method, as at 31 December 2022 and 2021, are as follows, where "% of capital" represents the direct stake held by the immediate parent company/ies and "% of voting rights" represents the indirect stake held by the Group's parent holding company (EDP Renováveis S.A.):

			2022		2021	
COMPANY	HEAD OFFICE	AUDITOR	% OF CAPITAL	% OF VOTING RIGHTS	% OF CAPITAL	% OF VOTING RIGHTS
GROUP'S PARENT HOLDING COMPANY AND RELATED ACTIVITIES						
EDP RENOVÁVEIS, S.A. (GROUP'S PARENT HOLDING COMPANY)	OVIEDO	PWC	100.00%	100.00 %	100.00 %	100.00%
EDP RENOVÁVEIS SERVICIOS FINANCIEROS, S.A.	OVIEDO	PWC	100.00%	100.00 %	100.00 %	100.00%
EUROPE GEOGRAPHY / PLATFORM						
SPAIN						
EDP Renewables Europe, S.L.U. (Europe Parent Company)	Oviedo	PwC	100.00%	100.00 %	100.00 %	100.00%
EDP Renovables España, S.L.U.	Oviedo	PwC	100.00%	100.00 %	100.00 %	100.00%
Acampo Arias, S.L.	Zaragoza	PwC	95.00%	95.00%	95.00%	95.00%
Aplicaciones Industriales de Energías Limpias, S.L.	Zaragoza	n.a.	61.50%	61.50%	61.50%	61.50%
Canerde, S.L.	Madrid	n.a.	80.00%	80.00%	80.00%	80.00%
Compañía Eólica Aragonesa, S.A.	Zaragoza	PwC	100.00%	100.00 %	100.00 %	100.00%
Desarrollos Eólicos de Teruel, S.L.	Zaragoza	n.a.	51.00%	51.00%	51.00%	51.00%
Desarrollos Renovables de Allande, S.L.U.	Madrid	n.a.	100.00%	100.00 %	0.00%	0.00%
Desarrollos Renovables de la Frontera, S.L.U.	Jerez de la Frontera	n.a.	100.00%	100.00 %	0.00%	0.00%
Desarrollos Renovables de Teruel, S.L.	Teruel	n.a.	51.00%	51.00%	100.00 %	100.00%
EDPR México, S.L.U.	Oviedo	n.a.	100.00%	100.00 %	100.00 %	100.00%
EDPR Terral S.L.U.	Madrid	n.a.	100.00%	100.00 %	100.00 %	100.00%
EDPR Yield, S.A.U.	Oviedo	PwC	100.00%	100.00 %	100.00 %	100.00%
Eólica Arlanzón, S.A.	Madrid	PwC	85.00%	85.00%	85.00%	85.00%
Eólica Campollano, S.A.	Madrid	PwC	75.00%	75.00%	75.00%	75.00%
Eólica Fontesilva, S.L.U.	La Coruña	PwC	100.00%	100.00 %	100.00 %	100.00%
Eólica La Brújula, S.A.U.	Madrid	PwC	100.00%	100.00 %	100.00 %	100.00%
Eólica La Janda, S.L.U.	Madrid	PwC	0.00%	0.00%	100.00 %	100.00%
IAM Caecius, S.L.	Madrid	n.a.	100.00%	100.00 %	100.00 %	100.00%
Iberia Aprovechamientos Eólicos, S.A.	Zaragoza	PwC	94.00%	94.00%	94.00%	94.00%

COMPANY	HEAD OFFICE	AUDITOR	2022 % OF CAPITAL	2022 % OF VOTING RIGHTS	2021 % OF CAPITAL	2021 % OF VOTING RIGHTS
Northeolic Monte Buño, S.L.	Cantabria	PwC	0.00%	0.00%	75.00%	75.00%
Palma Hive, S.L.	Madrid	n.a.	100.00%	100.00%	0.00%	0.00%
Parc Eòlic Serra Voltorera, S.L.U.	Barcelona	PwC	0.00%	0.00%	100.00%	100.00%
Parque Eólico Altos del Voltoya, S.A.	Madrid	PwC	92.50%	92.50%	92.50%	92.50%
Parque Eólico de Abrazadilla, S.L.U.	Madrid	n.a.	100.00%	100.00%	100.00%	100.00%
Parque Eólico La Sotonera, S.L.	Zaragoza	PwC	69.84%	69.84%	69.84%	69.84%
Parque Eólico Los Cantales, S.L.U.	Zaragoza	PwC	100.00%	100.00%	100.00%	100.00%
Parque Eólico Santa Quiteria, S.L.	Zaragoza	PwC	100.00%	83.96%	100.00%	83.96%
Pedregal Hive, S.L.	Madrid	n.a.	100.00%	100.00%	0.00%	0.00%
Renovables Castilla La Mancha, S.A.	Madrid	PwC	90.00%	90.00%	90.00%	90.00%
Rocio Hive, S.L.	Madrid	n.a.	100.00%	100.00%	0.00%	0.00%
Site Sunwind Energy, S.L.	Madrid	n.a.	100.00%	100.00%	100.00%	100.00%
Tébar Eólica, S.A.U.	Madrid	PwC	100.00%	100.00%	100.00%	100.00%
Viesgo Europa, S.L.U.	Oviedo	PwC	100.00%	100.00%	100.00%	100.00%
Viesgo Mantenimiento, S.L.U.	Cantabria	PwC	100.00%	100.00%	100.00%	100.00%
Viesgo Renovables, S.L.U.	Oviedo	PwC	100.00%	100.00%	100.00%	100.00%
Portugal						
EDP Renováveis Portugal, S.A.	Porto	PwC	51.00%	51.00%	51.00%	51.00%
EDP Renewables SGPS, S.A.	Porto	PwC	100.00%	100.00%	100.00%	100.00%
EDPR PT – Parques Eólicos, S.A.	Porto	PwC	51.00%	51.00%	51.00%	51.00%
EDPR PT – Promoção e Operação, S.A.	Porto	PwC	100.00%	100.00%	100.00%	100.00%
EDPR Cross Solutions, S.A.	Porto	PwC	100.00%	100.00%	0.00%	0.00%
Eólica da Coutada, S.A.	Soutelo de Aguiar	PwC	100.00%	51.00%	100.00%	51.00%
Eólica da Coutada II, S.A.	Porto	PwC	100.00%	100.00%	0.00%	0.00%
Eólica da Serra das Alturas, S.A.	Boticas	PwC	50.10%	25.55%	50.10%	25.55%
Eólica da Terra do Mato, S.A.	Porto	PwC	100.00%	51.00%	100.00%	51.00%
Eólica das Serras das Beiras, S.A.	Piódão – Arganil	PwC	100.00%	51.00%	100.00%	51.00%

COMPANY	HEAD OFFICE	AUDITOR	2022 % OF CAPITAL	2022 % OF VOTING RIGHTS	2021 % OF CAPITAL	2021 % OF VOTING RIGHTS
Eólica de Alagoa, S.A.	Arcos de Valdevez	PwC	60.00%	30.60%	60.00%	30.60%
Eólica de Montenegrelo, S.A.	Vila Pouca de Aguiar	PwC	50.10%	25.55%	50.10%	25.55%
Eólica do Alto da Lagoa, S.A.	Porto	PwC	100.00%	51.00%	100.00%	51.00%
Eólica do Alto da Teixosa, S.A.	Alhões	PwC	100.00%	51.00%	100.00%	51.00%
Eólica do Alto do Mourisco, S.A.	Cerdedo	PwC	100.00%	51.00%	100.00%	51.00%
Eólica do Espigão, S.A.	Vila Nova CMV	PwC	100.00%	51.00%	100.00%	51.00%
Eólica dos Altos de Salgueiros-Guilhado, S.A.	Vila Pouca de Aguiar	PwC	100.00%	51.00%	100.00%	51.00%
Eoliser - Serviços de Gestão para Parques Eólicos, Lda.	Lisboa	n.a.	0.00%	0.00%	100.00%	100.00%
Fotovoltaica Flutuante do Grande Lago, S.A.	Porto	PwC	100.00%	100.00%	0.00%	0.00%
Fotovoltaica Lote A, S.A.	Porto	PwC	100.00%	100.00%	100.00%	100.00%
IE2 Portugal, SGPS, S.A.	Porto	PwC	100.00%	100.00%	100.00%	100.00%
Malhadizes - Energia Eólica, S.A.	Porto	PwC	100.00%	51.00%	100.00%	51.00%
Parque Eólico do Barlavento, S.A.	Porto	PwC	89.98%	89.98%	89.98%	89.98%
S.E.E. - Sul Energía Eólica, S.A.	Porto	PwC	100.00%	100.00%	100.00%	100.00%
France						
EDPR France Holding, S.A.S.	Paris	PwC	100.00%	100.00%	100.00%	100.00%
Eoles Montjean, S.A.S.	Paris	n.a.	100.00%	100.00%	0.00%	0.00%
Le Chemin de la Corvée, S.A.S.	Paris	PwC	100.00%	100.00%	100.00%	100.00%
Monts de la Madeleine Energie, S.A.S.	Paris	PwC	100.00%	100.00%	100.00%	100.00%
Monts du Forez Energie, S.A.S.	Paris	PwC	100.00%	100.00%	100.00%	100.00%
Parc Éolien d'Entrains-sur-Nohain, S.A.S.	Paris	PwC	90.00%	90.00%	90.00%	90.00%
Parc Eolien de Dionay, S.A.S.	Paris	PwC	100.00%	100.00%	100.00%	100.00%
Transition Euroise Roman II, S.A.S.	Paris	n.a.	85.00%	85.00%	85.00%	85.00%
Vanosc Energie, S.A.S.	Paris	n.a.	100.00%	100.00%	100.00%	100.00%
Kronos Solar France, S.A.S. (1)	Boulogn-Billancourt	n.a.	100.00%	100.00%	0.00%	0.00%
Fransol 11, S.A.S. (1)	Boulogne-Billancourt	n.a.	100.00%	85.00%	0.00%	0.00%

COMPANY	HEAD OFFICE	AUDITOR	2022 % OF CAPITAL	2022 % OF VOTING RIGHTS	2021 % OF CAPITAL	2021 % OF VOTING RIGHTS
Fransol 12, S.A.S. (1)	Boulogne-Billancourt	n.a.	100.00%	85.00%	0.00%	0.00%
Fransol 13, S.A.S. (1)	Boulogne-Billancourt	n.a.	100.00%	85.00%	0.00%	0.00%
Fransol 14, S.A.S. (1)	Boulogne-Billancourt	n.a.	100.00%	85.00%	0.00%	0.00%
Fransol 15, S.A.S. (1)	Boulogne-Billancourt	n.a.	100.00%	85.00%	0.00%	0.00%
Fransol 16, S.A.S. (1)	Boulogne-Billancourt	n.a.	100.00%	85.00%	0.00%	0.00%
Fransol 17, S.A.S. (1)	Boulogne-Billancourt	n.a.	100.00%	85.00%	0.00%	0.00%
Fransol 18, S.A.S. (1)	Boulogne-Billancourt	n.a.	100.00%	85.00%	0.00%	0.00%
Fransol 19, S.A.S. (1)	Boulogne-Billancourt	n.a.	100.00%	85.00%	0.00%	0.00%
Fransol 20, S.A.S. (1)	Boulogne-Billancourt	n.a.	100.00%	85.00%	0.00%	0.00%
Fransol 21, S.A.S. (1)	Boulogne-Billancourt	n.a.	100.00%	85.00%	0.00%	0.00%
Fransol 22, S.A.S. (1)	Boulogne-Billancourt	n.a.	100.00%	85.00%	0.00%	0.00%
Fransol 23, S.A.S. (1)	Boulogne-Billancourt	n.a.	100.00%	85.00%	0.00%	0.00%
Fransol 24, S.A.S. (1)	Boulogne-Billancourt	n.a.	100.00%	85.00%	0.00%	0.00%
Fransol 25, S.A.S. (1)	Boulogne-Billancourt	n.a.	100.00%	85.00%	0.00%	0.00%
Fransol 26, S.A.S. (1)	Boulogne-Billancourt	n.a.	100.00%	85.00%	0.00%	0.00%
Fransol 27, S.A.S. (1)	Boulogne-Billancourt	n.a.	100.00%	85.00%	0.00%	0.00%
Fransol 28, S.A.S. (1)	Boulogne-Billancourt	n.a.	100.00%	85.00%	0.00%	0.00%
Fransol 29, S.A.S. (1)	Boulogne-Billancourt	n.a.	100.00%	85.00%	0.00%	0.00%
Fransol 30, S.A.S. (1)	Boulogne-Billancourt	n.a.	100.00%	85.00%	0.00%	0.00%
Fransol 31, S.A.S. (1)	Boulogne-Billancourt	n.a.	100.00%	85.00%	0.00%	0.00%
Fransol 32, S.A.S. (1)	Boulogne-Billancourt	n.a.	100.00%	85.00%	0.00%	0.00%
Fransol 33, S.A.S. (1)	Boulogne-Billancourt	n.a.	100.00%	85.00%	0.00%	0.00%
Fransol 34, S.A.S. (1)	Boulogne-Billancourt	n.a.	100.00%	85.00%	0.00%	0.00%
Fransol 35, S.A.S. (1)	Boulogne-Billancourt	n.a.	100.00%	85.00%	0.00%	0.00%

COMPANY	HEAD OFFICE	AUDITOR	2022 % OF CAPITAL	2022 % OF VOTING RIGHTS	2021 % OF CAPITAL	2021 % OF VOTING RIGHTS
Fransol 36, S.A.S. (1)	Boulogne-Billancourt	n.a.	100.00%	85.00%	0.00%	0.00%
Fransol 37, S.A.S. (1)	Boulogne-Billancourt	n.a.	100.00%	85.00%	0.00%	0.00%
Fransol 38, S.A.S. (1)	Boulogne-Billancourt	n.a.	100.00%	85.00%	0.00%	0.00%
Fransol 39, S.A.S. (1)	Boulogne-Billancourt	n.a.	100.00%	85.00%	0.00%	0.00%
Fransol 40, S.A.S. (1)	Boulogne-Billancourt	n.a.	100.00%	85.00%	0.00%	0.00%
Fransol 41, S.A.S. (1)	Boulogne-Billancourt	n.a.	100.00%	85.00%	0.00%	0.00%
Fransol 42, S.A.S. (1)	Boulogne-Billancourt	n.a.	100.00%	85.00%	0.00%	0.00%
Fransol 43, S.A.S. (1)	Boulogne-Billancourt	n.a.	100.00%	85.00%	0.00%	0.00%
Fransol 44, S.A.S. (1)	Boulogne-Billancourt	n.a.	100.00%	85.00%	0.00%	0.00%
Fransol 45, S.A.S. (1)	Boulogne-Billancourt	n.a.	100.00%	85.00%	0.00%	0.00%
Fransol 46, S.A.S. (1)	Boulogne-Billancourt	n.a.	100.00%	85.00%	0.00%	0.00%
Fransol 47, S.A.S. (1)	Boulogne-Billancourt	n.a.	100.00%	85.00%	0.00%	0.00%
Fransol 48, S.A.S. (1)	Boulogne-Billancourt	n.a.	100.00%	85.00%	0.00%	0.00%
Fransol 49, S.A.S. (1)	Boulogne-Billancourt	n.a.	100.00%	85.00%	0.00%	0.00%
Fransol 50, S.A.S. (1)	Boulogne-Billancourt	n.a.	100.00%	85.00%	0.00%	0.00%
Kronos IB Vogt 15, S.A.S. (1)	Saint-Louis	n.a.	100.00%	85.00%	0.00%	0.00%
Kronos IB Vogt 16, S.A.S. (1)	Saint-Louis	n.a.	100.00%	85.00%	0.00%	0.00%
Kronos IB Vogt 18, S.A.S. (1)	Saint-Louis	n.a.	100.00%	85.00%	0.00%	0.00%
Kronos IB Vogt 19, S.A.S. (1)	Saint-Louis	n.a.	100.00%	85.00%	0.00%	0.00%
Kronos IB Vogt 20, S.A.S. (1)	Saint-Louis	n.a.	100.00%	85.00%	0.00%	0.00%
Kronos IB Vogt 22, S.A.S. (1)	Saint-Louis	n.a.	100.00%	85.00%	0.00%	0.00%
Kronos IB Vogt 25, S.A.S. (1)	Saint-Louis	n.a.	100.00%	85.00%	0.00%	0.00%
Kronosol 11, S.A.R.L. (1)	Saint-Louis	n.a.	100.00%	85.00%	0.00%	0.00%
Kronosol 12, S.A.R.L. (1)	Saint-Louis	n.a.	100.00%	85.00%	0.00%	0.00%
Kronosol 13, S.A.R.L. (1)	Saint-Louis	n.a.	100.00%	85.00%	0.00%	0.00%
Kronosol 14, S.A.R.L. (1)	Saint-Louis	n.a.	100.00%	85.00%	0.00%	0.00%
Kronosol 15, S.A.R.L. (1)	Saint-Louis	n.a.	100.00%	85.00%	0.00%	0.00%
Poland						
EDP Renewables Polska, Sp. z o.o.	Warsaw	PwC	100.00%	100.00 %	100.00 %	100.00%

COMPANY	HEAD OFFICE	AUDITOR	2022 % OF CAPITAL	2022 % OF VOTING RIGHTS	2021 % OF CAPITAL	2021 % OF VOTING RIGHTS
EDP Renewables Polska HoldCo, S.A.	Warsaw	PwC	51.00%	51.00%	51.00%	51.00%
EDP Renewables Polska Solar, Sp. z o.o.	Warsaw	n.a.	100.00%	100.00 %	100.00 %	100.00%
Budzyn, Sp. z o.o.	Warsaw	PwC	100.00%	51.00%	100.00 %	51.00%
Elektrownia Kamienica, Sp. z o.o.	Warsaw	n.a.	100.00%	100.00 %	100.00 %	100.00%
Elektrownia Wiatrowa Kresy I, Sp. z o.o.	Warsaw	PwC	100.00%	51.00%	100.00 %	51.00%
EW Dobrzyca, sp. z o.o.	Poznań	PwC	100.00%	100.00 %	100.00 %	100.00%
Farma Fotowoltaiczna Budzyn, Sp. z o.o.	Warsaw	n.a.	100.00%	100.00 %	0.00%	0.00%
Farma Fotowoltaiczna Dobrzyca, Sp. z o.o.	Warsaw	n.a.	100.00%	100.00 %	0.00%	0.00%
Farma Fotowoltaiczna Koden, Sp. z o.o.	Warsaw	n.a.	100.00%	100.00 %	100.00 %	100.00%
Farma Fotowoltaiczna Radziejów, Sp. z o.o.	Warsaw	n.a.	100.00%	100.00 %	0.00%	0.00%
Farma Fotowoltaiczna Tomaszów, Sp. z o.o.	Warsaw	n.a.	100.00%	100.00 %	0.00%	0.00%
Farma Fotowoltaiczna Ujazd, Sp. z o.o.	Warsaw	n.a.	100.00%	100.00 %	0.00%	0.00%
Farma Fotowoltaiczna Warta, Sp. z o.o.	Warsaw	n.a.	100.00%	100.00 %	0.00%	0.00%
Farma Fotowoltaiczna Wielkopolska, Sp. z o.o.	Warsaw	n.a.	100.00%	100.00 %	0.00%	0.00%
Farma Wiatrowa Starozreby, Sp. z o.o.	Warsaw	n.a.	100.00%	100.00 %	100.00 %	100.00%
FW Warta, Sp. z o.o.	Poznań	PwC	100.00%	100.00 %	100.00 %	100.00%
Gudziki Wind Farm, sp. z o.o.	Warsaw	n.a.	100.00%	51.00%	100.00 %	51.00%
Karpacka Mala Energetyka, Sp. z o.o.	Warsaw	n.a.	100%*	100%*	85.00%	85.00%
Korsze Wind Farm, Sp. z o.o.	Warsaw	PwC	100.00%	51.00%	100.00 %	51.00%
Masovia Wind Farm I, Sp. z o.o.	Warsaw	PwC	100.00%	100.00 %	100.00 %	100.00%
Miramit Investments, Sp. z o.o.	Warsaw	n.a.	100.00%	100.00 %	100.00 %	100.00%
Molen Wind II, Sp. z o.o.	Warsaw	PwC	100.00%	51.00%	100.00 %	51.00%
Neo Solar Chotków, Sp. z o.o.	Warsaw	n.a.	100.00%	100.00 %	100.00 %	100.00%
Neo Solar Farm, Sp. z o.o.	Warsaw	PwC	100.00%	100.00 %	100.00 %	100.00%
Neo Solar Przykona II, Sp. z o.o.	Warsaw	n.a.	100.00%	100.00 %	100.00 %	100.00%

COMPANY	HEAD OFFICE	AUDITOR	2022 % OF CAPITAL	2022 % OF VOTING RIGHTS	2021 % OF CAPITAL	2021 % OF VOTING RIGHTS
R.Wind, Sp. z o.o.	Warsaw	n.a.	100.00%	100.00%	100.00%	100.00%
Radziejów Wind Farm, Sp. z o.o.	Warsaw	PwC	100.00%	51.00%	100.00%	51.00%
Rampton, Sp. z o.o.	Warsaw	n.a.	100.00%	100.00%	100.00%	100.00%
Relax Wind Park I, Sp. z o.o.	Warsaw	PwC	100.00%	51.00%	100.00%	51.00%
Relax Wind Park III, Sp. z o.o.	Warsaw	PwC	100.00%	51.00%	100.00%	51.00%
Ujazd, Sp. z o.o.	Poznań	PwC	100.00%	100.00%	100.00%	100.00%
WF Energy III, Sp. z o.o.	Warsaw	n.a.	100.00%	100.00%	100.00%	100.00%
Wind Field Wielkopolska, Sp. z o.o.	Poznań	PwC	100.00%	100.00%	100.00%	100.00%
Winfan, Sp. z o.o.	Warsaw	n.a.	0.00%	0.00%	100.00%	100.00%
EWP European Wind Power Krasin, Sp. z o.o.	Warsaw	PwC	0.00%	0.00%	100.00%	100.00%
Nowa Energia 1, Sp. z o.o.	Warsaw	PwC	0.00%	0.00%	100.00%	100.00%
Lichnowy Windfarm, Sp. z o.o.	Warsaw	PwC	0.00%	0.00%	100.00%	100.00%
Kowalewo Wind, Sp. z o.o.	Warsaw	PwC	0.00%	0.00%	100.00%	100.00%
Farma Wiatrowa Bogoria, Sp. z o.o.	Warsaw	PwC	0.00%	0.00%	100.00%	100.00%
Romania						
EDPR România, S.R.L.	Bucarest	PwC	100.00%	100.00%	100.00%	100.00%
Beta Wind, S.R.L.	Bucarest	n.a.	100.00%	100.00%	100.00%	100.00%
Energopark, S.R.L.	Bucarest	n.a.	100.00%	100.00%	100.00%	100.00%
Fravezac, S.R.L.	Bucarest	n.a.	100.00%	100.00%	0.00%	0.00%
International Solar Energy, S.R.L.	Bucarest	n.a.	100.00%	100.00%	100.00%	100.00%
Solar Phoenix, S.R.L.	Bucarest	n.a.	100.00%	100.00%	100.00%	100.00%
United Kingdom						
Altnabreac Wind Farm Limited	Edinburgh	PwC	100.00%	100.00%	100.00%	100.00%
Ben Sca Wind Farm Limited	Edinburgh	PwC	100.00%	100.00%	100.00%	100.00%
Drummarnock Wind Farm Limited	Edinburgh	PwC	100.00%	100.00%	100.00%	100.00%

COMPANY	HEAD OFFICE	AUDITOR	2022 % OF CAPITAL	2022 % OF VOTING RIGHTS	2021 % OF CAPITAL	2021 % OF VOTING RIGHTS
Lurg Hill Wind Farm Ltd	Edinburgh	n.a.	100.00%	100.00 %	100.00 %	100.00%
Moorshield Wind Farm Limited	Edinburgh	PwC	100.00%	100.00 %	100.00 %	100.00%
Muirake Wind Farm Ltd	Edinburgh	PwC	79.00%	79.00%	79.00%	79.00%
Vento Ludens Ltd	Edinburgh	PwC	100.00%	100.00 %	100.00 %	100.00%
Wind 2 Project 1 Limited	Edinburgh	PwC	100.00%	100.00 %	100.00 %	100.00%
KS SPV 36 Limited (1)	Newmarket	Ensors	100.00%	100.00 %	0.00%	0.00%
KS SPV 46 Limited (1)	Newmarket	Ensors	100.00%	100.00 %	0.00%	0.00%
KS SPV 65 Limited (1)	Newmarket	Ensors	100.00%	100.00 %	0.00%	0.00%
KS SPV 69 Limited (1)	Newmarket	Ensors	100.00%	100.00 %	0.00%	0.00%
KS SPV 70 Limited (1)	Newmarket	Ensors	100.00%	100.00 %	0.00%	0.00%
KS SPV 71 Limited (1)	Newmarket	Ensors	100.00%	100.00 %	0.00%	0.00%
KS SPV 72 Limited (1)	Newmarket	Ensors	100.00%	100.00 %	0.00%	0.00%
KS SPV 73 Limited (1)	Newmarket	Ensors	100.00%	100.00 %	0.00%	0.00%
KS SPV 74 Limited (1)	Newmarket	Ensors	100.00%	100.00 %	0.00%	0.00%
KS SPV 75 Limited (1)	Newmarket	Ensors	100.00%	100.00 %	0.00%	0.00%
KS SPV 76 Limited (1)	Newmarket	Ensors	100.00%	100.00 %	0.00%	0.00%
KS SPV 77 Limited (1)	Newmarket	Ensors	100.00%	100.00 %	0.00%	0.00%
KS SPV 78 Limited (1)	Newmarket	Ensors	100.00%	100.00 %	0.00%	0.00%
KS SPV 79 Limited (1)	Newmarket	Ensors	100.00%	100.00 %	0.00%	0.00%
KS SPV 80 Limited (1)	Newmarket	Ensors	100.00%	100.00 %	0.00%	0.00%
Italy						
EDP Renewables Italia, S.r.l.	Milan	PwC	51.00%	51.00%	51.00%	51.00%
EDP Renewables Italia Holding, S.r.l.	Milan	PwC	100.00%	100.00 %	100.00 %	100.00%
AW 2, S.r.l.	Milan	PwC	75.00%	75.00%	75.00%	75.00%
C & C Tre Energy S.r.l.	Milan	PwC	100.00%	100.00 %	100.00 %	100.00%
Custolito, S.r.l.	Milan	n.a.	100.00%	100.00 %	100.00 %	100.00%

COMPANY	HEAD OFFICE	AUDITOR	2022		2021	
			% OF CAPITAL	% OF VOTING RIGHTS	% OF CAPITAL	% OF VOTING RIGHTS
EDPR Basilicata, S.r.l.	Milan	n.a.	100.00%	100.00%	0.00%	0.00%
EDPR Centro Italia PV, S.r.l.	Milan	n.a.	100.00%	100.00%	100.00%	100.00%
EDPR Puglia Due, S.r.l.	Milan	n.a.	100.00%	100.00%	0.00%	0.00%
EDPR Puglia Uno, S.r.l.	Milan	n.a.	100.00%	100.00%	0.00%	0.00%
EDPR Sardegna, S.r.l.	Milan	n.a.	100.00%	100.00%	0.00%	0.00%
EDPR Sicilia Due, S.r.l.	Milan	n.a.	100.00%	100.00%	0.00%	0.00%
EDPR Sicilia PV, S.r.l.	Milan	n.a.	100.00%	100.00%	100.00%	100.00%
EDPR Sicilia Uno, S.r.l.	Milan	n.a.	100.00%	100.00%	0.00%	0.00%
EDPR Sicilia Wind, S.r.l.	Milan	n.a.	100.00%	100.00%	100.00%	100.00%
EDPR Sud Italia, S.r.l.	Milan	n.a.	100.00%	100.00%	0.00%	0.00%
EDPR Villa Galla, S.r.l.	Milan	PwC	100.00%	51.00%	100.00%	51.00%
Energia Emissioni Zero 4, S.r.l.	Milan	PwC	60.00%	60.00%	60.00%	60.00%
Giglio, S.r.l.	Milan	PwC	60.00%	60.00%	60.00%	60.00%
Re Plus, S.r.l.	Milan	n.a.	100.00%	100.00%	100.00%	100.00%
Sarve, S.r.l.	Milan	PwC	100.00%	100.00%	51.00%	51.00%
Solar Italy I, S.r.l.	Milan	n.a.	100.00%	100.00%	0.00%	0.00%
Solar Italy II, S.r.l.	Milan	n.a.	100.00%	100.00%	0.00%	0.00%
Solar Italy IV, S.r.l.	Milan	n.a.	100.00%	100.00%	0.00%	0.00%
T Power, S.p.A.	Cesena	Baker Tilly Revisa	100.00%	100.00%	100.00%	100.00%
Tivano, S.r.l.	Milan	PwC	75.00%	75.00%	75.00%	75.00%
VRG Wind 153, S.r.l.	Milan	PwC	100%**	100%**	80.00%	80.00%
Wind Energy San Giorgio, S.r.l.	Milan	PwC	60.00%	60.00%	60.00%	60.00%
Aria del Vento	Milan	PwC	0.00%	0.00%	100.00%	100.00%
Breva Wind, S.r.l.	Milan	PwC	0.00%	0.00%	100.00%	100.00%
Conza Energia, S.r.l.	Milan	PwC	0.00%	0.00%	100.00%	100.00%
Lucus Power, S.r.l.	Milan	PwC	0.00%	0.00%	100.00%	100.00%
San Mauro, S.r.l.	Milan	PwC	0.00%	0.00%	75.00%	75.00%

COMPANY	HEAD OFFICE	AUDITOR	2022 % OF CAPITAL	2022 % OF VOTING RIGHTS	2021 % OF CAPITAL	2021 % OF VOTING RIGHTS
TACA Wind, S.r.l.	Milan	PwC	0.00%	0.00%	100.00 %	100.00%
WinCap, S.r.l.	Milan	PwC	0.00%	0.00%	100.00 %	100.00%
Greece						
Aeolos Evias Energiaki, M.A.E.	Athens	n.a.	100.00%	100.00 %	0.00%	0.00%
Aioliki Oitis Energiaki E.P.E.	Athens	n.a.	100.00%	100.00 %	100.00 %	100.00%
Aioliko Parko Fthiotidos Erimia E.P.E.	Athens	PwC	100.00%	100.00 %	100.00 %	100.00%
EDPR Hellas 1 M.A.E.	Athens	PwC	100.00%	100.00 %	100.00 %	100.00%
EDPR Hellas 2 M.A.E.	Athens	PwC	100.00%	100.00 %	100.00 %	100.00%
Energiaki Arvanikou E.P.E.	Athens	PwC	100.00%	100.00 %	100.00 %	100.00%
Kadmeios Anemos Energiaki A.E.	Athens	n.a.	100.00%	100.00 %	100.00 %	100.00%
Voiotikos Anemos Energiaki A.E.	Athens	n.a.	100.00%	100.00 %	100.00 %	100.00%
Wind Park Aerorrachi M.A.E.	Athens	PwC	100.00%	100.00 %	100.00 %	100.00%
Wind Shape E.P.E.	Athens	n.a.	100.00%	100.00 %	100.00 %	100.00%
Belgium						
EDP Renewables Belgium, S.A.	Brussels	PwC	100.00%	100.00 %	100.00 %	100.00%
The Netherlands						
EDPR International Investments, B.V.	Amsterdam	PwC	100.00%	100.00 %	100.00 %	100.00%
Kronos Solar Projects NL, B.V. (1)	Arnhem	n.a.	100.00%	100.00 %	0.00%	0.00%
KS NL3, B.V. (1)	Arnhem	n.a.	100.00%	100.00 %	0.00%	0.00%
KS NL6, B.V. (1)	Arnhem	n.a.	100.00%	100.00 %	0.00%	0.00%
KS NL8, B.V. (1)	Arnhem	n.a.	100.00%	100.00 %	0.00%	0.00%
KS NL10, B.V. (1)	Arnhem	n.a.	100.00%	100.00 %	0.00%	0.00%
KS NL12, B.V. (1)	Arnhem	n.a.	100.00%	100.00 %	0.00%	0.00%
KS NL13, B.V. (1)	Arnhem	n.a.	100.00%	100.00 %	0.00%	0.00%
KS NL14, B.V. (1)	Arnhem	n.a.	100.00%	100.00 %	0.00%	0.00%
KS NL16, B.V. (1)	Arnhem	n.a.	100.00%	100.00 %	0.00%	0.00%

COMPANY	HEAD OFFICE	AUDITOR	2022 % OF CAPITAL	2022 % OF VOTING RIGHTS	2021 % OF CAPITAL	2021 % OF VOTING RIGHTS
KS NL17, B.V. (1)	Arnhem	n.a.	100.00%	100.00 %	0.00%	0.00%
KS NL20, B.V. (1)	Arnhem	n.a.	100.00%	100.00 %	0.00%	0.00%
KS NL23, B.V. (1)	Arnhem	n.a.	100.00%	100.00 %	0.00%	0.00%
KS NL24, B.V. (1)	Arnhem	n.a.	100.00%	100.00 %	0.00%	0.00%
KS NL25, B.V. (1)	Arnhem	n.a.	100.00%	100.00 %	0.00%	0.00%
KS NL27, B.V. (1)	Arnhem	n.a.	100.00%	100.00 %	0.00%	0.00%
KS NL28, B.V. (1)	Arnhem	n.a.	100.00%	100.00 %	0.00%	0.00%
KS NL29, B.V. (1)	Arnhem	n.a.	100.00%	100.00 %	0.00%	0.00%
KS NL30, B.V. (1)	Arnhem	n.a.	100.00%	100.00 %	0.00%	0.00%
KS NL31, B.V. (1)	Arnhem	n.a.	100.00%	100.00 %	0.00%	0.00%
KS NL32, B.V. (1)	Arnhem	n.a.	100.00%	100.00 %	0.00%	0.00%
KS NL33, B.V. (1)	Arnhem	n.a.	100.00%	100.00 %	0.00%	0.00%
KS NL34, B.V. (1)	Arnhem	n.a.	100.00%	100.00 %	0.00%	0.00%
KS NL35, B.V. (1)	Arnhem	n.a.	100.00%	100.00 %	0.00%	0.00%
KS NL36, B.V. (1)	Arnhem	n.a.	100.00%	100.00 %	0.00%	0.00%
KS NL37, B.V. (1)	Arnhem	n.a.	100.00%	100.00 %	0.00%	0.00%
KS NL38, B.V. (1)	Arnhem	n.a.	100.00%	100.00 %	0.00%	0.00%
KS NL39, B.V. (1)	Arnhem	n.a.	100.00%	100.00 %	0.00%	0.00%
KS NL40, B.V. (1)	Arnhem	n.a.	100.00%	100.00 %	0.00%	0.00%
KS NL41, B.V. (1)	Arnhem	n.a.	100.00%	100.00 %	0.00%	0.00%
KS NL42, B.V. (1)	Arnhem	n.a.	100.00%	100.00 %	0.00%	0.00%
KS NL43, B.V. (1)	Arnhem	n.a.	100.00%	100.00 %	0.00%	0.00%
KS NL44, B.V. (1)	Arnhem	n.a.	100.00%	100.00 %	0.00%	0.00%
KS NL45, B.V. (1)	Arnhem	n.a.	100.00%	100.00 %	0.00%	0.00%

COMPANY	HEAD OFFICE	AUDITOR	2022 % OF CAPITAL	2022 % OF VOTING RIGHTS	2021 % OF CAPITAL	2021 % OF VOTING RIGHTS
KS NL46, B.V. (1)	Arnhem	n.a.	100.00%	100.00%	0.00%	0.00%
KS NL47, B.V. (1)	Arnhem	n.a.	100.00%	100.00%	0.00%	0.00%
KS NL48, B.V. (1)	Arnhem	n.a.	100.00%	100.00%	0.00%	0.00%
KS NL49, B.V. (1)	Arnhem	n.a.	100.00%	100.00%	0.00%	0.00%
KS NL50, B.V. (1)	Arnhem	n.a.	100.00%	100.00%	0.00%	0.00%
Hungary						
EDP Renewables Hungary	Budapest	PwC	100.00%	100.00%	100.00%	100.00%
EDPR Investment Hungary, Kft.	Budapest	PwC	100.00%	100.00%	100.00%	100.00%
Napenergia, Kft.	Budapest	PwC	100.00%	100.00%	0.00%	0.00%
Nyírség Watt, Kft.	Budapest	PwC	100.00%	100.00%	100.00%	100.00%
Sunglare Capture, Kft.	Budapest	PwC	100.00%	100.00%	0.00%	0.00%
Sunglare Expert, Kft.	Budapest	PwC	100.00%	100.00%	0.00%	0.00%
Sunlight Solar, Kft.	Budapest	PwC	85.00%	85.00%	85.00%	85.00%
Szabadsolar, Kft.	Budapest	PwC	100.00%	100.00%	0.00%	0.00%
Germany						
EDP Renewables Germany GmbH	Munich	n.a.	100.00%	100.00%	0.00%	0.00%
Kronos Projektgesellschaft mbH	Munich	n.a.	100.00%	100.00%	0.00%	0.00%
Kronos Solar Projects GmbH	Munich	n.a.	100.00%	100.00%	0.00%	0.00%
Kronos Solar Projects France UG (1)	Munich	n.a.	85.00%	85.00%	0.00%	0.00%
KSD 11 UG (1)	Bütow	n.a.	100.00%	100.00%	0.00%	0.00%
KSD 12 UG (1)	Munich	n.a.	100.00%	100.00%	0.00%	0.00%
KSD 13 UG (1)	Munich	n.a.	100.00%	100.00%	0.00%	0.00%
KSD 14 UG (1)	Munich	n.a.	100.00%	100.00%	0.00%	0.00%
KSD 15 UG (1)	Munich	n.a.	100.00%	100.00%	0.00%	0.00%
KSD 16 UG (1)	Munich	n.a.	100.00%	100.00%	0.00%	0.00%
KSD 17 UG (1)	Munich	n.a.	100.00%	100.00%	0.00%	0.00%

COMPANY	HEAD OFFICE	AUDITOR	2022 % OF CAPITAL	2022 % OF VOTING RIGHTS	2021 % OF CAPITAL	2021 % OF VOTING RIGHTS
KSD 18 UG (1)	Munich	n.a.	100.00%	100.00 %	0.00%	0.00%
KSD 19 UG (1)	Munich	n.a.	100.00%	100.00 %	0.00%	0.00%
KSD 21 UG (1)	Munich	n.a.	100.00%	100.00 %	0.00%	0.00%
KSD 22 UG (1)	Munich	n.a.	100.00%	100.00 %	0.00%	0.00%
KSD 23 UG (1)	Munich	n.a.	100.00%	100.00 %	0.00%	0.00%
KSD 24 UG (1)	Munich	n.a.	100.00%	100.00 %	0.00%	0.00%
KSD 25 UG (1)	Munich	n.a.	100.00%	100.00 %	0.00%	0.00%
KSD 26 UG (1)	Munich	n.a.	100.00%	100.00 %	0.00%	0.00%
KSD 27 UG (1)	Munich	n.a.	100.00%	100.00 %	0.00%	0.00%
KSD 28 UG (1)	Munich	n.a.	100.00%	100.00 %	0.00%	0.00%
KSD 29 UG (1)	Munich	n.a.	100.00%	100.00 %	0.00%	0.00%
KSD 30 UG (1)	Munich	n.a.	100.00%	100.00 %	0.00%	0.00%
KSD 31 UG (1)	Munich	n.a.	100.00%	100.00 %	0.00%	0.00%
KSD 32 UG (1)	Munich	n.a.	100.00%	100.00 %	0.00%	0.00%
KSD 33 UG (1)	Munich	n.a.	100.00%	100.00 %	0.00%	0.00%
KSD 34 UG (1)	Munich	n.a.	100.00%	100.00 %	0.00%	0.00%
KSD 35 UG (1)	Munich	n.a.	100.00%	100.00 %	0.00%	0.00%
KSD 36 UG (1)	Munich	n.a.	100.00%	100.00 %	0.00%	0.00%
KSD 37 UG (1)	Munich	n.a.	100.00%	100.00 %	0.00%	0.00%
KSD 38 UG (1)	Munich	n.a.	100.00%	100.00 %	0.00%	0.00%
KSD 39 UG (1)	Munich	n.a.	100.00%	100.00 %	0.00%	0.00%
KSD 40 UG (1)	Munich	n.a.	100.00%	100.00 %	0.00%	0.00%
NORTH AMERICA GEOGRAPHY / PLATFORM						
Mexico						
EDPR Servicios de México, S. de R.L. de C.V.	Ciudad de México	n.a.	100.00%	100.00 %	100.00 %	100.00%

COMPANY	HEAD OFFICE	AUDITOR	2022 % OF CAPITAL	2022 % OF VOTING RIGHTS	2021 % OF CAPITAL	2021 % OF VOTING RIGHTS
Eólica de Coahuila, S.A. de C.V.	Ciudad de México	PwC	51.00%	51.00%	51.00%	51.00%
Parque Solar Los Cuervos, S. de R.L. de C.V.	Ciudad de México	n.a.	100.00%	100.00%	100.00%	100.00%
Vientos de Coahuila, S.A. de C.V.	Ciudad de México	n.a.	100.00%	100.00%	100.00%	100.00%
USA						
EDP Renewables North America LLC	Delaware	PwC	100.00%	100.00%	100.00%	100.00%
10 Point Solar Park LLC	Delaware	n.a.	100.00%	100.00%	100.00%	100.00%
17th Star Wind Farm LLC	Delaware	n.a.	100.00%	100.00%	100.00%	100.00%
2007 Vento I LLC	Delaware	PwC	100.00%	100.00%	100.00%	100.00%
2007 Vento II LLC	Delaware	PwC	100.00%	51.00%	100.00%	51.00%
2008 Vento III LLC	Delaware	PwC	100.00%	51.00%	100.00%	51.00%
2009 Vento V LLC	Delaware	PwC	100.00%	51.00%	100.00%	51.00%
2011 Vento IX LLC	Delaware	PwC	100.00%	51.00%	100.00%	51.00%
2011 Vento X LLC	Delaware	PwC	100.00%	100.00%	100.00%	100.00%
2014 Sol I LLC	Delaware	PwC	100.00%	50.00%	100.00%	50.00%
2014 Vento XI LLC	Delaware	PwC	100.00%	51.00%	100.00%	51.00%
2014 Vento XII LLC	Delaware	PwC	100.00%	51.00%	100.00%	51.00%
2015 Vento XIII LLC	Delaware	PwC	100.00%	51.00%	100.00%	51.00%
2015 Vento XIV LLC	Delaware	PwC	100.00%	51.00%	100.00%	51.00%
2016 Vento XV LLC	Delaware	PwC	100.00%	100.00%	100.00%	100.00%
2016 Vento XVI LLC	Delaware	PwC	100.00%	100.00%	100.00%	100.00%
2017 Sol II LLC	Delaware	PwC	100.00%	100.00%	100.00%	100.00%
2018 Vento XVIII LLC	Delaware	PwC	100.00%	100.00%	100.00%	100.00%
2019 Vento XXI LLC	Delaware	PwC	100.00%	100.00%	100.00%	100.00%
2020 Vento XXII LLC	Delaware	PwC	100.00%	100.00%	100.00%	100.00%
2021 DG Agora Holdings LLC	Delaware	n.a.	100.00%	85.00%	100.00%	85.00%

COMPANY	HEAD OFFICE	AUDITOR	2022 % OF CAPITAL	2022 % OF VOTING RIGHTS	2021 % OF CAPITAL	2021 % OF VOTING RIGHTS
2021 DG Agora Sol I LLC	Delaware	n.a.	100.00%	85.00%	100.00%	85.00%
2021 DG Agora Ventures I LLC	Delaware	n.a.	100.00%	85.00%	100.00%	85.00%
2021 DG Apollo Sol II LLC	Delaware	n.a.	100.00%	85.00%	100.00%	85.00%
2021 DG Apollo Ventures II LLC	Delaware	n.a.	100.00%	85.00%	100.00%	85.00%
2021 DG CA Agora Holdings LLC	Delaware	n.a.	100.00%	85.00%	100.00%	85.00%
2021 DG CA Agora Sol I LLC	Delaware	n.a.	100.00%	85.00%	100.00%	85.00%
2021 DG CA Agora Ventures I LLC	Delaware	n.a.	100.00%	85.00%	100.00%	85.00%
2021 DG CA Apollo Sol II LLC	Delaware	n.a.	100.00%	85.00%	100.00%	85.00%
2021 DG CA Apollo Ventures II LLC	Delaware	n.a.	100.00%	85.00%	100.00%	85.00%
2021 Vento XXIII LLC	Delaware	n.a.	100.00%	100.00%	100.00%	100.00%
2022 SOL VI LLC	Delaware	n.a.	100.00%	100.00%	0.00%	0.00%
2022 SOL VII LLC	Delaware	n.a.	100.00%	100.00%	0.00%	0.00%
Alabama Ledge Wind Farm LLC	Delaware	n.a.	100.00%	100.00%	100.00%	100.00%
Alabama Solar Park LLC	Delaware	n.a.	100.00%	100.00%	100.00%	100.00%
Amsterdam 3 Solar LLC	Delaware	n.a.	100.00%	85.00%	100.00%	85.00%
Antelope Ridge Wind Power Project LLC	Delaware	n.a.	100.00%	100.00%	100.00%	100.00%
Arbuckle Mountain Wind Farm LLC	Delaware	PwC	100.00%	51.00%	100.00%	51.00%
Arkwright Summit Wind Farm LLC	Delaware	PwC	100.00%	100.00%	100.00%	100.00%
Arlington Wind Power Project LLC	Delaware	PwC	100.00%	51.00%	100.00%	51.00%
Aroostook Wind Energy LLC	Delaware	n.a.	100.00%	100.00%	100.00%	100.00%
Ashford Wind Farm LLC	Delaware	n.a.	100.00%	100.00%	100.00%	100.00%
Athena-Weston Wind Power Project II LLC	Delaware	n.a.	100.00%	100.00%	100.00%	100.00%
Athena-Weston Wind Power Project LLC	Delaware	n.a.	100.00%	100.00%	100.00%	100.00%
Avondale Solar Park LLC	Delaware	n.a.	100.00%	100.00%	100.00%	100.00%

COMPANY	HEAD OFFICE	AUDITOR	2022 % OF CAPITAL	2022 % OF VOTING RIGHTS	2021 % OF CAPITAL	2021 % OF VOTING RIGHTS
AZ Solar LLC	Delaware	n.a.	100.00%	100.00 %	100.00 %	100.00%
Azalea Springs Solar Park LLC	Delaware	n.a.	100.00%	100.00 %	100.00 %	100.00%
Bar Harbor Community Solar LLC (2)	Delaware	n.a.	100.00%	85.00%	0.00%	0.00%
Bayou Bend Solar Park LLC	Delaware	n.a.	100.00%	100.00 %	100.00 %	100.00%
BC2 Maple Ridge Holdings LLC	Delaware	n.a.	100.00%	100.00 %	100.00 %	100.00%
BC2 Maple Ridge Wind LLC	Delaware	PwC	100.00%	100.00 %	100.00 %	100.00%
Bear Peak Beccaria LLC (2)	Delaware	n.a.	100.00%	85.00%	0.00%	0.00%
Bear Peak Brady LLC (2)	Delaware	n.a.	100.00%	85.00%	0.00%	0.00%
Bear Peak East Carroll LLC (2)	Delaware	n.a.	100.00%	85.00%	0.00%	0.00%
Bear Peak Glen Hope LLC (2)	Delaware	n.a.	100.00%	85.00%	0.00%	0.00%
Bear Peak Jennerstown LLC (2)	Delaware	n.a.	100.00%	85.00%	0.00%	0.00%
Bear Peak Juniata LLC (2)	Delaware	n.a.	100.00%	85.00%	0.00%	0.00%
Bear Peak Paint II LLC (2)	Delaware	n.a.	100.00%	85.00%	0.00%	0.00%
Bear Peak Richmond LLC (2)	Delaware	n.a.	100.00%	85.00%	0.00%	0.00%
Big River Solar Park LLC	Delaware	n.a.	100.00%	100.00 %	0.00%	0.00%
Big River Wind Power Project LLC	Delaware	n.a.	100.00%	100.00 %	100.00 %	100.00%
Black Prairie Solar Park II LLC	Delaware	n.a.	100.00%	100.00 %	100.00 %	100.00%
Black Prairie Solar Park LLC	Delaware	n.a.	100.00%	100.00 %	100.00 %	100.00%
Black Prairie Storage II LLC	Delaware	n.a.	100.00%	100.00 %	100.00 %	100.00%
Black Prairie Storage LLC	Delaware	n.a.	100.00%	100.00 %	100.00 %	100.00%
Black Prairie Wind Farm II LLC	Delaware	n.a.	100.00%	100.00 %	100.00 %	100.00%
Black Prairie Wind Farm III LLC	Delaware	n.a.	100.00%	100.00 %	100.00 %	100.00%
Black Prairie Wind Farm LLC	Delaware	n.a.	100.00%	100.00 %	100.00 %	100.00%
Blackford County Solar Park LLC	Delaware	n.a.	100.00%	100.00 %	100.00 %	100.00%
Blackford County Wind Farm LLC	Delaware	n.a.	100.00%	100.00 %	100.00 %	100.00%
Blackstone Wind Farm II LLC	Delaware	n.a.	100.00%	100.00 %	100.00 %	100.00%
Blackstone Wind Farm III LLC	Delaware	n.a.	100.00%	100.00 %	100.00 %	100.00%
Blackstone Wind Farm IV LLC	Delaware	n.a.	100.00%	100.00 %	100.00 %	100.00%

COMPANY	HEAD OFFICE	AUDITOR	2022 % OF CAPITAL	2022 % OF VOTING RIGHTS	2021 % OF CAPITAL	2021 % OF VOTING RIGHTS
Blackstone Wind Farm LLC	Delaware	n.a.	100.00%	100.00 %	100.00 %	100.00%
Blackstone Wind Farm V LLC	Delaware	n.a.	100.00%	100.00 %	100.00 %	100.00%
Blissville Road LLC	Delaware	n.a.	100.00%	85.00%	100.00 %	85.00%
Blue Canyon Windpower II LLC	Texas	PwC	100.00%	100.00 %	100.00 %	100.00%
Blue Canyon Windpower III LLC	Texas	n.a.	100.00%	100.00 %	100.00 %	100.00%
Blue Canyon Windpower IV LLC	Texas	n.a.	100.00%	100.00 %	100.00 %	100.00%
Blue Canyon Windpower V LLC	Texas	PwC	100.00%	51.00%	100.00 %	51.00%
Blue Canyon Windpower VI LLC	Delaware	PwC	100.00%	100.00 %	100.00 %	100.00%
Blue Canyon Windpower VII LLC	Delaware	n.a.	100.00%	100.00 %	100.00 %	100.00%
Blue Harvest Solar Park LLC	Delaware	n.a.	100.00%	100.00 %	100.00 %	100.00%
Blue Marmot I LLC	Delaware	n.a.	100.00%	100.00 %	100.00 %	100.00%
Blue Marmot II LLC	Delaware	n.a.	100.00%	100.00 %	100.00 %	100.00%
Blue Marmot IV LLC	Delaware	n.a.	100.00%	100.00 %	100.00 %	100.00%
Blue Marmot IX LLC	Delaware	n.a.	100.00%	100.00 %	100.00 %	100.00%
Blue Marmot Solar Park LLC	Delaware	n.a.	100.00%	100.00 %	100.00 %	100.00%
Blue Marmot V LLC	Delaware	n.a.	100.00%	100.00 %	100.00 %	100.00%
Blue Marmot VI LLC	Delaware	n.a.	100.00%	100.00 %	100.00 %	100.00%
Blue Marmot VII LLC	Delaware	n.a.	100.00%	100.00 %	100.00 %	100.00%
Blue Marmot VIII LLC	Delaware	n.a.	100.00%	100.00 %	100.00 %	100.00%
Blue Marmot XI LLC	Delaware	n.a.	100.00%	100.00 %	100.00 %	100.00%
Bluebird Prairie Solar Park LLC	Delaware	n.a.	100.00%	100.00 %	100.00 %	100.00%
Bright Stalk Solar Park LLC	Delaware	n.a.	100.00%	100.00 %	100.00 %	100.00%
Broadlands Wind Farm II LLC	Delaware	n.a.	100.00%	100.00 %	100.00 %	100.00%
Broadlands Wind Farm III LLC	Delaware	n.a.	100.00%	100.00 %	100.00 %	100.00%

COMPANY	HEAD OFFICE	AUDITOR	2022 % OF CAPITAL	2022 % OF VOTING RIGHTS	2021 % OF CAPITAL	2021 % OF VOTING RIGHTS
Buffalo Bluff Wind Farm LLC	Delaware	n.a.	100.00%	100.00 %	100.00 %	100.00%
C2 Alpha Holdings LLC	Delaware	n.a.	100.00%	85.00%	100.00 %	85.00%
C2 Bristol I LLC	Delaware	n.a.	100.00%	85.00%	100.00 %	85.00%
C2 Bristol II LLC	Delaware	n.a.	100.00%	85.00%	100.00 %	85.00%
C2 CA 2016 Holdings LLC	Delaware	n.a.	100.00%	85.00%	100.00 %	85.00%
C2 CA WMS Redlands #1693 LLC	Delaware	n.a.	100.00%	85.00%	100.00 %	85.00%
C2 CB 2017 Holdings LLC	Delaware	n.a.	100.00%	85.00%	100.00 %	85.00%
C2 Centrica MT LLC	Delaware	PwC	100.00%	85.00%	100.00 %	85.00%
C2 CI Holdings 2 LLC	Delaware	n.a.	100.00%	85.00%	100.00 %	85.00%
C2 CT Fund 1 Holding LLC	Delaware	PwC	100.00%	85.00%	100.00 %	85.00%
C2 Energy Development LLC	Delaware	n.a.	100.00%	85.00%	100.00 %	85.00%
C2 Franklin LLC	Delaware	n.a.	100.00%	85.00%	100.00 %	85.00%
C2 Gamma Holdings LLC	Delaware	n.a.	100.00%	85.00%	100.00 %	85.00%
C2 IL WMS Bloomington #3459 LLC	Delaware	n.a.	100.00%	85.00%	100.00 %	85.00%
C2 IL WMS Skokie #1998 LLC	Delaware	n.a.	100.00%	85.00%	100.00 %	85.00%
C2 MA 2016 Holdings LLC	Delaware	n.a.	100.00%	85.00%	100.00 %	85.00%
C2 MA Adams I Holdings LLC	Delaware	n.a.	100.00%	85.00%	100.00 %	85.00%
C2 MA Adams I LLC	Delaware	n.a.	100.00%	85.00%	100.00 %	85.00%
C2 MA Adams II LLC	Delaware	n.a.	100.00%	85.00%	100.00 %	85.00%
C2 MA DEPCOM 2017 LLC	Delaware	PwC	100.00%	85.00%	100.00 %	85.00%
C2 MA DEPCOM Sponsor LLC	Delaware	n.a.	100.00%	85.00%	100.00 %	85.00%
C2 MA Dudley II LLC	Delaware	n.a.	100.00%	85.00%	100.00 %	85.00%
C2 MA FKW Holdings LLC	Delaware	n.a.	100.00%	85.00%	100.00 %	85.00%
C2 MA Kelly Way Solar LLC	Delaware	n.a.	100.00%	85.00%	100.00 %	85.00%

COMPANY	HEAD OFFICE	AUDITOR	2022 % OF CAPITAL	2022 % OF VOTING RIGHTS	2021 % OF CAPITAL	2021 % OF VOTING RIGHTS
C2 MA Lakeville Holdings LLC	Delaware	n.a.	100.00%	85.00%	100.00%	85.00%
C2 MA Lakeville LLC	Delaware	n.a.	100.00%	85.00%	100.00%	85.00%
C2 MA Lakeville Sponsor LLC	Delaware	n.a.	100.00%	85.00%	100.00%	85.00%
C2 MA Managing Member II LLC	Delaware	n.a.	100.00%	85.00%	100.00%	85.00%
C2 MA New Salem LLC	Delaware	n.a.	100.00%	85.00%	100.00%	85.00%
C2 MA Owner LLC	Delaware	n.a.	100.00%	85.00%	100.00%	85.00%
C2 MA Swansea Holdings LLC	Delaware	n.a.	100.00%	85.00%	100.00%	85.00%
C2 MA Swansea LLC	Delaware	n.a.	100.00%	85.00%	100.00%	85.00%
C2 MN Hopkins LLC	Delaware	n.a.	100.00%	85.00%	100.00%	85.00%
C2 Morin LLC	Delaware	n.a.	100.00%	85.00%	100.00%	85.00%
C2 NC Kitty Hawk LLC	Delaware	n.a.	100.00%	85.00%	100.00%	85.00%
C2 NJ Andover I LLC	Delaware	n.a.	100.00%	85.00%	100.00%	85.00%
C2 NY Brookhaven LLC	Delaware	n.a.	100.00%	85.00%	100.00%	85.00%
C2 NY Sentinel Heights Solar LLC	Delaware	n.a.	100.00%	85.00%	100.00%	85.00%
C2 OH New Lebanon LLC	Delaware	n.a.	100.00%	85.00%	100.00%	85.00%
C2 OH Otsego I LLC	Delaware	n.a.	100.00%	85.00%	100.00%	85.00%
C2 OH Otsego II LLC	Delaware	n.a.	100.00%	85.00%	100.00%	85.00%
C2 Omega Holding Company LLC	Delaware	n.a.	100.00%	85.00%	100.00%	85.00%
C2 RI Hopkinton LLC	Delaware	n.a.	100.00%	85.00%	100.00%	85.00%
C2 Scripps 1 LLC	Delaware	n.a.	100.00%	85.00%	100.00%	85.00%
C2 Scripps 3 LLC	Delaware	n.a.	100.00%	85.00%	100.00%	85.00%
C2 Scripps 4 LLC	Delaware	n.a.	100.00%	85.00%	100.00%	85.00%
C2 SH 2019 LLC	Delaware	n.a.	100.00%	85.00%	100.00%	85.00%
C2 Starratt Solar LLC	Delaware	n.a.	100.00%	85.00%	100.00%	85.00%

COMPANY	HEAD OFFICE	AUDITOR	2022 % OF CAPITAL	2022 % OF VOTING RIGHTS	2021 % OF CAPITAL	2021 % OF VOTING RIGHTS
C2 Starratt Sponsor LLC	Delaware	n.a.	100.00%	85.00%	100.00%	85.00%
C2 WM 2020 Holdings LLC	Delaware	n.a.	100.00%	85.00%	100.00%	85.00%
C2 WM Arizona 1 LLC	Delaware	n.a.	100.00%	85.00%	100.00%	85.00%
C2 WM Arizona 10 LLC	Delaware	n.a.	100.00%	85.00%	100.00%	85.00%
C2 WM Arizona 1512 LLC	Delaware	n.a.	100.00%	85.00%	100.00%	85.00%
C2 WM Arizona 1549 LLC	Delaware	n.a.	100.00%	85.00%	100.00%	85.00%
C2 WM Arizona 2 LLC	Delaware	n.a.	100.00%	85.00%	100.00%	85.00%
C2 WM Arizona 2112 LLC	Delaware	n.a.	100.00%	85.00%	100.00%	85.00%
C2 WM Arizona 3 LLC	Delaware	n.a.	100.00%	85.00%	100.00%	85.00%
C2 WM Arizona 3360 LLC	Delaware	n.a.	100.00%	85.00%	100.00%	85.00%
C2 WM Arizona 3465 LLC	Delaware	n.a.	100.00%	85.00%	100.00%	85.00%
C2 WM Arizona 3799 LLC	Delaware	n.a.	100.00%	85.00%	100.00%	85.00%
C2 WM Arizona 3833 LLC	Delaware	n.a.	100.00%	85.00%	100.00%	85.00%
C2 WM Arizona 3861 LLC	Delaware	n.a.	100.00%	85.00%	100.00%	85.00%
C2 WM Arizona 4 LLC	Delaware	n.a.	100.00%	85.00%	100.00%	85.00%
C2 WM Arizona 4451 LLC	Delaware	n.a.	100.00%	85.00%	100.00%	85.00%
C2 WM Arizona 5 LLC	Delaware	n.a.	100.00%	85.00%	100.00%	85.00%
C2 WM Arizona 5768 LLC	Delaware	n.a.	100.00%	85.00%	100.00%	85.00%
C2 WM Arizona 6 LLC	Delaware	n.a.	100.00%	85.00%	100.00%	85.00%
C2 WM Arizona 7 LLC	Delaware	n.a.	100.00%	85.00%	100.00%	85.00%
C2 WM Arizona 8 LLC	Delaware	n.a.	100.00%	85.00%	100.00%	85.00%
C2 WM Arizona 9 LLC	Delaware	n.a.	100.00%	85.00%	100.00%	85.00%
C2 WM Arizona Holdings LLC	Delaware	n.a.	100.00%	85.00%	100.00%	85.00%
C2 WM California 1789 LLC	Delaware	n.a.	100.00%	85.00%	100.00%	85.00%

COMPANY	HEAD OFFICE	AUDITOR	2022 % OF CAPITAL	2022 % OF VOTING RIGHTS	2021 % OF CAPITAL	2021 % OF VOTING RIGHTS
C2 WM California 1988 LLC	Delaware	n.a.	100.00%	85.00%	100.00%	85.00%
C2 WM California 2039 LLC	Delaware	n.a.	100.00%	85.00%	100.00%	85.00%
C2 WM California 4202 LLC	Delaware	n.a.	100.00%	85.00%	100.00%	85.00%
C2 WM California 4317 LLC	Delaware	n.a.	100.00%	85.00%	100.00%	85.00%
C2 WM California 5884 LLC	Delaware	n.a.	100.00%	85.00%	100.00%	85.00%
C2 WM California 5890 LLC	Delaware	n.a.	100.00%	85.00%	100.00%	85.00%
C2 WM California Holdings LLC	Delaware	n.a.	100.00%	85.00%	100.00%	85.00%
C2 WM Chester Leasing LLC	Delaware	n.a.	100.00%	85.00%	100.00%	85.00%
C2 WM DSA Holdings LLC	Delaware	n.a.	100.00%	85.00%	100.00%	85.00%
C2 WM Greenwood Leasing LLC	Delaware	n.a.	100.00%	85.00%	100.00%	85.00%
C2 WM Holdings LLC	Delaware	n.a.	100.00%	85.00%	100.00%	85.00%
C2 WM Illinois 1404 LLC	Delaware	n.a.	100.00%	85.00%	100.00%	85.00%
C2 WM Illinois 1489 LLC	Delaware	n.a.	100.00%	85.00%	100.00%	85.00%
C2 WM Illinois 1548 LLC	Delaware	n.a.	100.00%	85.00%	100.00%	85.00%
C2 WM Illinois 1553 LLC	Delaware	n.a.	100.00%	85.00%	100.00%	85.00%
C2 WM Illinois 1761 LLC	Delaware	n.a.	100.00%	85.00%	100.00%	85.00%
C2 WM Illinois 1848 LLC	Delaware	n.a.	100.00%	85.00%	100.00%	85.00%
C2 WM Illinois 1933 LLC	Delaware	n.a.	100.00%	85.00%	100.00%	85.00%
C2 WM Illinois 2215 LLC	Delaware	n.a.	100.00%	85.00%	100.00%	85.00%
C2 WM Illinois 2491 LLC	Delaware	n.a.	100.00%	85.00%	100.00%	85.00%
C2 WM Illinois 253 LLC	Delaware	n.a.	100.00%	85.00%	100.00%	85.00%
C2 WM Illinois 5442 LLC	Delaware	n.a.	100.00%	85.00%	100.00%	85.00%
C2 WM Illinois 612 LLC	Delaware	n.a.	100.00%	85.00%	100.00%	85.00%
C2 WM Illinois 891 LLC	Delaware	n.a.	100.00%	85.00%	100.00%	85.00%

COMPANY	HEAD OFFICE	AUDITOR	2022		2021	
			% OF CAPITAL	% OF VOTING RIGHTS	% OF CAPITAL	% OF VOTING RIGHTS
C2 WM Illinois Holdings LLC	Delaware	n.a.	100.00%	85.00%	100.00%	85.00%
C2 WM Indian Land Leasing LLC	Delaware	n.a.	100.00%	85.00%	100.00%	85.00%
C2 WM Lake Wylie Leasing LLC	Delaware	n.a.	100.00%	85.00%	100.00%	85.00%
C2 WM Laurens Leasing LLC	Delaware	n.a.	100.00%	85.00%	100.00%	85.00%
C2 WM Leasing LLC	Delaware	n.a.	100.00%	85.00%	100.00%	85.00%
C2 WM Louisiana 309 LLC	Delaware	n.a.	100.00%	85.00%	100.00%	85.00%
C2 WM Louisiana 539 LLC	Delaware	n.a.	100.00%	85.00%	100.00%	85.00%
C2 WM Louisiana 87 LLC	Delaware	n.a.	100.00%	85.00%	100.00%	85.00%
C2 WM Louisiana Holdings LLC	Delaware	n.a.	100.00%	85.00%	100.00%	85.00%
C2 WM Maryland 1715 LLC	Delaware	n.a.	100.00%	85.00%	100.00%	85.00%
C2 WM Maryland 2436 LLC	Delaware	n.a.	100.00%	85.00%	100.00%	85.00%
C2 WM Maryland Holdings LLC	Delaware	n.a.	100.00%	85.00%	100.00%	85.00%
C2 WM New Jersey 1 LLC	Delaware	n.a.	100.00%	85.00%	100.00%	85.00%
C2 WM New Jersey 1807 LLC	Delaware	n.a.	100.00%	85.00%	100.00%	85.00%
C2 WM New Jersey 1844 LLC	Delaware	n.a.	100.00%	85.00%	100.00%	85.00%
C2 WM New Jersey 1869 LLC	Delaware	n.a.	100.00%	85.00%	100.00%	85.00%
C2 WM New Jersey 1977 LLC	Delaware	n.a.	100.00%	85.00%	100.00%	85.00%
C2 WM New Jersey 2195 LLC	Delaware	n.a.	100.00%	85.00%	100.00%	85.00%
C2 WM New Jersey 3795 LLC	Delaware	n.a.	100.00%	85.00%	100.00%	85.00%
C2 WM New Jersey Holdings LLC	Delaware	n.a.	100.00%	85.00%	100.00%	85.00%
C2 WM Phase 1 Holdings LLC	Delaware	n.a.	100.00%	85.00%	100.00%	85.00%
C2 WM Phase 3 Holdings LLC	Delaware	n.a.	100.00%	85.00%	100.00%	85.00%
C2 WM Phase 3 Sponsor LLC	Delaware	n.a.	100.00%	85.00%	100.00%	85.00%
C2 WM Pickens Leasing LLC	Delaware	n.a.	100.00%	85.00%	100.00%	85.00%

COMPANY	HEAD OFFICE	AUDITOR	2022 % OF CAPITAL	2022 % OF VOTING RIGHTS	2021 % OF CAPITAL	2021 % OF VOTING RIGHTS
C2 WM Powdersville Leasing LLC	Delaware	n.a.	100.00%	85.00%	100.00%	85.00%
C2 WM Regent Dev Holdings 2020 LLC	Delaware	n.a.	100.00%	85.00%	100.00%	85.00%
C2 WM Simpsonville Leasing LLC	Delaware	n.a.	100.00%	85.00%	100.00%	85.00%
C2 Woodbury Solar LLC	Delaware	n.a.	100.00%	85.00%	100.00%	85.00%
C2-REA Solar LLC	Delaware	n.a.	100.00%	85.00%	100.00%	85.00%
CA Gettysburg Solar Farm LLC	Delaware	n.a.	100.00%	85.00%	100.00%	85.00%
CA Marinwood Solar LLC	Delaware	n.a.	100.00%	85.00%	100.00%	85.00%
CA Olde Thompson Solar LLC	Delaware	n.a.	100.00%	85.00%	100.00%	85.00%
CA Syracuse Solar LLC	Delaware	n.a.	100.00%	85.00%	100.00%	85.00%
CA Tours Solar LLC	Delaware	n.a.	100.00%	85.00%	100.00%	85.00%
Camden PV PSEG Solar LLC	Delaware	n.a.	100.00%	85.00%	100.00%	85.00%
Camden PV Solar LLC	Delaware	n.a.	100.00%	85.00%	100.00%	85.00%
Cameron Solar LLC	Delaware	PwC	100.00%	100.00%	100.00%	100.00%
Casa Grande Carmel Solar LLC	Delaware	n.a.	100.00%	100.00%	100.00%	100.00%
Castle Valley Wind Farm LLC	Delaware	n.a.	100.00%	100.00%	100.00%	100.00%
Cattlemen Solar Park II LLC	Delaware	n.a.	100.00%	100.00%	100.00%	100.00%
Cattlemen Solar Park LLC	Delaware	n.a.	100.00%	100.00%	100.00%	100.00%
Chateaugay River Wind Farm LLC	Delaware	n.a.	100.00%	100.00%	100.00%	100.00%
Cielo Solar Park LLC	Delaware	n.a.	100.00%	100.00%	100.00%	100.00%
Citizens Dickenson Solar LLC (2)	Delaware	n.a.	100.00%	85.00%	0.00%	0.00%
Citizens Westmoreland Solar LLC (2)	Delaware	n.a.	100.00%	85.00%	0.00%	0.00%
Clinton County Wind Farm LLC	Delaware	n.a.	100.00%	100.00%	100.00%	100.00%
Cloud County Wind Farm LLC	Delaware	PwC	100.00%	51.00%	100.00%	51.00%
Clover Creek Solar Project II LLC	Delaware	n.a.	100.00%	100.00%	0.00%	0.00%
Clover Creek Solar Project LLC	Delaware	n.a.	100.00%	100.00%	100.00%	100.00%

COMPANY	HEAD OFFICE	AUDITOR	2022 % OF CAPITAL	2022 % OF VOTING RIGHTS	2021 % OF CAPITAL	2021 % OF VOTING RIGHTS
Coldwater Solar Park LLC	Delaware	n.a.	100.00%	100.00 %	100.00 %	100.00%
Coos Curry Wind Power Project LLC	Delaware	n.a.	100.00%	100.00 %	100.00 %	100.00%
Cortland-Virgil Road Solar LLC	Delaware	n.a.	100.00%	85.00%	100.00 %	85.00%
Creed Road Solar 1 LLC	Delaware	n.a.	100.00%	85.00%	100.00 %	85.00%
Crescent Bar Solar Park LLC	Delaware	n.a.	100.00%	100.00 %	100.00 %	100.00%
Crooked Lake Solar II LLC	Delaware	n.a.	100.00%	100.00 %	0.00%	0.00%
Crooked Lake Solar LLC	Delaware	n.a.	100.00%	100.00 %	100.00 %	100.00%
Cropsey Ridge Wind Farm LLC	Delaware	n.a.	100.00%	100.00 %	100.00 %	100.00%
Crossing Trails Wind Power Project II LLC	Delaware	n.a.	100.00%	100.00 %	100.00 %	100.00%
Crossing Trails Wind Power Project LLC	Delaware	n.a.	100.00%	100.00 %	100.00 %	100.00%
Cypress Knee Solar Park LLC	Delaware	n.a.	100.00%	100.00 %	0.00%	0.00%
Dairy Hills Wind Farm LLC	Delaware	n.a.	100.00%	100.00 %	100.00 %	100.00%
DC Green Solar LLC	Delaware	n.a.	100.00%	85.00%	100.00 %	85.00%
DC- JD Portfolio - Barrel Roof	Delaware	n.a.	100.00%	85.00%	100.00 %	85.00%
DC- JD Portfolio - Flat Roof	Delaware	n.a.	100.00%	85.00%	100.00 %	85.00%
DC- JD Portfolio - Green Roof	Delaware	n.a.	100.00%	85.00%	100.00 %	85.00%
DC- JD Portfolio - Parking Deck	Delaware	n.a.	100.00%	85.00%	100.00 %	85.00%
DC Michigan Solar LLC	Delaware	n.a.	100.00%	85.00%	100.00 %	85.00%
DC PD Solar LLC	Delaware	n.a.	100.00%	85.00%	100.00 %	85.00%
Diamond Power Partners LLC	Delaware	n.a.	100.00%	100.00 %	100.00 %	100.00%
Drake Peak Solar Park LLC	Delaware	n.a.	100.00%	100.00 %	100.00 %	100.00%
Dry Creek Solar Park LLC	Delaware	n.a.	100.00%	100.00 %	100.00 %	100.00%
Duff Solar Park II LLC	Delaware	n.a.	100.00%	100.00 %	100.00 %	100.00%
Duff Solar Park LLC	Delaware	n.a.	100.00%	100.00 %	100.00 %	100.00%

COMPANY	HEAD OFFICE	AUDITOR	2022 % OF CAPITAL	2022 % OF VOTING RIGHTS	2021 % OF CAPITAL	2021 % OF VOTING RIGHTS
Eagle Creek Solar Park LLC	Delaware	n.a.	100.00%	100.00 %	0.00%	0.00%
East Klickitat Wind Power Project LLC	Delaware	n.a.	100.00%	100.00 %	100.00 %	100.00%
East River Solar LLC	Delaware	n.a.	100.00%	85.00%	100.00 %	85.00%
Eastmill Solar Park LLC	Delaware	n.a.	100.00%	100.00 %	100.00 %	100.00%
EDPR CA Solar Park II LLC	Delaware	n.a.	100.00%	100.00 %	100.00 %	100.00%
EDPR CA Solar Park III LLC	Delaware	n.a.	100.00%	100.00 %	100.00 %	100.00%
EDPR CA Solar Park IV LLC	Delaware	n.a.	100.00%	100.00 %	100.00 %	100.00%
EDPR CA Solar Park LLC	Delaware	n.a.	100.00%	100.00 %	100.00 %	100.00%
EDPR CA Solar Park V LLC	Delaware	n.a.	100.00%	100.00 %	100.00 %	100.00%
EDPR CA Solar Park VI LLC	Delaware	n.a.	100.00%	100.00 %	100.00 %	100.00%
EDPR NA DG Holding LLC	Delaware	n.a.	100.00%	100.00 %	100.00 %	100.00%
EDPR NA DG MN SLP LLC	Delaware	n.a.	100.00%	85.00%	100.00 %	85.00%
EDPR NA DG MN YMCA LLC	Delaware	n.a.	100.00%	85.00%	100.00 %	85.00%
EDPR NA Distributed Generation LLC	Delaware	PwC	85.00%	85.00%	85.00%	85.00%
EDPR NA Greenfield Solar Park LLC	Delaware	n.a.	100.00%	100.00 %	100.00 %	100.00%
EDPR NA Shelby Solar Park LLC	Delaware	n.a.	100.00%	100.00 %	100.00 %	100.00%
EDPR Northeast Allen Solar Park II LLC	Delaware	n.a.	100.00%	100.00 %	100.00 %	100.00%
EDPR Northeast Allen Solar Park LLC	Delaware	n.a.	100.00%	100.00 %	100.00 %	100.00%
EDPR Northeast Solar Park LLC	Delaware	n.a.	100.00%	100.00 %	0.00%	0.00%
EDPR RS LLC	Delaware	n.a.	100.00%	100.00 %	100.00 %	100.00%
EDPR Scarlet I LLC	Delaware	n.a.	100.00%	100.00 %	0.00%	0.00%
EDPR Scarlet II BESS LLC	Delaware	n.a.	100.00%	100.00 %	0.00%	0.00%
EDPR Scarlet II LLC	Delaware	n.a.	100.00%	100.00 %	0.00%	0.00%
EDPR Scarlet III LLC	Delaware	n.a.	100.00%	100.00 %	0.00%	0.00%
EDPR Solar Ventures I LLC	Delaware	n.a.	50.00%	50.00%	50.00%	50.00%

COMPANY	HEAD OFFICE	AUDITOR	2022 % OF CAPITAL	2022 % OF VOTING RIGHTS	2021 % OF CAPITAL	2021 % OF VOTING RIGHTS
EDPR Solar Ventures II LLC	Delaware	n.a.	100.00%	100.00 %	100.00 %	100.00%
EDPR Solar Ventures III LLC	Delaware	n.a.	100.00%	100.00 %	100.00 %	100.00%
EDPR Solar Ventures IV LLC	Delaware	n.a.	100.00%	100.00 %	100.00 %	100.00%
EDPR Solar Ventures V LLC	Delaware	n.a.	100.00%	100.00 %	100.00 %	100.00%
EDPR Solar Ventures VI LLC	Delaware	n.a.	100.00%	100.00 %	0.00%	0.00%
EDPR Solar Ventures VII LLC	Delaware	n.a.	100.00%	100.00 %	0.00%	0.00%
EDPR South Table LLC	Nebraska	n.a.	100.00%	100.00 %	100.00 %	100.00%
EDPR Vento I Holding LLC	Delaware	n.a.	100.00%	100.00 %	100.00 %	100.00%
EDPR Vento II Holding LLC	Delaware	n.a.	100.00%	100.00 %	0.00%	0.00%
EDPR Vento III Holding LLC	Delaware	n.a.	100.00%	100.00 %	0.00%	0.00%
EDPR Vento IV Holding LLC	Delaware	PwC	100.00%	100.00 %	100.00 %	100.00%
EDPR WF LLC	Delaware	n.a.	100.00%	100.00 %	100.00 %	100.00%
EDPR Wind Ventures X LLC	Delaware	n.a.	100.00%	100.00 %	100.00 %	100.00%
EDPR Wind Ventures XI LLC	Delaware	n.a.	51.00%	51.00%	51.00%	51.00%
EDPR Wind Ventures XII LLC	Delaware	n.a.	51.00%	51.00%	51.00%	51.00%
EDPR Wind Ventures XIII LLC	Delaware	n.a.	51.00%	51.00%	51.00%	51.00%
EDPR Wind Ventures XIV LLC	Delaware	n.a.	51.00%	51.00%	51.00%	51.00%
EDPR Wind Ventures XIX LLC	Delaware	n.a.	100.00%	100.00 %	100.00 %	100.00%
EDPR Wind Ventures XV LLC	Delaware	n.a.	100.00%	100.00 %	100.00 %	100.00%
EDPR Wind Ventures XVI LLC	Delaware	n.a.	100.00%	100.00 %	100.00 %	100.00%
EDPR Wind Ventures XVII LLC	Delaware	n.a.	100.00%	100.00 %	100.00 %	100.00%
EDPR Wind Ventures XVIII LLC	Delaware	n.a.	100.00%	100.00 %	100.00 %	100.00%
EDPR Wind Ventures XX LLC	Delaware	n.a.	100.00%	100.00 %	100.00 %	100.00%
EDPR Wind Ventures XXI LLC	Delaware	n.a.	100.00%	100.00 %	100.00 %	100.00%
EDPR Wind Ventures XXII LLC	Delaware	n.a.	100.00%	100.00 %	100.00 %	100.00%
EDPR Wind Ventures XXIII LLC	Delaware	n.a.	100.00%	100.00 %	100.00 %	100.00%

COMPANY	HEAD OFFICE	AUDITOR	2022 % OF CAPITAL	2022 % OF VOTING RIGHTS	2021 % OF CAPITAL	2021 % OF VOTING RIGHTS
EDPRNA Bar Harbor Holdings LLC	Delaware	n.a.	100.00%	85.00%	0.00%	0.00%
EDPRNA DG California Development LLC (2)	Delaware	n.a.	100.00%	85.00%	0.00%	0.00%
EDPRNA DG CI Sponsor 2 LLC	Delaware	n.a.	100.00%	85.00%	100.00%	85.00%
EDPRNA DG CT Fund 1 MM LLC	Delaware	PwC	100.00%	85.00%	100.00%	85.00%
EDPRNA DG Distributed Sun Holding LLC (2)	Delaware	n.a.	100.00%	85.00%	0.00%	0.00%
EDPRNA DG Energy Holdings Inc.	Delaware	n.a.	100.00%	85.00%	100.00%	85.00%
EDPRNA DG Georgia Development LLC (2)	Delaware	n.a.	100.00%	85.00%	0.00%	0.00%
EDPRNA DG Illinois Development LLC (2)	Delaware	n.a.	100.00%	85.00%	0.00%	0.00%
EDPRNA DG Indiana Development LLC (2)	Delaware	n.a.	100.00%	85.00%	0.00%	0.00%
EDPRNA DG Lessee Holdings LLC	Delaware	n.a.	100.00%	85.00%	100.00%	85.00%
EDPRNA DG MA Managing Member LLC	Delaware	n.a.	100.00%	85.00%	100.00%	85.00%
EDPRNA DG Maryland Development LLC (2)	Delaware	n.a.	100.00%	85.00%	0.00%	0.00%
EDPRNA DG Michigan Development LLC (2)	Delaware	n.a.	100.00%	85.00%	0.00%	0.00%
EDPRNA DG Mississippi Development LLC (2)	Delaware	n.a.	100.00%	85.00%	0.00%	0.00%
EDPRNA DG Missouri Development LLC (2)	Delaware	n.a.	100.00%	85.00%	0.00%	0.00%
EDPRNA DG New York Development LLC (2)	Delaware	n.a.	100.00%	85.00%	0.00%	0.00%
EDPRNA DG O&M Services LLC	Delaware	n.a.	100.00%	85.00%	100.00%	85.00%
EDPRNA DG Ohio Development LLC (2)	Delaware	n.a.	100.00%	85.00%	0.00%	0.00%
EDPRNA DG Pennsylvania Development LLC (2)	Delaware	n.a.	100.00%	85.00%	0.00%	0.00%
EDPRNA DG PR Radar LLC (2)	Delaware	n.a.	100.00%	85.00%	0.00%	0.00%
EDPRNA DG Rho LLC	Delaware	PwC	100.00%	85.00%	100.00%	85.00%
EDPRNA DG Solar Portfolio IV LLC	Delaware	n.a.	100.00%	85.00%	0.00%	0.00%
EDPRNA DG Solar WF Portfolio LLC	Delaware	n.a.	100.00%	85.00%	0.00%	0.00%
EDPRNA DG Texas Development LLC (2)	Delaware	n.a.	100.00%	85.00%	0.00%	0.00%
EDPRNA DG Virginia Development LLC (2)	Delaware	n.a.	100.00%	85.00%	0.00%	0.00%
EDPRNA DG Wisconsin Development LLC (2)	Delaware	n.a.	100.00%	85.00%	0.00%	0.00%
EDPRNA DG WM 2020 Parent LLC	Delaware	n.a.	100.00%	85.00%	100.00%	85.00%
EDPRNA DG WM DSA Sponsor LLC	Delaware	PwC	100.00%	85.00%	100.00%	85.00%
EDPRNA DG WM Illinois 1998 LLC	Delaware	n.a.	100.00%	85.00%	100.00%	85.00%
EDPRNA DG WM Illinois 3459 LLC	Delaware	n.a.	100.00%	85.00%	100.00%	85.00%

COMPANY	HEAD OFFICE	AUDITOR	2022 % OF CAPITAL	2022 % OF VOTING RIGHTS	2021 % OF CAPITAL	2021 % OF VOTING RIGHTS
EDPRNA DG XII Holdings LLC (2)	Delaware	n.a.	100.00%	85.00%	0.00%	0.00%
EDPRNA DG York County Sun LLC (2)	Delaware	n.a.	100.00%	85.00%	0.00%	0.00%
Edwardsport Solar Park LLC	Delaware	n.a.	100.00%	100.00 %	100.00 %	100.00%
Esker Solar Park II LLC	Delaware	n.a.	100.00%	100.00 %	100.00 %	100.00%
Esker Solar Park LLC	Delaware	n.a.	100.00%	100.00 %	100.00 %	100.00%
Estill Solar I LLC	Delaware	PwC	100.00%	100.00 %	100.00 %	100.00%
Five-Spot LLC	Delaware	n.a.	100.00%	100.00 %	100.00 %	100.00%
Ford Wind Farm LLC	Delaware	n.a.	100.00%	100.00 %	100.00 %	100.00%
Franklin Wind Farm LLC	Delaware	n.a.	100.00%	100.00 %	100.00 %	100.00%
FRV CSU Power II LLC (2)	Delaware	n.a.	100.00%	85.00%	0.00%	0.00%
FRV SI Transport Solar LP (2)	Delaware	n.a.	100.00%	85.00%	0.00%	0.00%
Generate USF Fairburn LLC (2)	Delaware	n.a.	100.00%	85.00%	0.00%	0.00%
Generate USF Las Vegas LLC (2)	Delaware	n.a.	100.00%	85.00%	0.00%	0.00%
Generate USF Loveland LLC (2)	Delaware	n.a.	100.00%	85.00%	0.00%	0.00%
Generate USF Manassas LLC (2)	Delaware	n.a.	100.00%	85.00%	0.00%	0.00%
Generate USF McClellan LLC (2)	Delaware	n.a.	100.00%	85.00%	0.00%	0.00%
Generate USF N Las Vegas LLC (2)	Delaware	n.a.	100.00%	85.00%	0.00%	0.00%
Generate USF Phoenix LLC (2)	Delaware	n.a.	100.00%	85.00%	0.00%	0.00%
German Community Solar LLC	Delaware	n.a.	100.00%	85.00%	100.00 %	85.00%
Gilpatrick Solar LLC	Delaware	n.a.	100.00%	85.00%	100.00 %	85.00%
Goldfinger Ventures III LLC	Delaware	n.a.	100.00%	100.00 %	100.00 %	100.00%
Green Country Wind Farm LLC	Delaware	n.a.	100.00%	100.00 %	100.00 %	100.00%
Green Power Offsets LLC	Delaware	n.a.	100.00%	100.00 %	100.00 %	100.00%
Greenbow Solar Park LLC	Delaware	n.a.	100.00%	100.00 %	100.00 %	100.00%
Gulf Coast Windpower Management Company LLC	Delaware	n.a.	75.00%	75.00%	75.00%	75.00%
Hampton Solar II LLC	Delaware	PwC	100.00%	100.00 %	100.00 %	100.00%
HB Steel Community Solar LLC	Delaware	n.a.	100.00%	85.00%	0.00%	0.00%
Headwaters Wind Farm II LLC	Delaware	n.a.	100.00%	100.00 %	100.00 %	100.00%
Headwaters Wind Farm III LLC	Delaware	n.a.	100.00%	100.00 %	100.00 %	100.00%

COMPANY	HEAD OFFICE	AUDITOR	2022		2021	
			% OF CAPITAL	% OF VOTING RIGHTS	% OF CAPITAL	% OF VOTING RIGHTS
Headwaters Wind Farm IV LLC	Delaware	n.a.	100.00%	100.00 %	100.00 %	100.00%
Headwaters Wind Farm LLC	Delaware	PwC	100.00%	51.00%	100.00 %	51.00%
Helena Harbor Solar Park LLC	Delaware	n.a.	100.00%	100.00 %	100.00 %	100.00%
Hickory Solar LLC	Delaware	n.a.	100.00%	100.00 %	0.00%	0.00%
Hidalgo Wind Farm II LLC	Delaware	n.a.	100.00%	100.00 %	100.00 %	100.00%
Hidalgo Wind Farm LLC	Delaware	PwC	100.00%	100.00 %	100.00 %	100.00%
High Prairie Wind Farm II LLC	Delaware	PwC	100.00%	51.00%	100.00 %	51.00%
High Trail Wind Farm LLC	Delaware	PwC	100.00%	100.00 %	100.00 %	100.00%
Holly Hill Solar Park LLC	Delaware	n.a.	100.00%	100.00 %	100.00 %	100.00%
Horizon Wind Chocolate Bayou I LLC	Delaware	n.a.	100.00%	100.00 %	100.00 %	100.00%
Horizon Wind Energy Midwest IX LLC	Delaware	n.a.	100.00%	100.00 %	100.00 %	100.00%
Horizon Wind Energy Northwest I LLC	Delaware	n.a.	100.00%	100.00 %	100.00 %	100.00%
Horizon Wind Energy Northwest IV LLC	Delaware	n.a.	100.00%	100.00 %	100.00 %	100.00%
Horizon Wind Energy Northwest VII LLC	Delaware	n.a.	100.00%	100.00 %	100.00 %	100.00%
Horizon Wind Energy Northwest X LLC	Delaware	n.a.	100.00%	100.00 %	100.00 %	100.00%
Horizon Wind Energy Northwest XI LLC	Delaware	n.a.	100.00%	100.00 %	100.00 %	100.00%
Horizon Wind Energy Panhandle I LLC	Delaware	n.a.	100.00%	100.00 %	100.00 %	100.00%
Horizon Wind Energy Southwest I LLC	Delaware	n.a.	100.00%	100.00 %	100.00 %	100.00%
Horizon Wind Energy Southwest II LLC	Delaware	n.a.	100.00%	100.00 %	100.00 %	100.00%
Horizon Wind Energy Southwest III LLC	Delaware	n.a.	100.00%	100.00 %	100.00 %	100.00%
Horizon Wind Energy Southwest IV LLC	Delaware	n.a.	100.00%	100.00 %	100.00 %	100.00%
Horizon Wind Energy Valley I LLC	Delaware	n.a.	100.00%	100.00 %	100.00 %	100.00%
Horizon Wind Freeport Windpower I LLC	Delaware	n.a.	100.00%	100.00 %	100.00 %	100.00%
Horizon Wind MREC Iowa Partners LLC	Delaware	n.a.	75.00%	75.00%	75.00%	75.00%
Horizon Wind Ventures I LLC	Delaware	n.a.	100.00%	100.00 %	100.00 %	100.00%

COMPANY	HEAD OFFICE	AUDITOR	2022 % OF CAPITAL	2022 % OF VOTING RIGHTS	2021 % OF CAPITAL	2021 % OF VOTING RIGHTS
Horizon Wind Ventures III LLC	Delaware	n.a.	51.00%	51.00%	51.00%	51.00%
Horizon Wind Ventures IX LLC	Delaware	n.a.	51.00%	51.00%	51.00%	51.00%
Horizon Wyoming Transmission LLC	Delaware	n.a.	100.00%	100.00%	100.00%	100.00%
Horse Mountain Wind Farm LLC	Delaware	n.a.	100.00%	100.00%	100.00%	100.00%
Indiana Crossroads Solar Park II LLC	Delaware	n.a.	100.00%	100.00%	100.00%	100.00%
Indiana Crossroads Wind Farm II LLC	Delaware	n.a.	100.00%	100.00%	100.00%	100.00%
Indiana Crossroads Wind Ventures LLC	Delaware	n.a.	100.00%	100.00%	100.00%	100.00%
Iron Valley Solar Park LLC	Delaware	n.a.	100.00%	100.00%	0.00%	0.00%
Jericho Rise Wind Farm LLC	Delaware	PwC	100.00%	100.00%	100.00%	100.00%
Juniper Wind Power Partners LLC	Delaware	n.a.	100.00%	100.00%	100.00%	100.00%
Leprechaun Solar Park LLC	Delaware	n.a.	100.00%	100.00%	100.00%	100.00%
Lexington Chenoa Wind Farm II LLC	Delaware	n.a.	100.00%	100.00%	100.00%	100.00%
Lexington Chenoa Wind Farm III LLC	Delaware	n.a.	100.00%	100.00%	100.00%	100.00%
Lime Hollow Solar LLC	Delaware	n.a.	100.00%	85.00%	100.00%	85.00%
Little Brook Solar Park LLC	Delaware	n.a.	100.00%	100.00%	100.00%	100.00%
Loblolly Hill Solar Park LLC	Delaware	n.a.	100.00%	100.00%	100.00%	100.00%
Loki Solar Park LLC	Delaware	n.a.	100.00%	100.00%	100.00%	100.00%
Loma de la Gloria Solar Park LLC	Delaware	n.a.	100.00%	100.00%	100.00%	100.00%
Lone Valley Solar Park I LLC	Delaware	PwC	100.00%	50.00%	100.00%	50.00%
Lone Valley Solar Park II LLC	Delaware	PwC	100.00%	50.00%	100.00%	50.00%
Long Hollow Wind Farm LLC	Delaware	n.a.	100.00%	100.00%	100.00%	100.00%
Longroad ASD1 LLC (2)	Delaware	n.a.	100.00%	85.00%	0.00%	0.00%
Longroad CPA CDC1 LLC (2)	Delaware	n.a.	100.00%	85.00%	0.00%	0.00%
Longroad CPA CSU3 LLC (2)	Delaware	n.a.	100.00%	85.00%	0.00%	0.00%
Longroad CPA CSU4 LLC (2)	Delaware	n.a.	100.00%	85.00%	0.00%	0.00%
Longroad DG Portfolio I LLC (2)	Delaware	n.a.	100.00%	85.00%	0.00%	0.00%
Longroad Fund III Holdings LLC (2)	Delaware	n.a.	100.00%	85.00%	0.00%	0.00%
Longroad SD LLC (2)	Delaware	n.a.	100.00%	85.00%	0.00%	0.00%

COMPANY	HEAD OFFICE	AUDITOR	2022 % OF CAPITAL	2022 % OF VOTING RIGHTS	2021 % OF CAPITAL	2021 % OF VOTING RIGHTS
Longroad SIT1 Hoboken LLC (2)	Delaware	n.a.	100.00%	85.00%	0.00%	0.00%
Longroad Solar Fund III LLC (2)	Delaware	n.a.	100.00%	85.00%	0.00%	0.00%
Longroad ST6 Stockton LLC (2)	Delaware	n.a.	100.00%	85.00%	0.00%	0.00%
Longroad WF7 Cheshire LLC (2)	Delaware	n.a.	100.00%	85.00%	0.00%	0.00%
Longroad WGNJ1 LLC (2)	Delaware	n.a.	100.00%	85.00%	0.00%	0.00%
Longroad WGNJ2 LLC (2)	Delaware	n.a.	100.00%	85.00%	0.00%	0.00%
Lost Lakes Wind Farm LLC	Delaware	n.a.	100.00%	100.00 %	100.00 %	100.00%
Lotus Blocker LLC	Delaware	n.a.	100.00%	100.00 %	0.00%	0.00%
Lotus DevCo I LLC	Delaware	n.a.	100.00%	100.00 %	0.00%	0.00%
Lotus DevCo II LLC	Delaware	n.a.	100.00%	100.00 %	0.00%	0.00%
Lowland Solar Park LLC	Delaware	n.a.	100.00%	100.00 %	100.00 %	100.00%
Loyal Wind Farm LLC	Delaware	n.a.	100.00%	100.00 %	100.00 %	100.00%
Machias Wind Farm LLC	Delaware	n.a.	100.00%	100.00 %	100.00 %	100.00%
Madison Windpower LLC	Delaware	PwC	100.00%	100.00 %	100.00 %	100.00%
Marathon Wind Farm LLC	Delaware	n.a.	100.00%	100.00 %	100.00 %	100.00%
Marble River LLC	Delaware	n.a.	100.00%	100.00 %	100.00 %	100.00%
Martinsdale Wind Farm LLC	Delaware	n.a.	100.00%	100.00 %	100.00 %	100.00%
McLean Solar 1 LLC	Delaware	n.a.	100.00%	85.00%	100.00 %	85.00%
McLean Solar 2 LLC	Delaware	n.a.	100.00%	85.00%	100.00 %	85.00%
ME Dover Foxcroft Solar LLC	Delaware	n.a.	100.00%	85.00%	100.00 %	85.00%
ME Ellsworth Solar LLC	Delaware	n.a.	100.00%	85.00%	100.00 %	85.00%
ME New Vineyard Solar LLC	Delaware	n.a.	100.00%	85.00%	100.00 %	85.00%
ME Rocky Hill Solar LLC	Delaware	n.a.	100.00%	85.00%	100.00 %	85.00%
ME Sandy Hill Solar LLC	Delaware	n.a.	100.00%	85.00%	100.00 %	85.00%
Meadow Lake Wind Farm II LLC	Delaware	PwC	100.00%	100.00 %	100.00 %	100.00%
Meadow Lake Wind Farm III LLC	Delaware	n.a.	100.00%	100.00 %	100.00 %	100.00%
Meadow Lake Wind Farm IV LLC	Delaware	n.a.	100.00%	100.00 %	100.00 %	100.00%

COMPANY	HEAD OFFICE	AUDITOR	2022		2021	
			% OF CAPITAL	% OF VOTING RIGHTS	% OF CAPITAL	% OF VOTING RIGHTS
Meadow Lake Wind Farm LLC	Delaware	n.a.	100.00%	100.00 %	100.00 %	100.00%
Meadow Lake Wind Farm VIII LLC	Delaware	n.a.	100.00%	100.00 %	100.00 %	100.00%
Mesquite Wind LLC	Delaware	PwC	100.00%	100.00 %	100.00 %	100.00%
MidCoast C2 Solar LLC	Delaware	n.a.	100.00%	85.00%	100.00 %	85.00%
Mineral Springs Solar Park LLC	Delaware	n.a.	100.00%	100.00 %	100.00 %	100.00%
Misenheimer Solar LLC	Delaware	n.a.	100.00%	100.00 %	100.00 %	100.00%
MMA Belmar Power LP (2)	Delaware	n.a.	100.00%	85.00%	0.00%	0.00%
MMA BWS Power LP (2)	Delaware	n.a.	100.00%	85.00%	0.00%	0.00%
MMA CCC Power LP (2)	Delaware	n.a.	100.00%	85.00%	0.00%	0.00%
MMA DAS Power LP (2)	Delaware	n.a.	100.00%	85.00%	0.00%	0.00%
MMA Fresno Power LP (2)	Delaware	n.a.	100.00%	85.00%	0.00%	0.00%
MMA GDC Power LP (2)	Delaware	n.a.	100.00%	85.00%	0.00%	0.00%
MMA Happy Valley Power LP (2)	Delaware	n.a.	100.00%	85.00%	0.00%	0.00%
MMA LHIW Power LP (2)	Delaware	n.a.	100.00%	85.00%	0.00%	0.00%
MMA MDS Power I LP (2)	Delaware	n.a.	100.00%	85.00%	0.00%	0.00%
MMA MDS Power II LP (2)	Delaware	n.a.	100.00%	85.00%	0.00%	0.00%
MMA MDS Power IV LP (2)	Delaware	n.a.	100.00%	85.00%	0.00%	0.00%
MMA Mission Bay Power LP (2)	Delaware	n.a.	100.00%	85.00%	0.00%	0.00%
MMA Renewable Ventures Solar Fund III LLC (2)	Delaware	n.a.	100.00%	85.00%	0.00%	0.00%
MMA Rita Power LLC (2)	Delaware	n.a.	100.00%	85.00%	0.00%	0.00%
MMA RMS Power LP (2)	Delaware	n.a.	100.00%	85.00%	0.00%	0.00%
MMA Solar Fund III GP Sub	Delaware	n.a.	100.00%	85.00%	0.00%	0.00%
MMA SROSA Power LP (2)	Delaware	n.a.	100.00%	85.00%	0.00%	0.00%
MMA WBF Power LP (2)	Delaware	n.a.	100.00%	85.00%	0.00%	0.00%
MN CSG 2 LLC	Delaware	n.a.	100.00%	85.00%	100.00 %	85.00%
Mohave Power Holdings LLC (2)	Delaware	n.a.	100.00%	85.00%	0.00%	0.00%
Mohave Power LLC	Delaware	n.a.	100.00%	85.00%	100.00 %	85.00%
Moonshine Solar Park LLC	Delaware	n.a.	100.00%	100.00 %	100.00 %	100.00%
Morgan Road Solar East LLC	Delaware	n.a.	100.00%	85.00%	100.00 %	85.00%
Morgan Road Solar West LLC	Delaware	n.a.	100.00%	85.00%	100.00 %	85.00%
MT Plentywood Solar I LLC	Delaware	n.a.	100.00%	85.00%	100.00 %	85.00%

COMPANY	HEAD OFFICE	AUDITOR	2022 % OF CAPITAL	2022 % OF VOTING RIGHTS	2021 % OF CAPITAL	2021 % OF VOTING RIGHTS
MT Plentywood Solar II LLC	Delaware	n.a.	100.00%	85.00%	100.00%	85.00%
NC Loy Farm Solar LLC	Delaware	n.a.	100.00%	85.00%	100.00%	85.00%
ND Crystal Solar I LLC	Delaware	n.a.	100.00%	85.00%	100.00%	85.00%
New Road Power LLC	Delaware	n.a.	100.00%	100.00%	0.00%	0.00%
New Scotland 5 Solar LLC	Delaware	n.a.	100.00%	85.00%	100.00%	85.00%
New Trail Wind Farm LLC	Delaware	n.a.	100.00%	100.00%	100.00%	100.00%
NH Hinsdale Solar LLC	Delaware	n.a.	100.00%	85.00%	100.00%	85.00%
Nine Kings Transco LLC	Delaware	n.a.	100.00%	100.00%	100.00%	100.00%
North Coast Highway Solar 1 LLC	Delaware	n.a.	100.00%	85.00%	100.00%	85.00%
North Coast Highway Solar 2 LLC	Delaware	n.a.	100.00%	85.00%	100.00%	85.00%
North Slope Wind Farm LLC	Delaware	n.a.	100.00%	100.00%	100.00%	100.00%
Norton Solar I LLC	Delaware	n.a.	100.00%	85.00%	100.00%	85.00%
Norton Solar II LLC	Delaware	n.a.	100.00%	85.00%	100.00%	85.00%
Number Nine Wind Farm LLC	Delaware	n.a.	100.00%	100.00%	100.00%	100.00%
NV Solar Sparks LLC	Delaware	n.a.	100.00%	85.00%	100.00%	85.00%
NY Broadway SAS LLC	Delaware	n.a.	100.00%	85.00%	100.00%	85.00%
NY CSG 2 Holdings LLC	Delaware	n.a.	100.00%	85.00%	100.00%	85.00%
NY CSG 2 Sponsor LLC	Delaware	PwC	100.00%	85.00%	100.00%	85.00%
NY Gomer SAS LLC	Delaware	n.a.	100.00%	85.00%	100.00%	85.00%
NY Hemlock Hills Solar LLC	Delaware	n.a.	100.00%	85.00%	100.00%	85.00%
NY Highland SAS LLC	Delaware	n.a.	100.00%	85.00%	100.00%	85.00%
NY Mines Press Solar LLC	Delaware	n.a.	100.00%	85.00%	100.00%	85.00%
NY Morgan Solar LLC	Delaware	n.a.	100.00%	85.00%	100.00%	85.00%
NY OG 1 Solar LLC	Delaware	n.a.	100.00%	85.00%	100.00%	85.00%

COMPANY	HEAD OFFICE	AUDITOR	2022 % OF CAPITAL	2022 % OF VOTING RIGHTS	2021 % OF CAPITAL	2021 % OF VOTING RIGHTS
Old Trail Wind Farm LLC	Delaware	PwC	100.00%	51.00%	100.00%	51.00%
Omega CSG 1 LLC	Delaware	n.a.	100.00%	85.00%	100.00%	85.00%
OPQ Property LLC	Delaware	n.a.	100.00%	100.00%	100.00%	100.00%
Pacific Southwest Wind Farm LLC	Delaware	n.a.	100.00%	100.00%	100.00%	100.00%
Paulding Wind Farm II LLC	Delaware	PwC	100.00%	51.00%	100.00%	51.00%
Paulding Wind Farm III LLC	Delaware	PwC	100.00%	100.00%	100.00%	100.00%
Paulding Wind Farm IV LLC	Delaware	n.a.	100.00%	100.00%	100.00%	100.00%
Paulding Wind Farm LLC	Delaware	n.a.	100.00%	100.00%	100.00%	100.00%
Paulding Wind Farm V LLC	Delaware	n.a.	100.00%	100.00%	100.00%	100.00%
Paulding Wind Farm VI LLC	Delaware	n.a.	100.00%	100.00%	100.00%	100.00%
Pearl River Solar Park LLC	Delaware	n.a.	100.00%	100.00%	100.00%	100.00%
Penn Yan Solar I LLC	Delaware	n.a.	100.00%	85.00%	100.00%	85.00%
Peterson Power Partners LLC	Delaware	n.a.	100.00%	100.00%	100.00%	100.00%
Pioneer Prairie Wind Farm I LLC	Delaware	PwC	100.00%	51.00%	100.00%	51.00%
Piscataquis Valley Solar LLC	Delaware	n.a.	100.00%	85.00%	100.00%	85.00%
Pleasantville Solar Park LLC	Delaware	n.a.	100.00%	100.00%	100.00%	100.00%
Plum Nellie Wind Farm LLC	Delaware	n.a.	100.00%	100.00%	100.00%	100.00%
Poplar Camp Wind Farm LLC	Delaware	n.a.	100.00%	100.00%	100.00%	100.00%
Post Oak Wind LLC	Delaware	PwC	100.00%	51.00%	100.00%	51.00%
Potsdam Community Solar LLC	Delaware	n.a.	100.00%	85.00%	100.00%	85.00%
Prospector Solar Park LLC	Delaware	n.a.	100.00%	100.00%	100.00%	100.00%
Quilt Block Wind Farm II LLC	Delaware	n.a.	100.00%	100.00%	100.00%	100.00%
Ragsdale Solar II LLC	Delaware	n.a.	100.00%	100.00%	0.00%	0.00%
Ragsdale Solar LLC	Delaware	n.a.	100.00%	100.00%	0.00%	0.00%

COMPANY	HEAD OFFICE	AUDITOR	2022		2021	
			% OF CAPITAL	% OF VOTING RIGHTS	% OF CAPITAL	% OF VOTING RIGHTS
Rail Splitter Wind Farm II LLC	Delaware	n.a.	100.00%	100.00 %	100.00 %	100.00%
Rail Splitter Wind Farm LLC	Delaware	PwC	100.00%	100.00 %	100.00 %	100.00%
Randolph Solar Park LLC	Delaware	n.a.	100.00%	100.00 %	100.00 %	100.00%
RE Scarlet LLC	Delaware	n.a.	100.00%	100.00 %	100.00 %	100.00%
REA-C2 2016 Lessee LLC	Delaware	n.a.	100.00%	85.00%	100.00 %	85.00%
Reloj del Sol Wind Farm LLC	Delaware	n.a.	100.00%	100.00 %	100.00 %	100.00%
Renewable Ventures Solar Fund V GP LLC (2)	Delaware	n.a.	100.00%	85.00%	0.00%	0.00%
Renewable Ventures Solar Fund V LLC (2)	Delaware	n.a.	100.00%	85.00%	0.00%	0.00%
Renewable Ventures V Equity Holdings LLC (2)	Delaware	n.a.	100.00%	85.00%	0.00%	0.00%
Renewable Ventures V GP Holdings LLC (2)	Delaware	n.a.	100.00%	85.00%	0.00%	0.00%
Renville County Wind Farm LLC	Delaware	n.a.	100.00%	100.00 %	100.00 %	100.00%
RevEnergy C2 Franklin LLC	Delaware	n.a.	100.00%	85.00%	100.00 %	85.00%
RI Abrava Solar LLC	Delaware	n.a.	100.00%	85.00%	100.00 %	85.00%
RI- Moo Cow	Delaware	n.a.	100.00%	85.00%	100.00 %	85.00%
RI Quarry Solar LLC	Delaware	n.a.	100.00%	85.00%	100.00 %	85.00%
RI Sposato Solar LLC	Delaware	n.a.	100.00%	85.00%	100.00 %	85.00%
RI Stainless LLC	Delaware	n.a.	100.00%	85.00%	100.00 %	85.00%
Rio Blanco Wind Farm LLC	Delaware	n.a.	100.00%	100.00 %	100.00 %	100.00%
Rising Tree Wind Farm II LLC	Delaware	PwC	100.00%	51.00%	100.00 %	51.00%
Rising Tree Wind Farm III LLC	Delaware	PwC	100.00%	51.00%	100.00 %	51.00%
Rising Tree Wind Farm LLC	Delaware	PwC	100.00%	51.00%	100.00 %	51.00%
Riverstart Solar Park II LLC	Delaware	n.a.	100.00%	100.00 %	100.00 %	100.00%
Riverstart Solar Park III LLC	Delaware	n.a.	100.00%	100.00 %	100.00 %	100.00%
Riverstart Solar Park IV LLC	Delaware	n.a.	100.00%	100.00 %	100.00 %	100.00%
Riverstart Solar Park V LLC	Delaware	n.a.	100.00%	100.00 %	100.00 %	100.00%

COMPANY	HEAD OFFICE	AUDITOR	2022 % OF CAPITAL	2022 % OF VOTING RIGHTS	2021 % OF CAPITAL	2021 % OF VOTING RIGHTS
Riverstart Solar Park VI LLC	Delaware	n.a.	100.00%	100.00 %	100.00 %	100.00%
Rock Dane Solar Park LLC	Delaware	n.a.	100.00%	100.00 %	100.00 %	100.00%
Rolling Upland Wind Farm LLC	Delaware	n.a.	100.00%	100.00 %	100.00 %	100.00%
Rose Run Solar Park LLC	Delaware	n.a.	100.00%	100.00 %	0.00%	0.00%
Rosewater Ventures LLC	Delaware	n.a.	100.00%	100.00 %	100.00 %	100.00%
Route 13 Solar LLC	Delaware	n.a.	100.00%	85.00%	100.00 %	85.00%
Route 149 LLC	Delaware	n.a.	100.00%	85.00%	100.00 %	85.00%
RS Holyoke 3 LLC	Delaware	n.a.	100.00%	85.00%	100.00 %	85.00%
RSBF Jeffco II LLC	Delaware	n.a.	100.00%	85.00%	100.00 %	85.00%
RTSW Solar Park II LLC	Delaware	n.a.	100.00%	100.00 %	100.00 %	100.00%
RTSW Solar Park III LLC	Delaware	n.a.	100.00%	100.00 %	100.00 %	100.00%
RTSW Solar Park IV LLC	Delaware	n.a.	100.00%	100.00 %	100.00 %	100.00%
RTSW Solar Park LLC	Delaware	n.a.	100.00%	100.00 %	100.00 %	100.00%
RTSW Solar Park V LLC	Delaware	n.a.	100.00%	100.00 %	100.00 %	100.00%
RTSW Solar Park VI LLC	Delaware	n.a.	100.00%	100.00 %	100.00 %	100.00%
Rush County Wind Farm LLC	Delaware	n.a.	100.00%	100.00 %	100.00 %	100.00%
RV CSU Power LLC (2)	Delaware	n.a.	100.00%	85.00%	0.00%	0.00%
Rye Patch Solar Park LLC	Delaware	n.a.	100.00%	100.00 %	100.00 %	100.00%
Saddleback Wind Power Project LLC	Delaware	n.a.	100.00%	100.00 %	100.00 %	100.00%
Sagebrush Power Partners LLC	Delaware	PwC	100.00%	100.00 %	100.00 %	100.00%
Sailor Springs Solar Park LLC	Delaware	n.a.	100.00%	100.00 %	100.00 %	100.00%
Salt Lick Solar Park LLC	Delaware	n.a.	100.00%	100.00 %	0.00%	0.00%
San Clemente Solar Park LLC	Delaware	n.a.	100.00%	100.00 %	100.00 %	100.00%
Sandrini LandCo LLC	Delaware	n.a.	100.00%	100.00 %	0.00%	0.00%
Sardinia Windpower LLC	Delaware	n.a.	100.00%	100.00 %	100.00 %	100.00%

COMPANY	HEAD OFFICE	AUDITOR	2022 % OF CAPITAL	2022 % OF VOTING RIGHTS	2021 % OF CAPITAL	2021 % OF VOTING RIGHTS
Sawmill Junction Solar Park LLC	Delaware	n.a.	100.00%	100.00 %	100.00 %	100.00%
SC Beaufort Jasper Solar LLC	Delaware	n.a.	100.00%	85.00%	100.00 %	85.00%
SC Heathwood Hall Solar LLC	Delaware	n.a.	100.00%	85.00%	100.00 %	85.00%
SC Southern Wesleyan Solar LLC	Delaware	n.a.	100.00%	85.00%	100.00 %	85.00%
Sedge Meadow Solar Park LLC	Delaware	n.a.	100.00%	100.00 %	100.00 %	100.00%
Shields Drive LLC	Delaware	n.a.	100.00%	85.00%	100.00 %	85.00%
Shullsburg Wind Farm LLC	Delaware	n.a.	100.00%	100.00 %	100.00 %	100.00%
Shy Place Solar Park LLC	Delaware	n.a.	100.00%	100.00 %	0.00%	0.00%
Signal Hill Wind Power Project LLC	Delaware	n.a.	100.00%	100.00 %	100.00 %	100.00%
Simpson Ridge Wind Farm II LLC	Delaware	n.a.	100.00%	100.00 %	100.00 %	100.00%
Simpson Ridge Wind Farm III LLC	Delaware	n.a.	100.00%	100.00 %	100.00 %	100.00%
Simpson Ridge Wind Farm IV LLC	Delaware	n.a.	100.00%	100.00 %	100.00 %	100.00%
Simpson Ridge Wind Farm LLC	Delaware	n.a.	100.00%	100.00 %	100.00 %	100.00%
Simpson Ridge Wind Farm V LLC	Delaware	n.a.	100.00%	100.00 %	100.00 %	100.00%
SLX Project 1080 LLC	Delaware	n.a.	100.00%	85.00%	100.00 %	85.00%
Smart Sunscribe LLC	Delaware	n.a.	100.00%	85.00%	100.00 %	85.00%
Solar Ventures Purchasing LLC	Delaware	n.a.	100.00%	100.00 %	100.00 %	100.00%
Soteria Solar Services LLC	Delaware	n.a.	100.00%	85.00%	100.00 %	85.00%
Spruce Ridge Wind Farm LLC	Delaware	n.a.	100.00%	100.00 %	100.00 %	100.00%
Stinson Mills Wind Farm LLC	Delaware	n.a.	100.00%	100.00 %	100.00 %	100.00%
Strawberry Solar Farm LLC	Delaware	n.a.	100.00%	85.00%	100.00 %	85.00%
Sugar Plum Solar Park LLC	Delaware	n.a.	100.00%	100.00 %	0.00%	0.00%
SunE Bristow MS LLC (2)	Delaware	n.a.	100.00%	85.00%	0.00%	0.00%
SunE CPA CDC2 LLC (2)	Delaware	n.a.	100.00%	85.00%	0.00%	0.00%
SunE CPA CSU5 LLC (2)	Delaware	n.a.	100.00%	85.00%	0.00%	0.00%
SunE CPA CTS1 LLC (2)	Delaware	n.a.	100.00%	85.00%	0.00%	0.00%

COMPANY	HEAD OFFICE	AUDITOR	2022 % OF CAPITAL	2022 % OF VOTING RIGHTS	2021 % OF CAPITAL	2021 % OF VOTING RIGHTS
SunE Fairfield SSD LLC (2)	Delaware	n.a.	100.00%	85.00%	0.00%	0.00%
SunE H3 Holdings LLC (2)	Delaware	n.a.	100.00%	85.00%	0.00%	0.00%
SunE Lakeland Center LLC (2)	Delaware	n.a.	100.00%	85.00%	0.00%	0.00%
SunE MCPS Clarksburg LLC (2)	Delaware	n.a.	100.00%	85.00%	0.00%	0.00%
SunE MCPS FSK LLC (2)	Delaware	n.a.	100.00%	85.00%	0.00%	0.00%
SunE MCPS Gardens LLC (2)	Delaware	n.a.	100.00%	85.00%	0.00%	0.00%
SunE MCPS Lakelands LLC (2)	Delaware	n.a.	100.00%	85.00%	0.00%	0.00%
SunE MCPS Montgomery LLC (2)	Delaware	n.a.	100.00%	85.00%	0.00%	0.00%
SunE MCPS Parkland LLC (2)	Delaware	n.a.	100.00%	85.00%	0.00%	0.00%
SunE MCPS Quince Orchard LLC (2)	Delaware	n.a.	100.00%	85.00%	0.00%	0.00%
SunE MCPS Shriver LLC (2)	Delaware	n.a.	100.00%	85.00%	0.00%	0.00%
SunE Multnomah JBY LLC (2)	Delaware	n.a.	100.00%	85.00%	0.00%	0.00%
SunE Multnomah JJC LLC (2)	Delaware	n.a.	100.00%	85.00%	0.00%	0.00%
SunE NC Progress1 LLC (2)	Delaware	n.a.	100.00%	85.00%	0.00%	0.00%
SunE NLB-2 LLC (2)	Delaware	n.a.	100.00%	85.00%	0.00%	0.00%
SunE PD Oak LLC (2)	Delaware	n.a.	100.00%	85.00%	0.00%	0.00%
SunE PD Sycamore LLC (2)	Delaware	n.a.	100.00%	85.00%	0.00%	0.00%
SunE PD Willow LLC (2)	Delaware	n.a.	100.00%	85.00%	0.00%	0.00%
SunE PNMC Roof LLC (2)	Delaware	n.a.	100.00%	85.00%	0.00%	0.00%
SunE Solar IV LLC (2)	Delaware	n.a.	100.00%	85.00%	0.00%	0.00%
SunE Solar VI LLC (2)	Delaware	n.a.	100.00%	85.00%	0.00%	0.00%
SunE Solar XII LLC (2)	Delaware	n.a.	100.00%	85.00%	0.00%	0.00%
SunE SR1 Arvada5 LLC (2)	Delaware	n.a.	100.00%	85.00%	0.00%	0.00%
SunE SR1 NREL LLC (2)	Delaware	n.a.	100.00%	85.00%	0.00%	0.00%
SunE SR1 Rifle PS LLC (2)	Delaware	n.a.	100.00%	85.00%	0.00%	0.00%
SunE U6 Holdings LLC (2)	Delaware	n.a.	100.00%	85.00%	0.00%	0.00%
SunE W12DG-A LLC (2)	Delaware	n.a.	100.00%	85.00%	0.00%	0.00%
SunE W12DG-B LLC (2)	Delaware	n.a.	100.00%	85.00%	0.00%	0.00%
SunE W12DG-C LLC (2)	Delaware	n.a.	100.00%	85.00%	0.00%	0.00%
SunE W12DG-D LLC (2)	Delaware	n.a.	100.00%	85.00%	0.00%	0.00%
SunE WF3 KHL A Holdings LLC (2)	Delaware	n.a.	100.00%	85.00%	0.00%	0.00%
SunE WF3 KHL B Holdings LLC (2)	Delaware	n.a.	100.00%	85.00%	0.00%	0.00%
SunE WF3-BART Holdings LLC (2)	Delaware	n.a.	100.00%	85.00%	0.00%	0.00%
SunE WF3-Broomfield Holdings LLC (2)	Delaware	n.a.	100.00%	85.00%	0.00%	0.00%
SunE WF3-ST Holdings LLC (2)	Delaware	n.a.	100.00%	85.00%	0.00%	0.00%
SunE WF3-WG Holdings LLC (2)	Delaware	n.a.	100.00%	85.00%	0.00%	0.00%
SunE WMT PR2 LLC (2)	Delaware	n.a.	100.00%	85.00%	0.00%	0.00%
SunE H4 Holdings LLC (2)	Delaware	n.a.	100.00%	85.00%	0.00%	0.00%

COMPANY	HEAD OFFICE	AUDITOR	2022 % OF CAPITAL	2022 % OF VOTING RIGHTS	2021 % OF CAPITAL	2021 % OF VOTING RIGHTS
SunE Solar III LLC (2)	Delaware	n.a.	100.00%	85.00%	0.00%	0.00%
Sustaining Power Solutions LLC	Delaware	n.a.	100.00%	100.00 %	100.00 %	100.00%
Sweet Acres Solar Park LLC	Delaware	n.a.	100.00%	100.00 %	0.00%	0.00%
Sweet Stream Wind Farm LLC	Delaware	n.a.	100.00%	100.00 %	100.00 %	100.00%
Telocaset Wind Power Partners LLC	Delaware	PwC	100.00%	51.00%	100.00 %	51.00%
Tillman Solar Park II LLC	Delaware	n.a.	100.00%	100.00 %	100.00 %	100.00%
Tillman Solar Park LLC	Delaware	n.a.	100.00%	100.00 %	100.00 %	100.00%
TillmaN Storage LLC	Delaware	n.a.	100.00%	100.00 %	100.00 %	100.00%
Timber Road II Storage LLC	Delaware	n.a.	100.00%	100.00 %	100.00 %	100.00%
Timber Road III Storage LLC	Delaware	n.a.	100.00%	100.00 %	100.00 %	100.00%
Timber Road Solar Park II LLC	Delaware	n.a.	100.00%	100.00 %	100.00 %	100.00%
Timber Road Solar Park III LLC	Delaware	n.a.	100.00%	100.00 %	100.00 %	100.00%
Timber Road Solar Park LLC	Delaware	n.a.	100.00%	100.00 %	100.00 %	100.00%
Top Crop I Storage LLC	Delaware	n.a.	100.00%	100.00 %	100.00 %	100.00%
Top Crop II Storage LLC	Delaware	n.a.	100.00%	100.00 %	100.00 %	100.00%
Trolley Barn Storage LLC	Delaware	n.a.	100.00%	100.00 %	0.00%	0.00%
Tug Hill Windpower LLC	Delaware	n.a.	100.00%	100.00 %	100.00 %	100.00%
Tumbleweed Wind Power Project LLC	Delaware	n.a.	100.00%	100.00 %	100.00 %	100.00%
Turtle Creek Wind Farm LLC	Delaware	PwC	100.00%	100.00 %	100.00 %	100.00%
Twin Groves I Storage LLC	Delaware	n.a.	100.00%	100.00 %	100.00 %	100.00%
Twin Groves II Storage LLC	Delaware	n.a.	100.00%	100.00 %	100.00 %	100.00%
Upper Road LLC	Delaware	n.a.	100.00%	85.00%	100.00 %	85.00%
VA- Green Acres	Delaware	n.a.	100.00%	85.00%	100.00 %	85.00%
VT Stone Valley LLC	Delaware	n.a.	100.00%	85.00%	100.00 %	85.00%
Waverly Wind Farm II LLC	Delaware	n.a.	100.00%	100.00 %	100.00 %	100.00%

COMPANY	HEAD OFFICE	AUDITOR	2022		2021	
			% OF CAPITAL	% OF VOTING RIGHTS	% OF CAPITAL	% OF VOTING RIGHTS
Waverly Wind Farm LLC	Delaware	PwC	100.00%	51.00%	100.00%	51.00%
Western Trail Wind Project I LLC	Delaware	n.a.	100.00%	100.00%	100.00%	100.00%
Wheat Field Holding LLC	Delaware	PwC	51.00%	51.00%	51.00%	51.00%
Wheat Field Wind Power Project LLC	Delaware	PwC	100.00%	51.00%	100.00%	51.00%
Whiskey Ridge Power Partners LLC	Delaware	n.a.	100.00%	100.00%	100.00%	100.00%
Whistling Wind WI Energy Center LLC	Delaware	n.a.	100.00%	100.00%	100.00%	100.00%
White Stone Solar Park LLC	Delaware	n.a.	100.00%	100.00%	100.00%	100.00%
Whitestone Wind Purchasing LLC	Delaware	n.a.	100.00%	100.00%	100.00%	100.00%
Wildcat Creek Wind Farm LLC	Delaware	n.a.	100.00%	100.00%	100.00%	100.00%
Wilson Creek Power Project LLC	Delaware	n.a.	100.00%	100.00%	100.00%	100.00%
Wind Turbine Prometheus LP	Delaware	n.a.	100.00%	100.00%	100.00%	100.00%
Wolf Run Solar LLC	Delaware	n.a.	100.00%	100.00%	100.00%	100.00%
Wrangler Solar Park LLC	Delaware	n.a.	100.00%	100.00%	100.00%	100.00%
WTP Management Company LLC	Delaware	n.a.	100.00%	100.00%	100.00%	100.00%
Meadow Lake Solar Park LLC	Delaware	n.a.	0.00%	0.00%	100.00%	100.00%
ME Punky Meadows Solar LLC	Delaware	n.a.	0.00%	0.00%	100.00%	85.00%
NJ GSEB Fal Solar LLC	Delaware	n.a.	0.00%	0.00%	100.00%	85.00%
Parkman Solar DG LLC	Delaware	n.a.	0.00%	0.00%	100.00%	85.00%
RI- Comolli	Delaware	n.a.	0.00%	0.00%	100.00%	85.00%
RSBF E470 I LLC	Delaware	n.a.	0.00%	0.00%	100.00%	85.00%
Waterville Solar LLC	Delaware	n.a.	0.00%	0.00%	100.00%	85.00%
Canada						
EDP Renewables Canada Ltd.	British Columbia	n.a.	100.00%	100.00%	100.00%	100.00%
Blue Bridge Solar Park GP Ltd	British Columbia	n.a.	100.00%	100.00%	100.00%	100.00%
Blue Bridge Solar Park Limited Partnership	British Columbia	n.a.	100.00%	100.00%	100.00%	100.00%

COMPANY	HEAD OFFICE	AUDITOR	2022 % OF CAPITAL	2022 % OF VOTING RIGHTS	2021 % OF CAPITAL	2021 % OF VOTING RIGHTS
Bromhead Solar Park GP Ltd	British Columbia	n.a.	100.00%	100.00 %	100.00 %	100.00%
Bromhead Solar Park Limited Partnership	Saskatchewan	n.a.	100.00%	100.00 %	100.00 %	100.00%
Edgeware BESS Project GP Ltd.	British Columbia	n.a.	100.00%	100.00 %	0.00%	0.00%
Edgeware BESS Project LP	Ontário	n.a.	100.00%	100.00 %	0.00%	0.00%
EDP Renewables Canada Management Services Ltd	British Columbia	n.a.	100.00%	100.00 %	100.00 %	100.00%
EDP Renewables Sask SE GP Ltd	British Columbia	n.a.	100.00%	100.00 %	100.00 %	100.00%
EDP Renewables Sask SE Limited Partnership	Ontário	n.a.	100.00%	100.00 %	100.00 %	100.00%
EDP Renewables SH II Project GP Ltd	British Columbia	n.a.	100.00%	100.00 %	100.00 %	100.00%
EDP Renewables SH II Project Limited Partnership	Alberta	n.a.	100.00%	100.00 %	100.00 %	100.00%
EDP Renewables SH Project GP Ltd.	British Columbia	n.a.	100.00%	100.00 %	100.00 %	100.00%
EDP Renewables SH Project Limited Partnership	Alberta	n.a.	100.00%	100.00 %	100.00 %	100.00%
Halbrite Solar Park GP Ltd	British Columbia	n.a.	100.00%	100.00 %	100.00 %	100.00%
Halbrite Solar Park Limited Partnership	Saskatchewan	n.a.	100.00%	100.00 %	100.00 %	100.00%
Kennedy Wind Farm GP Ltd	British Columbia	n.a.	100.00%	100.00 %	100.00 %	100.00%
Kennedy Wind Farm Limited Partnership	Saskatchewan	n.a.	100.00%	100.00 %	100.00 %	100.00%
Nation Rise Wind Farm GP Inc.	British Columbia	PwC	100.00%	100.00 %	100.00 %	100.00%
Nation Rise Wind Farm Limited Partnership	Ontário	n.a.	49.99%	49.99%	49.99%	49.99%
SBWF GP Inc.	British Columbia	n.a.	51.00%	51.00%	51.00%	51.00%
Sounding Creek Solar Park GP Ltd.	British Columbia	n.a.	100.00%	100.00 %	0.00%	0.00%
Sounding Creek Solar Park LP	Alberta	n.a.	100.00%	100.00 %	0.00%	0.00%
South Branch Wind Farm II GP Inc.	British Columbia	n.a.	100.00%	100.00 %	100.00 %	100.00%
South Branch Wind Farm II Limited Partnership	Ontário	n.a.	100.00%	100.00 %	100.00 %	100.00%
South Dundas Windfarm Limited Partnership	Ontário	PwC	51.00%	51.00%	51.00%	51.00%
SOUTH AMERICA GEOGRAPHY / PLATFORM:						
Brazil						

COMPANY	HEAD OFFICE	AUDITOR	2022		2021	
			% OF CAPITAL	% OF VOTING RIGHTS	% OF CAPITAL	% OF VOTING RIGHTS
EDP Renováveis Brasil, S.A.	São Paulo	PwC	100.00%	100.00 %	100.00 %	100.00%
Central Eólica Amanhecer I, S.A.	São Paulo	n.a.	100.00%	100.00 %	100.00 %	100.00%
Central Eólica Amanhecer II, S.A.	São Paulo	n.a.	100.00%	100.00 %	100.00 %	100.00%
Central Eólica Amanhecer III, S.A.	São Paulo	n.a.	100.00%	100.00 %	100.00 %	100.00%
Central Eólica Amanhecer IV, S.A.	São Paulo	n.a.	100.00%	100.00 %	100.00 %	100.00%
Central Eólica Amanhecer V, S.A.	São Paulo	n.a.	100.00%	100.00 %	100.00 %	100.00%
Central Eólica Amanhecer VI, S.A.	São Paulo	n.a.	100.00%	100.00 %	100.00 %	100.00%
Central Eólica Amanhecer VII, S.A.	São Paulo	n.a.	100.00%	100.00 %	100.00 %	100.00%
Central Eólica Asas de Zabelê I, S.A.	São Paulo	n.a.	100.00%	100.00 %	0.00%	0.00%
Central Eólica Asas de Zabelê II, S.A.	São Paulo	n.a.	100.00%	100.00 %	0.00%	0.00%
Central Eólica Asas de Zabelê III, S.A.	São Paulo	n.a.	100.00%	100.00 %	0.00%	0.00%
Central Eólica Asas de Zabelê IV, S.A.	São Paulo	n.a.	100.00%	100.00 %	0.00%	0.00%
Central Eólica Asas de Zabelê V, S.A.	São Paulo	n.a.	100.00%	100.00 %	0.00%	0.00%
Central Eólica Asas de Zabelê VI, S.A.	São Paulo	n.a.	100.00%	100.00 %	0.00%	0.00%
Central Eólica Asas de Zabelê VII, S.A.	São Paulo	n.a.	100.00%	100.00 %	0.00%	0.00%
Central Eólica Aventura I, S.A.	São Paulo	PwC	51.00%	51.00%	51.00%	51.00%
Central Eólica Baixa do Feijão I, S.A.	São Paulo	PwC	51.00%	51.00%	51.00%	51.00%
Central Eólica Baixa do Feijão II, S.A.	São Paulo	PwC	51.00%	51.00%	51.00%	51.00%
Central Eólica Baixa do Feijão III, S.A.	São Paulo	PwC	51.00%	51.00%	51.00%	51.00%
Central Eólica Baixa do Feijão IV, S.A.	São Paulo	PwC	51.00%	51.00%	51.00%	51.00%
Central Eólica Barra I, S.A.	Rio Grande do Norte	n.a.	100.00%	100.00 %	0.00%	0.00%
Central Eólica Barra II, S.A.	Rio Grande do Norte	n.a.	100.00%	100.00 %	0.00%	0.00%
Central Eólica Barra III, S.A.	Rio Grande do Norte	n.a.	100.00%	100.00 %	0.00%	0.00%
Central Eólica Barra IV, S.A.	Rio Grande do Norte	n.a.	100.00%	100.00 %	0.00%	0.00%
Central Eólica Barra IX, S.A.	Rio Grande do Norte	n.a.	100.00%	100.00 %	0.00%	0.00%
Central Eólica Barra V, S.A.	Rio Grande do Norte	n.a.	100.00%	100.00 %	0.00%	0.00%

COMPANY	HEAD OFFICE	AUDITOR	2022 % OF CAPITAL	2022 % OF VOTING RIGHTS	2021 % OF CAPITAL	2021 % OF VOTING RIGHTS
Central Eólica Barra VI, S.A.	Rio Grande do Norte	n.a.	100.00%	100.00%	0.00%	0.00%
Central Eólica Barra VII, S.A.	Rio Grande do Norte	n.a.	100.00%	100.00%	0.00%	0.00%
Central Eólica Barra VIII, S.A.	Rio Grande do Norte	n.a.	100.00%	100.00%	0.00%	0.00%
Central Eólica Barra X, S.A.	Rio Grande do Norte	n.a.	100.00%	100.00%	0.00%	0.00%
Central Eólica Barra XI, S.A.	Rio Grande do Norte	n.a.	100.00%	100.00%	0.00%	0.00%
Central Eólica Boqueirão I, S.A.	São Paulo	PwC	100.00%	100.00%	100.00%	100.00%
Central Eólica Boqueirão II, S.A.	São Paulo	PwC	100.00%	100.00%	100.00%	100.00%
Central Eólica Borborema I, S.A.	São Paulo	PwC	100.00%	100.00%	0.00%	0.00%
Central Eólica Borborema II, S.A.	São Paulo	PwC	100.00%	100.00%	0.00%	0.00%
Central Eólica Borborema III, S.A.	São Paulo	PwC	100.00%	100.00%	0.00%	0.00%
Central Eólica Borborema IV, S.A.	São Paulo	PwC	100.00%	100.00%	0.00%	0.00%
Central Eólica Catanduba I, S.A.	São Paulo	PwC	100.00%	100.00%	100.00%	100.00%
Central Eólica Catanduba II, S.A.	São Paulo	PwC	100.00%	100.00%	100.00%	100.00%
Central Eólica Itaúna I, S.A.	São Paulo	n.a.	100.00%	100.00%	0.00%	0.00%
Central Eólica Itaúna II, S.A.	São Paulo	n.a.	100.00%	100.00%	0.00%	0.00%
Central Eólica JAU, S.A.	São Paulo	PwC	51.00%	51.00%	51.00%	51.00%
Central Eólica Jerusalém I, S.A.	São Paulo	PwC	100.00%	100.00%	100.00%	100.00%
Central Eólica Jerusalém II, S.A.	São Paulo	PwC	100.00%	100.00%	100.00%	100.00%
Central Eólica Jerusalém III, S.A.	São Paulo	PwC	100.00%	100.00%	100.00%	100.00%
Central Eólica Jerusalém IV, S.A.	São Paulo	PwC	100.00%	100.00%	100.00%	100.00%
Central Eólica Jerusalém V, S.A.	São Paulo	PwC	100.00%	100.00%	100.00%	100.00%
Central Eólica Jerusalém VI, S.A.	São Paulo	PwC	100.00%	100.00%	100.00%	100.00%
Central Eólica Monte Verde I, S.A.	Lagoa Nova	PwC	100.00%	100.00%	100.00%	100.00%
Central Eólica Monte Verde II, S.A.	Lagoa Nova	PwC	100.00%	100.00%	100.00%	100.00%
Central Eólica Monte Verde III, S.A.	Lagoa Nova	PwC	100.00%	100.00%	100.00%	100.00%

COMPANY	HEAD OFFICE	AUDITOR	2022		2021	
			% OF CAPITAL	% OF VOTING RIGHTS	% OF CAPITAL	% OF VOTING RIGHTS
Central Eólica Monte Verde IV, S.A.	Lagoa Nova	PwC	100.00%	100.00 %	100.00 %	100.00%
Central Eólica Monte Verde V, S.A.	Lagoa Nova	PwC	100.00%	100.00 %	100.00 %	100.00%
Central Eólica Monte Verde VI, S.A.	Lagoa Nova	PwC	100.00%	100.00 %	100.00 %	100.00%
Central Eólica São Domingos I, S.A.	São Paulo	n.a.	100.00%	100.00 %	0.00%	0.00%
Central Eólica São Domingos II, S.A.	São Paulo	n.a.	100.00%	100.00 %	0.00%	0.00%
Central Eólica São Domingos III, S.A.	São Paulo	n.a.	100.00%	100.00 %	0.00%	0.00%
Central Geradora Fotovoltaica Monte Verde Solar I, S.A.	São Paulo	n.a.	100.00%	100.00 %	0.00%	0.00%
Central Geradora Fotovoltaica Monte Verde Solar II, S.A.	São Paulo	PwC	100.00%	100.00 %	100.00 %	100.00%
Central Geradora Fotovoltaica Monte Verde Solar III, S.A.	São Paulo	PwC	100.00%	100.00 %	100.00 %	100.00%
Central Geradora Fotovoltaica Monte Verde Solar IV, S.A.	São Paulo	PwC	100.00%	100.00 %	100.00 %	100.00%
Central Geradora Fotovoltaica Monte Verde Solar V, S.A.	São Paulo	PwC	100.00%	100.00 %	100.00 %	100.00%
Central Geradora Fotovoltaica Monte Verde Solar VI, S.A.	São Paulo	n.a.	100.00%	100.00 %	0.00%	0.00%
Central Geradora Fotovoltaica Monte Verde Solar VII, S.A.	São Paulo	PwC	100.00%	100.00 %	100.00 %	100.00%
Central Nacional de Energia Eólica, S.A.	São Paulo	PwC	51.00%	51.00%	51.00%	51.00%
Central Solar Barra I, S.A.	Rio Grande do Norte	n.a.	100.00%	100.00 %	0.00%	0.00%
Central Solar Barra II, S.A.	Rio Grande do Norte	n.a.	100.00%	100.00 %	0.00%	0.00%
Central Solar Barra III, S.A.	Rio Grande do Norte	n.a.	100.00%	100.00 %	0.00%	0.00%
Central Solar Barra IV, S.A.	Rio Grande do Norte	n.a.	100.00%	100.00 %	0.00%	0.00%
Central Solar Lagoa I, S.A.	São Paulo	PwC	100.00%	100.00 %	100.00 %	100.00%
Central Solar Lagoa II, S.A.	São Paulo	PwC	100.00%	100.00 %	100.00 %	100.00%
Central Solar Novo Oriente I, S.A.	São Paulo	PwC	100.00%	100.00 %	100.00 %	100.00%
Central Solar Novo Oriente II, S.A.	São Paulo	PwC	100.00%	100.00 %	100.00 %	100.00%
Central Solar Novo Oriente III, S.A.	São Paulo	PwC	100.00%	100.00 %	100.00 %	100.00%
Central Solar Novo Oriente IV, S.A.	São Paulo	PwC	100.00%	100.00 %	100.00 %	100.00%
Central Solar Novo Oriente V, S.A.	São Paulo	PwC	100.00%	100.00 %	100.00 %	100.00%

COMPANY	HEAD OFFICE	AUDITOR	2022 % OF CAPITAL	2022 % OF VOTING RIGHTS	2021 % OF CAPITAL	2021 % OF VOTING RIGHTS
Central Solar Novo Oriente VI, S.A.	São Paulo	PwC	100.00%	100.00 %	100.00 %	100.00%
Central Solar Pereira Barreto I, S.A.	Pereira Barreto	PwC	100.00%	100.00 %	100.00 %	100.00%
Central Solar Pereira Barreto II, S.A.	Pereira Barreto	PwC	100.00%	100.00 %	100.00 %	100.00%
Central Solar Pereira Barreto III, S.A.	Pereira Barreto	PwC	100.00%	100.00 %	100.00 %	100.00%
Central Solar Pereira Barreto IV, S.A.	Pereira Barreto	PwC	100.00%	100.00 %	100.00 %	100.00%
Central Solar Pereira Barreto V, S.A.	Pereira Barreto	PwC	100.00%	100.00 %	100.00 %	100.00%
Central Solar Presidente JK I, S.A.	São Paulo	n.a.	100.00%	100.00 %	0.00%	0.00%
Central Solar Presidente JK II, S.A.	São Paulo	n.a.	100.00%	100.00 %	0.00%	0.00%
Central Solar Presidente JK III, S.A.	São Paulo	n.a.	100.00%	100.00 %	0.00%	0.00%
Central Solar Presidente JK IV, S.A.	São Paulo	n.a.	100.00%	100.00 %	0.00%	0.00%
Central Solar Presidente JK IX, S.A.	São Paulo	n.a.	100.00%	100.00 %	0.00%	0.00%
Central Solar Presidente JK V, S.A.	São Paulo	n.a.	100.00%	100.00 %	0.00%	0.00%
Central Solar Presidente JK VI, S.A.	São Paulo	n.a.	100.00%	100.00 %	0.00%	0.00%
Central Solar Presidente JK VII, S.A.	São Paulo	n.a.	100.00%	100.00 %	0.00%	0.00%
Central Solar Presidente JK VIII, S.A.	São Paulo	n.a.	100.00%	100.00 %	0.00%	0.00%
Central Solar Presidente JK X, S.A.	São Paulo	n.a.	100.00%	100.00 %	0.00%	0.00%
Central Solar Presidente JK XI, S.A.	São Paulo	n.a.	100.00%	100.00 %	0.00%	0.00%
Central Solar Presidente JK XII, S.A.	São Paulo	n.a.	100.00%	100.00 %	0.00%	0.00%
Central Solar Zebu I, S.A.	São Paulo	n.a.	100.00%	100.00 %	0.00%	0.00%
Central Solar Zebu II, S.A.	São Paulo	n.a.	100.00%	100.00 %	0.00%	0.00%
Central Solar Zebu III, S.A.	São Paulo	n.a.	100.00%	100.00 %	0.00%	0.00%
Central Solar Zebu IV, S.A.	São Paulo	n.a.	100.00%	100.00 %	0.00%	0.00%
Central Solar Zebu IX, S.A.	São Paulo	n.a.	100.00%	100.00 %	0.00%	0.00%
Central Solar Zebu V, S.A.	São Paulo	n.a.	100.00%	100.00 %	0.00%	0.00%

COMPANY	HEAD OFFICE	AUDITOR	2022 % OF CAPITAL	2022 % OF VOTING RIGHTS	2021 % OF CAPITAL	2021 % OF VOTING RIGHTS
Central Solar Zebu VI, S.A.	São Paulo	n.a.	100.00%	100.00%	0.00%	0.00%
Central Solar Zebu VII, S.A.	São Paulo	n.a.	100.00%	100.00%	0.00%	0.00%
Central Solar Zebu VIII, S.A.	São Paulo	n.a.	100.00%	100.00%	0.00%	0.00%
Elebrás Projetos, S.A.	São Paulo	PwC	51.00%	51.00%	51.00%	51.00%
Jerusalém Holding, S.A.	São Paulo	PwC	100.00%	100.00%	100.00%	100.00%
Monte Verde Holding, S.A.	São Paulo	PwC	100.00%	100.00%	100.00%	100.00%
Aventura Holding, S.A.	São Paulo	PwC	0.00%	0.00%	100.00%	100.00%
Central Eólica Aventura II, S.A.	São Paulo	PwC	0.00%	0.00%	100.00%	100.00%
Central Eólica Aventura III, S.A.	São Paulo	PwC	0.00%	0.00%	100.00%	100.00%
Central Eólica Aventura IV, S.A.	São Paulo	PwC	0.00%	0.00%	100.00%	100.00%
Central Eólica Aventura V, S.A.	São Paulo	PwC	0.00%	0.00%	100.00%	100.00%
Central Eólica SRMN I, S.A.	São Paulo	PwC	0.00%	0.00%	100.00%	100.00%
Central Eólica SRMN II, S.A.	São Paulo	PwC	0.00%	0.00%	100.00%	100.00%
Central Eólica SRMN III, S.A.	São Paulo	PwC	0.00%	0.00%	100.00%	100.00%
Central Eólica SRMN IV, S.A.	São Paulo	PwC	0.00%	0.00%	100.00%	100.00%
Central Eólica SRMN V, S.A.	São Paulo	PwC	0.00%	0.00%	100.00%	100.00%
SRMN Holding, S.A.	São Paulo	PwC	0.00%	0.00%	100.00%	100.00%
Colombia						
Elipse Energía, S.A.S. E.S.P.	Bogotá	n.a.	100.00%	100.00%	100.00%	100.00%
Eolos Energía, S.A.S. E.S.P.	Bogotá	PwC	100.00%	100.00%	100.00%	100.00%
Kappa Energía, S.A.S. E.S.P.	Bogotá	n.a.	100.00%	100.00%	100.00%	100.00%
Omega Energía, S.A.S. E.S.P.	Bogotá	n.a.	100.00%	100.00%	100.00%	100.00%
Parque Solar Fotovoltaico El Copey, S.A.S. E.S.P.	Bogotá	n.a.	100.00%	100.00%	0.00%	0.00%
Solar Power Solutions, S.A.S. E.S.P.	Bogotá	PwC	100.00%	100.00%	100.00%	100.00%
Vientos del Norte, S.A.S. E.S.P.	Bogotá	PwC	100.00%	100.00%	100.00%	100.00%
Chile						

COMPANY	HEAD OFFICE	AUDITOR	2022 % OF CAPITAL	2022 % OF VOTING RIGHTS	2021 % OF CAPITAL	2021 % OF VOTING RIGHTS
EDP Renewables Chile, SpA	Santiago	PwC	100.00%	100.00 %	100.00 %	100.00%
Los Llanos Solar, SpA	Santiago	n.a.	100.00%	100.00 %	100.00 %	100.00%
Parque Eólico Punta de Talca, SpA	Santiago	PwC	100.00%	100.00 %	100.00 %	100.00%
Parque Eólico San Andrés, SpA	Santiago	n.a.	100.00%	100.00 %	100.00 %	100.00%
Parque Eólico Victoria, SpA	Santiago	n.a.	100.00%	100.00 %	100.00 %	100.00%
ASIA GEOGRAPHY / PLATFORM:						
South Korea						
OMA Haedori Co., Ltd.	Goheung-gun	n.a.	75.00%	75.00%	60.00%	60.00%
EDPR Korea, Ltd.	Yeosu	n.a.	100.00%	100.00 %	0.00%	0.00%
Vietnam						
EDP Renewables Vietnam Co., Ltd.	Ho Chi Minh City	PwC	100.00%	100.00 %	100.00 %	100.00%
Trung Son Energy Development LLC	Khanh Hoa Province	PwC	100.00%	100.00 %	100.00 %	100.00%
Bien Dong Energy Investment Co., Ltd.	Long An Province	PwC	100.00%	100.00 %	0.00%	0.00%
CMX RE Sunseap Vietnam Solar Power Co., Ltd. (3)	Ninh Thuan Province	PwC	55.00%	55.00%	0.00%	0.00%
DKT Energy Investment Co., Ltd.	Ho Chi Minh City	PwC	100.00%	100.00 %	0.00%	0.00%
H2A Co., Ltd.	Long An Province	PwC	100.00%	100.00 %	0.00%	0.00%
H2HA Co., Ltd.	Long An Province	PwC	100.00%	100.00 %	0.00%	0.00%
H2HD Co., Ltd.	Long An Province	PwC	100.00%	100.00 %	0.00%	0.00%
H2HO Co., Ltd.	Long An Province	PwC	100.00%	100.00 %	0.00%	0.00%
H2HU Co., Ltd.	Long An Province	PwC	100.00%	100.00 %	0.00%	0.00%
H2K Co., Ltd.	Long An Province	PwC	100.00%	100.00 %	0.00%	0.00%
H2ML Co., Ltd.	Long An Province	PwC	100.00%	100.00 %	0.00%	0.00%
H2O Ben Luc Investment Co., Ltd.	Long An Province	PwC	100.00%	100.00 %	0.00%	0.00%
H2S Co., Ltd.	Long An Province	PwC	100.00%	100.00 %	0.00%	0.00%
H2T Co., Ltd.	Long An Province	PwC	100.00%	100.00 %	0.00%	0.00%
H2TR Solar Co., Ltd.	Long An Province	PwC	100.00%	100.00 %	0.00%	0.00%

COMPANY	HEAD OFFICE	AUDITOR	2022 % OF CAPITAL	2022 % OF VOTING RIGHTS	2021 % OF CAPITAL	2021 % OF VOTING RIGHTS
H2VP Co., Ltd.	Long An Province	PwC	100.00%	100.00 %	0.00%	0.00%
Hao Thanh Dat Investment Co., Ltd.	Long An Province	PwC	100.00%	100.00 %	0.00%	0.00%
Incom International Investment and Development Co., Ltd.	Long An Province	PwC	100.00%	100.00 %	0.00%	0.00%
Kim Cuong Energy Investment Co., Ltd.	Long An Province	PwC	100.00%	100.00 %	0.00%	0.00%
Long Dai Phat Investment Co., Ltd.	Ho Chi Minh City	PwC	100.00%	100.00 %	0.00%	0.00%
Phu An Energy Investment Co., Ltd.	Long An Province	PwC	100.00%	100.00 %	0.00%	0.00%
Quang Lam Printing Import Export Co., Ltd.	Long An Province	PwC	100.00%	100.00 %	0.00%	0.00%
SSKT Beta Energy Co., Ltd. (3)	Ho Chi Minh City	PwC	100.00%	100.00 %	0.00%	0.00%
STP5 Energy Production Trading Co., Ltd. (3)	Ho Chi Minh City	PwC	100.00%	100.00 %	0.00%	0.00%
STP6 Energy Trading Technical Co., Ltd. (3)	Ho Chi Minh City	PwC	100.00%	100.00 %	0.00%	0.00%
STP7 Energy Development Co., Ltd. (3)	Ho Chi Minh City	PwC	100.00%	100.00 %	0.00%	0.00%
STP8 Energy Investment Co., Ltd. (3)	Ho Chi Minh City	PwC	100.00%	100.00 %	0.00%	0.00%
Sun Times 1 Energy Co., Ltd. (3)	Ho Chi Minh City	PwC	100.00%	100.00 %	0.00%	0.00%
Sun Times 3 Energy Co., Ltd. (3)	Ho Chi Minh City	PwC	100.00%	100.00 %	0.00%	0.00%
Sun Times 4 Energy Co., Ltd. (3)	Ho Chi Minh City	PwC	100.00%	100.00 %	0.00%	0.00%
Sun Times 5 Energy Co., Ltd. (3)	Ho Chi Minh City	PwC	100.00%	100.00 %	0.00%	0.00%
Sun Times 6 Energy Co., Ltd. (3)	Ho Chi Minh City	PwC	100.00%	100.00 %	0.00%	0.00%
Sun Times 7 Energy Co., Ltd. (3)	Ho Chi Minh City	PwC	100.00%	100.00 %	0.00%	0.00%
Sunseap Commercial & Industrial Assets (Vietnam) Co., Ltd. (3)	Ho Chi Minh City	PwC	100.00%	100.00 %	0.00%	0.00%
Sunseap KTG Energy Investment Co., Ltd. (3)	Ho Chi Minh City	PwC	100.00%	100.00 %	0.00%	0.00%
Sunseap Sun Times Solar Investment Co., Ltd. (3)	Ho Chi Minh City	PwC	100.00%	100.00 %	0.00%	0.00%
Thiet Thanh Cong Investment Co., Ltd.	Long An Province	PwC	100.00%	100.00 %	0.00%	0.00%
Uper Renewable Energy Vietnam Co., Ltd. (3)	Ho Chi Minh City	PwC	100.00%	100.00 %	0.00%	0.00%
Xuan Thien Ninh Thuan Co., Ltd.	Ninh Thuan Province	PwC	100.00%	100.00 %	0.00%	0.00%

COMPANY	HEAD OFFICE	AUDITOR	2022 % OF CAPITAL	2022 % OF VOTING RIGHTS	2021 % OF CAPITAL	2021 % OF VOTING RIGHTS
Xuan Thien Thuan Bac Co., Ltd.	Ninh Thuan Province	PwC	100.00%	100.00%	0.00%	0.00%
Singapore						
Trung Son SG Pte. Ltd.	Singapore	PwC	100.00%	100.00%	100.00%	100.00%
LYS Energy Investment Pte. Ltd.	Singapore	PwC	100.00%	100.00%	100.00%	100.00%
EDPR Sunseap Korea Holdings Pte. Ltd. (3)	Singapore	PwC	100.00%	100.00%	0.00%	0.00%
Data4Eco Holdings Pte. Ltd. (3)	Singapore	PwC	60.00%	60.00%	0.00%	0.00%
Solar PV Exchange Pte. Ltd. (3)	Singapore	PwC	100.00%	100.00%	0.00%	0.00%
Solarland Alpha Assets Pte. Ltd. (3)	Singapore	PwC	100.00%	100.00%	0.00%	0.00%
Solarland Alpha Holdings Pte. Ltd. (3)	Singapore	PwC	100.00%	100.00%	0.00%	0.00%
SolarNova 4 Beta Assets Pte. Ltd. (3)	Singapore	PwC	100.00%	100.00%	0.00%	0.00%
SolarNova 4 Beta Holdings Pte. Ltd. (3)	Singapore	PwC	100.00%	100.00%	0.00%	0.00%
SolarNova Phase 1 Pte. Ltd. (3)	Singapore	PwC	100.00%	100.00%	0.00%	0.00%
Sunseap Australia Holdings Pte. Ltd. (3)	Singapore	PwC	100.00%	100.00%	0.00%	0.00%
Sunseap Batam Pte. Ltd. (3)	Singapore	PwC	100.00%	100.00%	0.00%	0.00%
Sunseap China Pte. Ltd. (3)	Singapore	PwC	100.00%	100.00%	0.00%	0.00%
Sunseap CMX RE Solar Holdings Pte. Ltd. (3)	Singapore	PwC	100.00%	100.00%	0.00%	0.00%
Sunseap Commercial & Industrial Assets (S.E.A.) Holdings Pte. Ltd. (3)	Singapore	PwC	100.00%	100.00%	0.00%	0.00%
Sunseap Commercial Assets Pte. Ltd. (3)	Singapore	PwC	100.00%	100.00%	0.00%	0.00%
Sunseap Commercial Holdings Pte. Ltd. (3)	Singapore	PwC	100.00%	100.00%	0.00%	0.00%
Sunseap Delta Holdings Pte. Ltd. (3)	Singapore	PwC	100.00%	100.00%	0.00%	0.00%
Sunseap Energy Pte. Ltd. (3)	Singapore	PwC	100.00%	100.00%	0.00%	0.00%
Sunseap Energy Ventures Pte. Ltd. (3)	Singapore	PwC	100.00%	100.00%	0.00%	0.00%
Sunseap Engineering Pte. Ltd. (3)	Singapore	PwC	100.00%	100.00%	0.00%	0.00%
Sunseap Gamma Assets Pte. Ltd. (3)	Singapore	PwC	100.00%	100.00%	0.00%	0.00%
Sunseap Gamma Holdings Pte. Ltd. (3)	Singapore	PwC	100.00%	100.00%	0.00%	0.00%

COMPANY	HEAD OFFICE	AUDITOR	2022		2021	
			% OF CAPITAL	% OF VOTING RIGHTS	% OF CAPITAL	% OF VOTING RIGHTS
Sunseap Group Pte. Ltd. (3)	Singapore	PwC	100.00%	100.00%	0.00%	0.00%
Sunseap Indonesia Pte. Ltd. (3)	Singapore	PwC	100.00%	100.00%	0.00%	0.00%
Sunseap International Pte. Ltd. (3)	Singapore	PwC	100.00%	100.00%	0.00%	0.00%
Sunseap Japan Pte. Ltd. (3)	Singapore	PwC	100.00%	100.00%	0.00%	0.00%
Sunseap Leasing Alpha Pte. Ltd. (3)	Singapore	PwC	100.00%	100.00%	0.00%	0.00%
Sunseap Leasing Beta Pte. Ltd. (3)	Singapore	PwC	100.00%	100.00%	0.00%	0.00%
Sunseap Leasing Pte. Ltd. (3)	Singapore	PwC	100.00%	100.00%	0.00%	0.00%
Sunseap Links Daklong Pte. Ltd. (3)	Singapore	PwC	95.00%	95.00%	0.00%	0.00%
Sunseap Links Pte. Ltd. (3)	Singapore	PwC	80.00%	80.00%	0.00%	0.00%
Sunseap Philippines Solar Holdings Pte. Ltd. (3)	Singapore	PwC	100.00%	100.00%	0.00%	0.00%
Sunseap SolarNova Pte. Ltd. (3)	Singapore	PwC	100.00%	100.00%	0.00%	0.00%
Sunseap Solutions Pte. Ltd. (3)	Singapore	PwC	100.00%	100.00%	0.00%	0.00%
Sunseap Taiwan Pte. Ltd. (3)	Singapore	PwC	100.00%	100.00%	0.00%	0.00%
Sunseap Vietnam Beta Pte. Ltd. (3)	Singapore	PwC	100.00%	100.00%	0.00%	0.00%
Sunseap Vietnam Gamma Pte. Ltd.	Singapore	PwC	100.00%	100.00%	0.00%	0.00%
Sunseap Vietnam Pte. Ltd. (3)	Singapore	PwC	100.00%	100.00%	0.00%	0.00%
Sunseap Vpower Pte. Ltd. (3)	Singapore	PwC	100.00%	100.00%	0.00%	0.00%
Uper Renewable Energy (Singapore) Pte. Ltd. (3)	Singapore	PwC	100.00%	100.00%	0.00%	0.00%
Australia						
Sunseap (Australia) Investments Pty. Ltd. (3)	Balwyn, Victoria	n.a.	100.00%	100.00%	0.00%	0.00%
Sunseap (Australia) Pty. Ltd. (3)	Balwyn, Victoria	n.a.	100.00%	100.00%	0.00%	0.00%
Sunseap Assets (Australia) Pty. Ltd. (3)	Balwyn, Victoria	n.a.	100.00%	100.00%	0.00%	0.00%
Cambodia						
Sunseap Solar Cambodia Co., Ltd. (3)	Phnom Penh City	n.a.	100.00%	100.00%	0.00%	0.00%
China						
Changzhou Jingyi New Energy Technology Co., Ltd. (3)	Changzhou City	n.a.	100.00%	100.00%	0.00%	0.00%

COMPANY	HEAD OFFICE	AUDITOR	2022 % OF CAPITAL	2022 % OF VOTING RIGHTS	2021 % OF CAPITAL	2021 % OF VOTING RIGHTS
Chongqing Xingzhi New Energy Technology Co., Ltd.	Chongqing City	n.a.	100.00%	100.00 %	0.00%	0.00%
Hefei Yiman New Energy Technology Co., Ltd. (3)	Hefei City	n.a.	100.00%	100.00 %	0.00%	0.00%
Dongguan Jiehuang New Energy Technology Co., Ltd.	Dongguan City	n.a.	100.00%	100.00 %	0.00%	0.00%
Dongying Daoli New Energy Co., Ltd. (3)	Dongying City	n.a.	100.00%	100.00 %	0.00%	0.00%
Foshan YingYuan New Energy Technology Co., Ltd. (3)	Foshan City	n.a.	100.00%	100.00 %	0.00%	0.00%
Heze Dechen New Energy Co., Ltd.	Heze City	n.a.	100.00%	100.00 %	0.00%	0.00%
Hubei Jianghui New Energy Co., Ltd.	Jingzhou City	n.a.	100.00%	100.00 %	0.00%	0.00%
Jinan Xingsheng Energy Co., Ltd. (3)	Jinan City	n.a.	100.00%	100.00 %	0.00%	0.00%
Jining Yihang New Energy Technology Co., Ltd. (3)	Jining City	n.a.	100.00%	100.00 %	0.00%	0.00%
Liyang Yushun Power New Energy Co., Ltd. (3)	Liyang City	n.a.	100.00%	100.00 %	0.00%	0.00%
Nantong Eaton Guoyun Photovoltaic New Energy Co., Ltd. (3)	Nantong City	n.a.	95.00%	95.00%	0.00%	0.00%
Ningbo Jiangbei Baoyi LP (3)	Ningbo city	PwC	60.00%	60.00%	0.00%	0.00%
Qingdao Xingqi Energy Co., Ltd.	Qingdao	n.a.	100.00%	100.00 %	0.00%	0.00%
Qinghe County Xinou Funeng New Energy Technology Co., Ltd.	Xingtai City	n.a.	100.00%	100.00 %	0.00%	0.00%
Rongcheng Xingyi New Energy Technology Co., Ltd.	Weihai City	PwC	100.00%	100.00 %	0.00%	0.00%
Shanghai Jingwen Equity Investment Center LP (3)	Shanghai	PwC	90.22%	90.22%	0.00%	0.00%
Shanghai Yihuang New Energy Technology Co., Ltd. (3)	Shanghai	n.a.	100.00%	100.00 %	0.00%	0.00%
Shanghai Yikuang New Technology Co., Ltd. (3)	Shanghai	n.a.	100.00%	100.00 %	0.00%	0.00%
State Cloud Sunseap Equity Investment Partnership LP (3)	Jinan City	PwC	80.33%	80.20%	0.00%	0.00%
Sunseap China Energy (Qingdao) Co., Ltd.	Qingdao	n.a.	100.00%	100.00 %	0.00%	0.00%
Sunseap China Energy (Shanghai) Ltd. (3)	Shanghai	PwC	100.00%	100.00 %	0.00%	0.00%
Suzhou Haoruitian Power New Energy Co., Ltd.	Kunshan City	n.a.	100.00%	100.00 %	0.00%	0.00%
Suzhou Liansong New Energy Technology Co., Ltd.	Suzhou City	n.a.	100.00%	100.00 %	0.00%	0.00%
Suzhou Xingdao New Energy Technology Co., Ltd. (3)	Suzhou City	n.a.	100.00%	100.00 %	0.00%	0.00%
Suzhou Xingyi Energy Engineering Co., Ltd.	Suzhou City	n.a.	100.00%	100.00 %	0.00%	0.00%

COMPANY	HEAD OFFICE	AUDITOR	2022 % OF CAPITAL	2022 % OF VOTING RIGHTS	2021 % OF CAPITAL	2021 % OF VOTING RIGHTS
Tianjin Baoyi New Energy Technology Co., Ltd. (3)	Tianjin City	n.a.	100.00%	100.00 %	0.00%	0.00%
Tianjin Xingrun Energy Development Co., Ltd.	Tianjin City	n.a.	100.00%	100.00 %	0.00%	0.00%
Tianjin Xingsheng Energy Development Co., Ltd.	Tianjin City	n.a.	100.00%	100.00 %	0.00%	0.00%
Tianjin Yuntong New Energy Technology Co., Ltd. (3)	Tianjin City	n.a.	100.00%	100.00 %	0.00%	0.00%
Weihai Deao New Energy Technology Co., Ltd.	Weihai City	n.a.	100.00%	100.00 %	0.00%	0.00%
Wenzhou Xingyi New Energy Technology Co., Ltd. (3)	Wenzhou City	n.a.	100.00%	100.00 %	0.00%	0.00%
Wuhan Panshuo Energy Technology Co., Ltd.	Wuhan City	n.a.	100.00%	100.00 %	0.00%	0.00%
Wuxi Lingzhong New Energy Technology Co., Ltd.	Wuxi City	n.a.	100.00%	100.00 %	0.00%	0.00%
Yancheng Baoyi New Energy Technology Co., Ltd. (3)	Yancheng City	n.a.	100.00%	100.00 %	0.00%	0.00%
Yancheng Qingneng Power Technology Co., Ltd.	Yancheng City	n.a.	100.00%	100.00 %	0.00%	0.00%
Yuzhou Yixing Energy Technology Co., Ltd. (3)	Yuzhou City	n.a.	100.00%	100.00 %	0.00%	0.00%
Zhenjiang Ruichengda New Energy Co., Ltd.	Zhenjiang City	n.a.	100.00%	100.00 %	0.00%	0.00%
Indonesia						
PT Right People Renewable Energy	Jakarta	KAP Agus Ubaidillah & Rekan	100.00%	100.00 %	0.00%	0.00%
PT Sunseap Batam Energy (3)	Kota Batam	n.a.	99.00%	99.00%	0.00%	0.00%
PT Sunseap Commercial Industrial Indonesia Asset (3)	Jakarta	n.a.	99.00%	99.00%	0.00%	0.00%
Japan						
RE Capital Co., Ltd. (3)	Tokyo	n.a.	100.00%	100.00 %	0.00%	0.00%
Malaysia						
Sunseap Energy (Malaysia) Sdn. Bhd. (3)	Kuala Lumpur	NHT	100.00%	100.00 %	0.00%	0.00%
Taiwan						
Hoya Energy Ltd. (3)	Taipei City	PwC	100.00%	100.00 %	0.00%	0.00%
Pacific Sunseap Energy Ltd. (3)	Taipei City	PwC	65.00%	65.00%	0.00%	0.00%
Shuangjian Photoelectric Ltd. (3)	Taipei City	PwC	70.00%	70.00%	0.00%	0.00%
Sunseap Advance Green Technology Ltd. (3)	Taipei City	PwC	100.00%	100.00 %	0.00%	0.00%
Sunseap Advance International Ltd. (3)	Taipei City	PwC	100.00%	100.00 %	0.00%	0.00%
Sunseap Taiwan Solar Holdings Ltd. (3)	Taipei City	PwC	100.00%	100.00 %	0.00%	0.00%

COMPANY	HEAD OFFICE	AUDITOR	2022 % OF CAPITAL	2022 % OF VOTING RIGHTS	2021 % OF CAPITAL	2021 % OF VOTING RIGHTS
Top Green Energy Ltd. (3)	Taipei City	PwC	100.00%	65.00%	0.00%	0.00%
Thailand						
Sunseap Energy (Thailand) Co., Ltd. (3)	Bangkok	Thai Info Ltd	95.50%	95.50%	0.00%	0.00%
Thai-Sunseap Asset Co. Ltd. (3)	Bangkok	Pechrungroj Office Co., Ltd	100.00%	67.00%	0.00%	0.00%
Thai-Sunseap Co., Ltd. (3)	Bangkok	Pechrungroj Office Co., Ltd	67.00%	67.00%	0.00%	0.00%
Thai-Sunseap Energy Solutions Co. Ltd. (3)	Bangkok	Pechrungroj Office Co., Ltd	100.00%	67.00%	0.00%	0.00%

(1) Companies acquired in the Kronos Business Combination transaction (see note 42)

(2) Companies acquired in the Longroad Business Combination transaction (see note 42)

(3) Companies acquired in Sunseap Business Combination transaction (see note 42)

The main financial indicators of the jointly controlled companies included in the consolidation under the equity method as at 31 December 2022, are as follows:

COMPANY	SHARE CAPITAL	HEAD OFFICE	AUDITOR	% OF CAPITAL	% OF VOTING RIGHTS
Desarrollos Energéticos Canarios, S.A.	€ 15,025	Las Palmas	n.a.	49.90%	49.90%
Desarrollos Energéticos del Val, S.L.	€ 137,070	Soria	n.a.	25.00%	25.00%
Evolución 2000, S.L.	€ 117,994	Albacete	PwC	49.15%	49.15%
OW Offshore, S.L.	€ 57,519,614	Madrid	PwC	50.00%	50.00%
Sistemas Eólicos Tres Cruces, S.L.	€ 50,000	Soria	n.a.	25.00%	25.00%
Evoikos Voreas A.E.	€ 126,000	Athens	n.a.	51.00%	51.00%
Sofrano A.E.	€ 830,000	Athens	n.a.	51.00%	51.00%
Centrale Eolienne D'Occey, S.A.S.	€ 284,844	Paris	n.a.	51.00%	51.00%
Lomartico Investments, Sp. z o.o.	€ 1,066	Warsaw	n.a.	50.00%	50.00%
Medsteville Investments, Sp. z o.o.	€ 1,066	Warsaw	n.a.	50.00%	50.00%
Ondentille Investments, Sp. z o.o.	€ 1,066	Warsaw	n.a.	50.00%	50.00%
Kronos IBV UK GmbH (1)	€ 25,000	Berlin	n.a.	50.00%	50.00%
KSD 20 UG (1)	€ 1,000	Munich	n.a.	50.00%	50.00%
2017 Vento XVII LLC	€ 457,105,962	Delaware	PwC	20.00%	20.00%
2018 Vento XIX LLC	€ 436,471,238	Delaware	PwC	20.00%	20.00%
2019 Vento XX LLC	€ 540,192,107	Delaware	PwC	20.00%	20.00%
Flat Rock Windpower LLC	€ 514,100,517	Delaware	KPMG	50.00%	50.00%
Flat Rock Windpower II LLC	€ 202,349,774	Delaware	KPMG	50.00%	50.00%
Goldfinger Ventures II LLC	€ 158,862,680	Delaware	PwC	50.00%	50.00%
Goldfinger Ventures LLC	€ 123,728,648	Delaware	PwC	50.00%	50.00%
Nine Kings Wind Farm LLC	€ 0	Delaware	n.a.	50.00%	50.00%
Riverstart Development LLC	€ 0	Delaware	n.a.	20.00%	20.00%
Riverstart Ventures LLC	€ 175,144,763	Delaware	PwC	20.00%	20.00%
Solar Ventures Acquisition LLC	€ 0	Delaware	n.a.	50.00%	50.00%

Sunseap Asset (Cambodia) Co., Ltd. (3)	€ 2,760,000	Phnom Penh City	n.a.	51.00%	51.00%
Sunseap Energy (Cambodia) Co., Ltd. (3)	€ 365,000	Phnom Penh City	n.a.	49.00%	49.00%
Cenergi Sunseap Energy Solutions Sdn. Bhd. (3)	€ 2,131,119	Kuala Lumpur	n.a.	40.00%	40.00%
Powersource Sunseap Corp. (3)	€ 0	Makati City	n.a.	40.00%	40.00%
Powersource Sunseap Solar Solution Corp. (3)	€ 0	Makati City	n.a.	40.00%	40.00%
RL Sunseap Energy Sdn. Bhd.	€ 532,780	Sarawak	n.a.	49.00%	49.00%
Sunseap LCS Energy Sdn. Bhd. (3)	€ 21,311	Kuala Lumpur	n.a.	49.00%	49.00%
Sunseap Solutions Taiwan Ltd. (3)	€ 924,126	Taipei City	n.a.	49.00%	49.00%

(1) Companies acquired in the Kronos Business Combination transaction (see note 42)

(3) Companies acquired in Sunseap Business Combination transaction (see note 42)

The main financial indicators of the jointly controlled companies included in the consolidation under the equity method as at 31 December 2021, are as follows:

COMPANY	SHARE CAPITAL	HEAD OFFICE	AUDITOR	% OF CAPITAL	% OF VOTING RIGHTS
Desarrollos Energéticos Canarios, S.A.	€ 15,025	Las Palmas	n.a.	49.90%	49.90%
Desarrollos Energéticos del Val, S.L.	€ 137,070	Soria	n.a.	25.00%	25.00%
Evolución 2000, S.L.	€ 117,994	Albacete	PwC	49.15%	49.15%
OW Offshore, S.L.	€ 57,519,614	Madrid	PwC	50.00%	50.00%
Sistemas Eólicos Tres Cruces, S.L.	€ 50,000	Soria	n.a.	25.00%	25.00%
Evoikos Voreas A.E.	€ 66,000	Athens	n.a.	51.00%	51.00%
Sofrano A.E.E	€ 700,000	Athens	n.a.	51.00%	51.00%
Moray West Holdings Limited	€ 1,190	London	PwC	33.40%	64.20%
2017 Vento XVII LLC	€ 155,759,988	Delaware	PwC	20.00%	20.00%
2018 Vento XIX LLC	€ 75,647,503	Delaware	PwC	20.00%	20.00%
2019 Vento XX LLC	€ 206,666,495	Delaware	PwC	20.00%	20.00%
Flat Rock Windpower LLC	€ 484,142,337	Delaware	KPMG	50.00%	50.00%
Flat Rock Windpower II LLC	€ 190,558,245	Delaware	KPMG	50.00%	50.00%
Goldfinger Ventures II LLC	€ 162,629,437	Delaware	PwC	50.00%	50.00%
Goldfinger Ventures LLC	€ 124,067,123	Delaware	PwC	50.00%	50.00%
Nine Kings Wind Farm LLC	€ 0	Delaware	n.a.	50.00%	50.00%
Riverstart Development LLC	€ 0	Delaware	n.a.	20.00%	20.00%
Riverstart Ventures LLC	€ 130,231,676	Delaware	PwC	20.00%	20.00%
Solar Ventures Acquisition LLC	€ 0	Delaware	n.a.	50.00%	50.00%

The Associated Companies included in the consolidation under the equity method as at 31 December 2022, are as follows:

COMPANY	SHARE CAPITAL	HEAD OFFICE	AUDITOR	% OF CAPITAL	% OF VOTING RIGHTS
Biomasas del Pirineo, S.A.	€ 454,896	Huesca	n.a.	30.00%	30.00%
Desarrollos Eólicos de Canarias, S.A.	€ 1,817,130	Gran Canaria	PwC	44.75%	44.75%
Eos Pax IIa, S.L.	€ 6,010	Coruña	Deloitte	48.50%	48.50%
Geólica Magallón, S.L.	€ 2,040,000	Zaragoza	PwC	36.23%	36.23%
Parque Eólico Belmonte, S.A.	€ 120,400	Madrid	KPMG	29.90%	29.90%
Parque Eólico Sierra del Madero, S.A.	€ 7,193,970	Madrid	KPMG	42.00%	42.00%
San Juan de Bargas Eólica, S.L.	€ 2,000,000	Zaragoza	PwC	47.01%	47.01%
Solar Siglo XXI, S.A.	€ 80,000	Ciudad Real	n.a.	25.00%	25.00%
Unión de Generadores de Energía, S.L.	€ 23,044	Zaragoza	PwC	50.00%	50.00%
Eólica de São Julião, Lda.	€ 500,000	Lourinhã	n.a.	45.00%	45.00%
Hytlantic, S.A.	€ 50,000	Sines	n.a.	28.50%	28.50%
Blue Canyon Windpower LLC	€ 59,864,082	Texas	PWC	25.00%	25.00%
Charge+ Pte. Ltd. (3)	€ 5,216,668	Singapore	n.a.	26.25%	26.25%
Todae Solar Pty. Ltd. (3)	€ 0	Rosebery, NSW	n.a.	49.00%	49.00%

(3) Companies acquired in Sunseap Business Combination transaction (see note 42)

The Associated Companies included in the consolidation under the equity method as at 31 December 2021, are as follows:

COMPANY	SHARE CAPITAL	HEAD OFFICE	AUDITOR	% OF CAPITAL	% OF VOTING RIGHTS
Biomasas del Pirineo, S.A.	€ 454,896	Huesca	n.a.	30.00%	30.00%
Blue Canyon Windpower LLC	€ 63,851,000	Texas	PwC	25.00%	25.00%
Desarrollos Eólicos de Canarias, S.A.	€ 1,817,130	Gran Canaria	PwC	44.75%	44.75%
Eólica de São Julião, Lda.	€ 500,000	Lourinhã	n.a.	45.00%	45.00%
Eos Pax IIa, S.L.	€ 6,010	Coruña	Deloitte	48.50%	48.50%
Geólica Magallón, S.L.	€ 2,040,000	Zaragoza	PwC	36.24%	36.24%
Parque Eólico Belmonte, S.A.	€ 120,400	Madrid	KPMG	29.90%	29.90%
Parque Eólico Sierra del Madero, S.A.	€ 7,193,970	Madrid	KPMG	42.00%	42.00%
San Juan de Bargas Eólica, S.L.	€ 5,000,000	Zaragoza	PwC	47.01%	47.01%
Solar Siglo XXI, S.A.	€ 80,000	Ciudad Real	n.a.	25.00%	25.00%
Solar Works! B.V.	€ 5,976,514	Rotterdam	RSM Global	20.19%	20.19%
Unión de Generadores de Energía, S.L.	€ 23,044	Zaragoza	PwC	50.00%	50.00%

ANNEX II

Group Activity by Operating Segment

Operating Segment Information for the years ended 31 December 2022

THOUSAND EUROS	EUROPE	NORTH AMERICA	LATAM	APAC	SEGMENTS TOTAL
Revenues	1,279,292	718,298	52,821	84,516	2,134,928
Income from institutional partnerships in North America	-	233,505	-	-	233,505
	1,279,292	951,803	52,821	84,516	2,368,432
Other operating income	308,311	89,091	122,054	2,653	522,108
Supplies and services	-204,833	-202,395	-30,005	-29,900	-467,134
Personnel costs and Employee benefits expenses	-54,087	-124,436	-6,710	-21,127	-206,359
Other operating expenses	-129,693	-94,291	-10,061	-1,024	-235,070
	-80,303	-332,031	75,278	-49,399	-386,455
Joint ventures and associates	49,280	35,308	-	-354	84,234
Gross operating profit	1,248,270	655,080	128,099	34,763	2,066,212
Provisions	5,527	81	-	-	5,608
Amortisation and impairment	-245,835	-399,356	-63,129	-21,723	-730,043
Operating profit	1.007,961	255,805	64,970	13,040	1,341,777
Assets	6.901,430	11,836,674	1,397,053	1,514,603	21,649,760
Liabilities	833,365	1,771,275	451,670	85,101	3,141,411
Operating Investment	736,466	1,850,471	708,436	126,204	3,421,577

Note: The Segment "Europe" includes: i) revenues in the amount of 228,293 thousand of Euros from Spanish companies; ii) assets from Spanish companies in the amount of 2,250,225 thousands of Euros.

Reconciliation between the Segment Information and the Financial Statements:

THOUSAND EUROS	
Revenues of the Reported Segments	2,134,928
Revenues of Other Segments	-7,261
Elimination of intra-segment transactions	10,315
Revenues of the EDPR Group	2,137,981
Gross operating profit of the Reported Segments	2,066,212
Gross operating profit of Other Segments	319,378
Elimination of intra-segment transactions	-228,383
Gross operating profit of the EDPR Group	2,157,207
Operating profit of the Reported Segments	1,341,777
Operating profit of Other Segments	310,861
Elimination of intra-segment transactions	-241,133
Operating profit of the EDPR Group	1,411,505
Assets of the Reported Segments	21,649,760
Not Allocated Assets	5,447,142
Financial Assets	2,742,557
Tax assets	876,689
Debtors and other assets	1,827,896
Assets of Other Segments	11,512,060
Elimination of intra-segment transactions	-11,115,893
Assets of the EDPR Group	27,493,069
Investments in joint ventures and associates	1,157,249
Liabilities of the Reported Segments	3,141,411
Not Allocated Liabilities	11,592,798
Financial Liabilities	2,048,861
Institutional investors in wind farms in USA	2,212,162
Tax liabilities	766,403
Payables and other liablities	6,565,372
Liabilities of Other Segments	3,234,241
Elimination of intra-segment transactions	-1,046,047
Liabilities of the EDPR Group	16,922,404
Operating Investment of the Reported Segments	3,421,577
Operating Investment of Other Segments	31,967
Operating Investment of the EDPR Group	3,453,544

THOUSAND EUROS	TOTAL OF THE REPORTED SEGMENTS	OTHER SEGMENTS	ELIMINATION OF INTRA-SEGMENT TRANSACTIONS	TOTAL OF THE EDPR GROUP
Income from institutional partnerships in North America	233,505	-	-	233,505
Other operating income	522,108	6,554	-2,637	526,026
Supplies and services	-467,134	-48,880	77,039	-438,974
Personnel costs and Employee benefits expenses	-206,359	-43,446	9,195	-240,611
Other operating expenses	-235,070	317,374	-322,292	-239,987
Provisions	5,608	-	-	5,608
Amortisation and impairment	-730,043	-8,517	-12,751	-751,311
Joint ventures and associates	84,121	95,148	-2	179,267

Operating Segment Information for the consolidated income statement and consolidated statement of financial position ended 31 December 2021 modified (*) considering Operating Segment approved in 2022. See note 2.A):

THOUSAND EUROS	EUROPE	NORTH AMERICA	LATAM	APAC	SEGMENTS TOTAL
Revenues	926,237	584,417	67,581	1,246	1,579,480
Income from institutional partnerships in North America	-	177,205	-	-	177,205
	926,237	761,622	67,581	1,246	1,756,685
Other operating income	350,068	270,218	702	-	620,988
Supplies and services	-188.897	-156,693	-20,759	-2.,239	-368,587
Personnel costs and Employee benefits expenses	-45,305	-89,437	-3,878	-248	-138,868
Other operating expenses	-101,150	-54,179	-5,517	-	-160,846
	14,717	-30,090	-29,452	-2,487	-47,313
Joint ventures and associates	8,822	15,151	-	-	-23,973
Gross operating profit	949,775	746,683	38,129	-1,241	1,733,345
Provisions	-798	-782	16	-	-1,564
Amortisation and impairment	-251,449	-335,108	-11,084	-394	-598,035
Operating profit	697,529	410,792	27,061	-1,635	1,133,747
Assets	6,023,039	9,694,220	942,599	36,583	16,696,440
Liabilities	688,155	1,260,641	85,613	4,129	2,038,538
Operating Investment	744,986	1,370,260	381,195	4.763	2,501,204

Note: The Segment "Europe" includes: i) revenues in the amount of 263,264 thousand of Euros from Spanish companies; ii) assets from Spanish companies in the amount of 2,228,498 thousands of Euros.

Reconciliation between the Segment Information and the Financial Statements

THOUSAND EUROS	
Revenues of the Reported Segments	1,579,480
Revenues of Other Segments	9,673
Elimination of intra-segment transactions	-8,695
Revenues of the EDPR Group	1,580,458
Gross operating profit of the Reported Segments	1,733,345
Gross operating profit of Other Segments	61,290
Elimination of intra-segment transactions	-34,594
Gross operating profit of the EDPR Group	1,760,041
Operating profit of the Reported Segments	1,133,747
Operating profit of Other Segments	54,529
Elimination of intra-segment transactions	-37,088
Operating profit of the EDPR Group	1,151,188
Assets of the Reported Segments	16,696,440
Not Allocated Assets	4,557,615
Financial Assets	2,098,337
Tax assets	557,851
Debtors and other assets	1,901,427
Assets of Other Segments	8,817,625
Elimination of intra-segment transactions	-8,040,104
Assets of the EDPR Group	22,031,576
Investments in joint ventures and associates	988,522
Liabilities of the Reported Segments	2,038,538
Not Allocated Liabilities	9,479,364
Financial Liabilities	1,505,984
Institutional investors in wind farms in USA	2,259,741
Tax liabilities	600,705
Payables and other liablities	5,112,934
Liabilities of Other Segments	654,301
Elimination of intra-segment transactions	-315,535
Liabilities of the EDPR Group	11,856,669
Operating Investment of the Reported Segments	2,501,204
Operating Investment of Other Segments	20,817
Operating Investment of the EDPR Group	2,522,021

THOUSAND EUROS	TOTAL OF THE REPORTED SEGMENTS	OTHER SEGMENTS	ELIMINATION OF INTRA-SEGMENT TRANSACTIONS	TOTAL OF THE EDPR GROUP
Income from institutional partnerships in North America	177,205	-	-	177,205
Other operating income	620,988	28,199	-13,456	635,731
Supplies and services	-368,587	-40,957	73,871	-335,674
Personnel costs and Employee benefits expenses	-138,868	-35,390	-0	-174,259
Other operating expenses	-160,846	82,315	-86,490	-165,021
Provisions	-1,564	-	-	-1,564
Amortisation and impairment	-598,035	-6,761	-2,494	-607,289
Joint ventures and associates	23,973	17,450	-239	41,184

Operating Segment Information for the consolidated income statement and consolidated statement of financial position ended 31 December 2021:

THOUSAND EUROS	EUROPE	NORTH AMERICA	BRAZIL	SEGMENTS TOTAL
Revenues	926,237	584,417	67,580	1,578,234
Income from institutional partnerships in North America	-	177,205	-	177,205
	926,237	761,622	67,580	1,755,439
Other operating income	350,068	270,218	667	620,953
Supplies and services	-188,896	-156,699	-12,873	-358,468
Personnel costs and Employee benefits expenses	-45,305	-89,437	-2,397	-137,139
Other operating expenses	-101,150	-54,179	-4,253	-159,582
	14,717	-30,097	-18,856	-34,236
Joint ventures and associates	8,822	15,151	-	23,973
Gross operating profit	949,776	746,676	48,724	1,745,176
Provisions	-798	-782	16	-1,564
Amortisation and impairment	-251,449	-335,108	-11,040	-597,597
Operating profit	697,529	410,786	37,700	1,146,015
Assets	6,023,039	9,694,220	755,027	16,472,286
Liabilities	688,155	1,260,641	39,517	1,988,313
Operating Investment	744,986	1,370,260	329,778	2,445,024

Note: The Segment "Europe" includes: i) revenues in the amount of 263,264 thousand of Euros from Spanish companies; ii) assets from Spanish companies in the amount of 2,228,498 thousands of Euros.

Reconciliation between the Segment Information and the Financial Statements

THOUSAND EUROS	
Revenues of the Reported Segments	1,578,234
Revenues of Other Segments	10,918
Elimination of intra-segment transactions	-8,694
Revenues of the EDPR Group	1,580,458
Gross operating profit of the Reported Segments	1,745,176
Gross operating profit of Other Segments	49,452
Elimination of intra-segment transactions	-34,587
Gross operating profit of the EDPR Group	1,760,041
Operating profit of the Reported Segments	1,146,015
Operating profit of Other Segments	42,254
Elimination of intra-segment transactions	-37,081
Operating profit of the EDPR Group	1,151,188
Assets of the Reported Segments	16,472,286
Not Allocated Assets	4,473,450
Financial Assets	2,090,731
Tax assets	553,893
Debtors and other assets	1,828,826
Assets of Other Segments	8,942,671
Elimination of intra-segment transactions	-7,856,831
Assets of the EDPR Group	22,031,576
Investments in joint ventures and associates	988,522
Liabilities of the Reported Segments	1,988,313
Not Allocated Liabilities	9,384,056
Financial Liabilities	1,505,984
Institutional investors in wind farms in USA	2,259,741
Tax liabilities	593,723
Payables and other liablities	5,024,608
Liabilities of Other Segments	799,990
Elimination of intra-segment transactions	-315,690
Liabilities of the EDPR Group	11,856,669
Operating Investment of the Reported Segments	2,445,024
Operating Investment of Other Segments	76,997
Operating Investment of the EDPR Group	2,522,021

THOUSAND EUROS	TOTAL OF THE REPORTED SEGMENTS	OTHER SEGMENTS	ELIMINATION OF INTRA-SEGMENT TRANSACTIONS	TOTAL OF THE EDPR GROUP
Income from institutional partnerships in North America	177,205	-	-	177,205
Other operating income	620,988	28,199	-13,456	635,731
Supplies and services	-368,587	-40,957	73,871	-335,674
Personnel costs and Employee benefits expenses	-138,868	-35,390	-0	-174,259
Other operating expenses	-160,846	82,315	-86,490	-165,021
Provisions	-1,564	-	-	-1,564
Amortisation and impairment	-598,035	-6,761	-2,494	-607,289
Joint ventures and associates	23,973	17,450	-239	41,184

Our action



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Chairperson letter



António Gomes Mota Chairman of the EDPR Board of Directors

Dear Stakeholder,

2022 has been an influential one for the global energy transition. We have experienced an undeniable acceleration of the energy transition with governments around the world increasing renewable energy targets, highlighted by the REPowerEU initiative and the Inflation Reduction Act (IRA). These legislative initiatives were in part introduced this year because of the Ukrainian war and the subsequent rise in gas and power prices, which further reinforced the need for a clean, affordable, and reliable energy. The focus has thus shifted to renewable as a way to reduce emissions, meet energy goals, and boost energy security. This shift in the energy market has been seen in the increase of both investments and installations of renewable energy sources. One thing is for sure, renewable energy is the answer.

EDPR is extremely well positioned to capture the growth of renewables due to its strong fundamentals. The company has an impressive track record, having been a leading pure renewables player for nearly 20 years. This experience, combined with a global footprint of 28 markets, and a management team with an average of 20 years of experience in the sector makes us a leading force in the energy transition. EDPR's people are also highly dedicated, committed and pride themselves on high quality work, further adding to its success. Finally, EDPR is continuously developing its capabilities in emerging technologies such as solar DG, solar and wind hybridization, storage, and hydrogen, ensuring it remains at the cutting edge of the renewables industry.

EDPR achieved significant success during 2022. By the end of the year, EDPR had added 2.1 GW of renewable capacity on top of the 4.0 GW under construction to support future growth (which was more than double the Dec-21 levels). EDPR consolidated its global footprint by consolidating Sunseap into its portfolio and creating a platform in APAC, a new region for the company. Elsewhere, by acquiring Kronos, a solar development platform, EDPR increased its wind/solar balance and entered the key markets of Germany and The Netherlands. Asset rotation also contributed to EDPR's success with €424 million of gains from 5 transactions in 5 different markets. All in all, EDPR had a positive 2022 with an EBITDA of €2,157 million and a Recurring Net Profit of €671 million.

EDPR's governance model, which is aligned with best-practice and based on being lean and independent, supports the company's growth by focusing on the long-term sustainability of the company. The model also ensures that the stakeholders' interests are respected and protected, while reinforcing the fiduciary duties of the Board and the stewardship responsibility of a listed company. This is accomplished through a comprehensive approach to corporate governance, with a strong emphasis on corporate responsibility, transparency and accountability. This commitment to corporate governance is reaffirmed in the company's 2022 annual report and with measures like the creation at the end of this year, within the Board of Directors, of an autonomous committee on ESG that clearly highlights the central role of sustainability in the management of EDPR.

This year has been a great success for EDPR in terms of ESG accomplishments. It has revalidated its Top Employer Europe certificate for the fourth consecutive year and has extended it to Brazil for the first time. Additionally, EDPR North America has been named a Top Workplace in the US for the second consecutive year and has been honored with two Culture Excellence Awards for its diversity, equity, and inclusion practices as well as for being a woman-led company. Moreover, EDPR was awarded with the SkillsFuture Employer Award in Singapore, recognising its efforts in a people – centric approach. Finally, EDPR was included in the Bloomberg Gender – Equality Index for the third consecutive year, with an improved overall score compared to last year. All of this is a testament to EDPR's commitment to ESG initiatives.

On behalf of EDPR's Board of Directors, I would like to thank you all – our contractors, suppliers, clients, partners and shareholders – for your commitment, perseverance and trust in EDPR.

I would also like to take this opportunity to say a special thank you to our employees for their hard work, dedication and enthusiasm. You are the key to our success. Furthermore, I would like to extend my gratitude to the EDPR management team for their dedication to making EDPR the success that it is today. Your leadership and guidance have enabled us to reach new heights and accomplish great things.

I would like to close this message highlighting my excitement and hope for the future. We are confident that our new business plan for 2023-2026 will take advantage of the opportunities presented to us and build upon our current successes.

EDPR is extremely well positioned to capture this growth trend in renewables due to its strong fundamentals.



António Gomes Mota

Message from the CEO



Miguel Stilwell D'Andrade CEO

Dear Shareholders and Stakeholders,

2022 was a pivotal year for the renewable energy industry.

The tragic conflict in Ukraine, the subsequent turmoil in the energy markets, supply chain disruption, inflation, and increasing interest rates have added huge additional operating complexity to our activity. However, 2022 was also the year in which the world has come together to recognize what EDP has believed for many years: Renewables play a key role in the global solution to energy independence and a sustainable world.

It has also been a year of significant action, as governments around the world promoted private and public investment into green energy. The European Commission launched REPowerEU, a plan to save energy, diversify energy suppliers and produce clean energy in Europe, increasing the headline 2030 target for renewables installed capacity from 40% to 45%. In the United States, the Inflation Reduction Act (IRA) defined a record-breaking range of incentives designed to catalyze private investment in clean energy, providing a stable and long-term framework that will support our investment in the region.

All in all, renewables are expected to grow significantly from 3 TW global capacity in 2021 to 27 TW by 2050, driven by cost competitive technologies such as wind onshore and solar PV, and further enabled by leading solutions such as wind offshore, floating solar, wind and solar hybridization, storage and green hydrogen.

Despite this anticipated growth, there are still significant obstacles slowing down the deployment of renewables in the short-run, namely lengthy and complex permit and licensing procedures, interconnection bottlenecks and regulatory complexity and uncertainty (the later particularly in Europe). In the US, supply chain disruption remains a major bottleneck principally for the execution of solar projects.

While some challenges will likely carry over into 2023, the evolving trends and opportunities create strong tailwinds for the renewables industry. EDPR remains well positioned to capture the growth that the world needs to ensure access to clean, affordable, and reliable energy for all.

2022 execution

Growth

Accelerated and selective growth is a key principle behind our investment strategy, as we focus on securing new projects with long-term contracts under stable legal and regulatory frameworks. This strategy allowed EDPR to grow significantly in 2022, with an additional 2.1 GW installed capacity worldwide to reach 15 GW of secured capacity by the end of the year. Reflecting the ramp up of our investment plan, gross investments accounted for a record of 5.1 billion euros, almost doubling the previous year.

EDPR strengthened its presence across core and new markets with some important strategic moves. Following the completion of Sunseap's acquisition, we have reinforced our presence in Asia-Pacific – the region that accounts for more than half of the world's electricity demand – with a 75% increase in installed capacity, totaling 868 MWdc by year-end.

In Europe, we invested in Kronos, a solar developer company based in Germany, allowing us to enter Germany and the Netherlands, and expand our presence to 12 markets in Europe, which together represent more than 90% of the expected solar capacity additions in the European Union until 2030.

In Iberia, we commissioned our first hybrid solar and wind energy park in the region and secured a grid connection that will allow EDPR to build a 70 MW floating solar project in Alqueva hydro power plant in Portugal, where EDP already has one of Europe's largest floating solar parks. These pioneering projects are the first of their kind in the region, showcasing our commitment to invest in emerging technologies that accelerate decarbonization.

In the United States, we completed the construction of the largest solar park in Indiana and our first repowering project in Oklahoma, that will cumulatively power 130,000 homes annually for the next several decades. We started construction on 13 new projects, including our first solar park in Texas, to reach a record of more than 2 GWs of new capacity under construction.

In Latin America, we concluded the construction of one of our largest wind clusters in Brazil (580MW) and concluded the sale of 2 wind projects in that country with a total of 260MW, which reinforces the attractiveness of this strategic market. Moreover, we have recently started the construction of our first project in Chile, a 99 MW wind farm which we expect to complete during 2023.

As regards offshore wind, in 2022 alone EDPR increased its portfolio from 9.3 GW to 16.6 GW and reached multiple landmark objectives including the start of operations of Moray East (950 MW) and the start of construction of Moray West (850 MW), both bottom-fixed projects in the United Kingdom.

On floating offshore wind, Ocean Winds started construction of a farm in France and was awarded two additional projects of 2.3 GW in Scotland and a lease area to develop up to 2 GW on the West Coast of the United States.

These milestones showcase how EDPR continues to foster technological diversification. In this field, we have evolved our presence in storage, notably initiating construction of our first sizeable storage project in the US (40 MW), located in California. As for renewable hydrogen, an important energy vector that will play a key role in the energy transition, we are rapidly creating solid growth opportunities, currently leading 10 projects that account for almost 400 MW of electrolysis capacity and that have been selected for funding by the European Commission and the Spanish and Portuguese Governments.

Excellence

At EDPR, we will always strive to deliver competitive and high-quality projects by leveraging the vast experience and know-how of our teams and ensuring that our actions are in line with Environmental, Social and Governance ("ESG") best practice.

Our activities are rooted in our commitment to the 10 principles of the United Nations Global Compact, to build a more sustainable world, aligned with the values of respect for human rights, employment, environmental protection, and the fight against corruption.

EDPR became a signatory of the United Nations Sustainable Ocean Principles, highlighting the company's long-standing relationship to oceans and biodiversity, and our determination to protect them.

In line with our commitment to nurture an inclusive environment where all employees are equally empowered, EDPR signed the United Nations Women Empowerment Principles.

I was pleased to see EDPR included in the Bloomberg Gender-Equality Index for the third consecutive year, improving its overall score compared to last year.

Finally, we approved our first Human and Labour Rights Policy. Given the increasing importance of this topic, this agreement was a relevant step that underlines our commitment to responsible operations throughout our value chain.

Value

Reflecting on the past year, I am proud to say that EDPR maintained a solid financial performance and growth.

Our company delivered EBITDA of 2,157 million euros, 23% higher than in the previous year, supported by our strong operational portfolio that keeps growing every day as well as our asset rotation program that continues to deliver value – in 2022, we have completed a total of 6 transactions in 6 markets, securing proceeds of 2.0 billion euros.

Despite numerous external factors adversely impacting our day-to-day operations, EDPR maintained a recurring Net Profit of 671 million euros, fairly aligned with last year, which proves the company's profitability resilience to adverse contexts.

Preparing the future

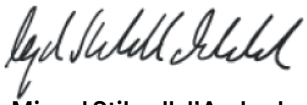
I am proud of the way that we, as a company, have successfully navigated the challenging environment of the past 12 months. The ability of our business and people across the world to adapt and deliver has never been more evident, and I am extremely grateful to our teams for all the hard work and dedication.

I would also like to thank all those who have followed and supported EDPR in 2022, notably our investors, customers, suppliers, regulators, partners, and local communities.

Looking ahead, I am confident that we will continue to drive the energy transition globally. The unveiling of a new business plan for 2023-2026 will contain more details on how we will achieve our objectives.

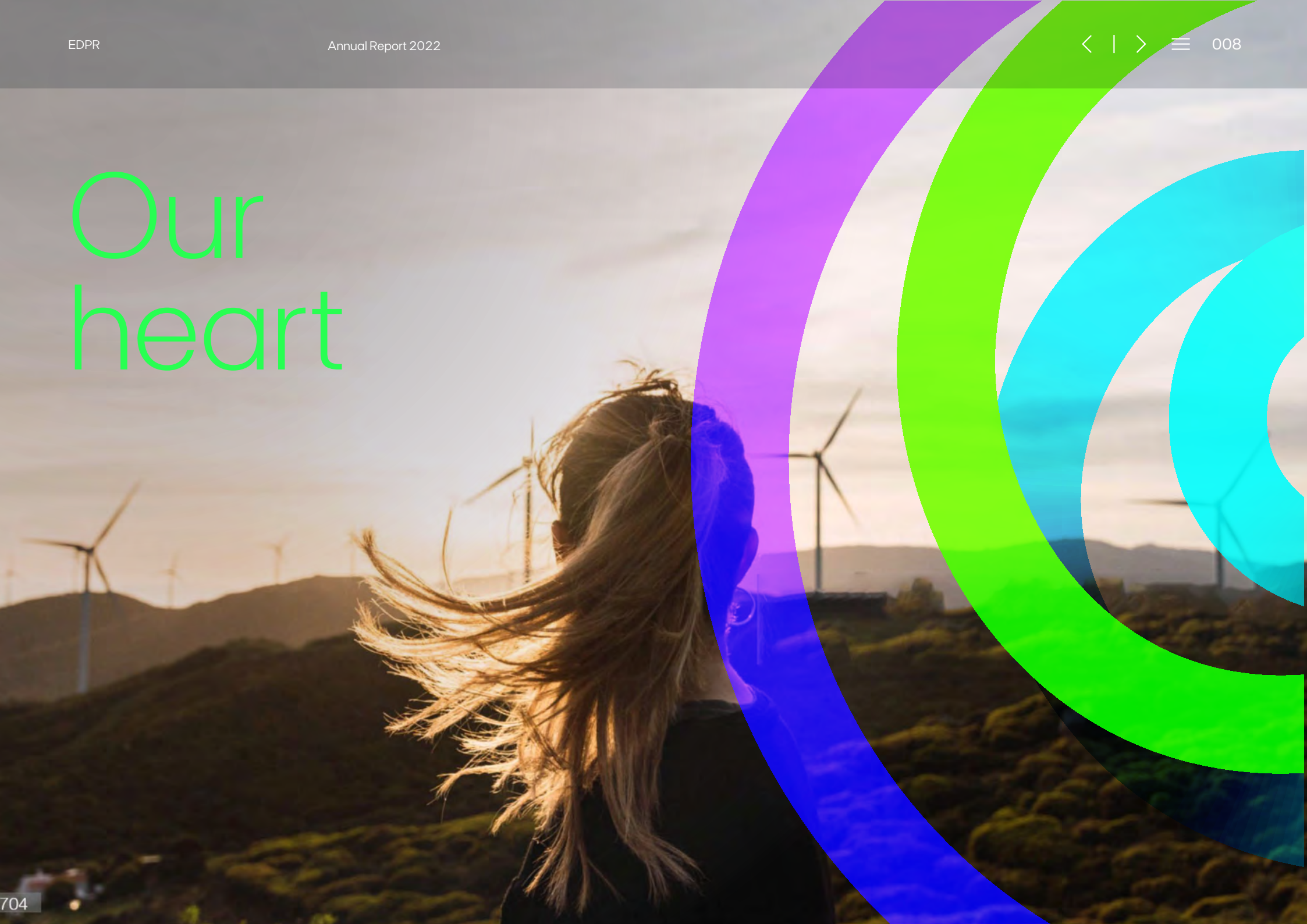
I look forward to continuing this collective journey in changing tomorrow now.

While some challenges will likely carry over into 2023, the evolving trends and opportunities create strong tailwinds for the renewables industry. EDPR remains well positioned to capture the growth that the world needs to ensure access to clean, affordable, and reliable energy for all.



Miguel Stilwell d'Andrade

Our heart



The Company

1

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1.1. EDPR in brief

1.1.1.

Our Vision

A global energy company, leading the energy transition to create superior value

Our values

Innovation

We want to create value in the various areas in which we operate.

Sustainability

We aim to improve the quality of life of current and future generations.

Humanization

We build genuine and trusting relationships with our employees, customers, partners, and local communities.

Our commitments

Results

Delivering on our commitments to shareholders; leading through the ability to anticipate and execute; demanding excellence.

Sustainability

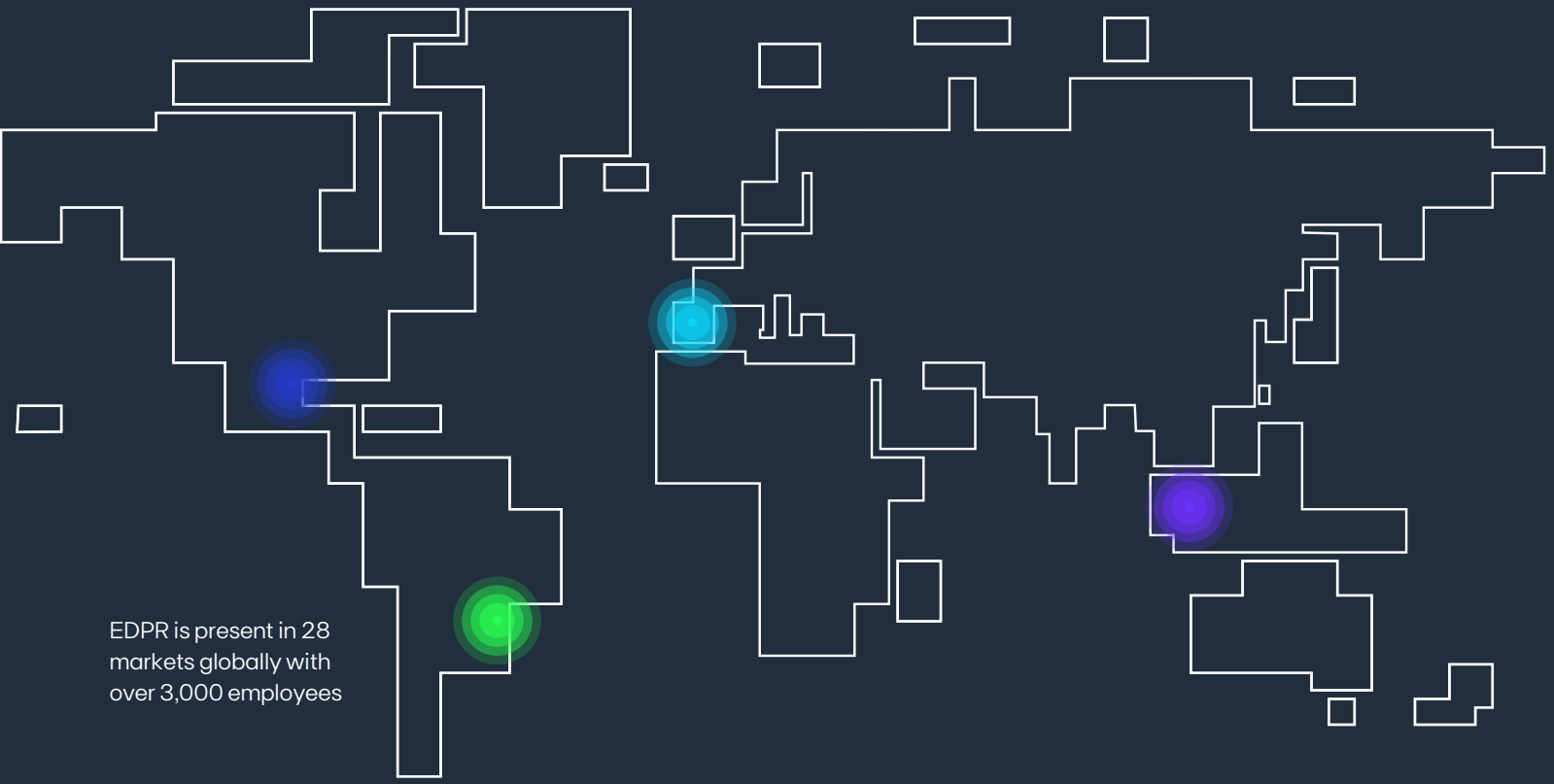
Taking on environmental responsibilities; contributing to developing the regions where we operate;
Reducing gas emissions; actively championing energy efficiency

Customers

Staying focused on customers; making sure we listen to their concerns; responding simply and transparently; surprising them and anticipating their needs.

People

Combining an ethical and rigorous conduct with enthusiasm and initiative; encouraging teamwork; investing in competence and merit; promoting a balance between professional and personal life.



1.1.2.

EDPR in the world

14.7 GW
Total capacity

33.4 TWh
Total production

20 mt
CO_2 emissions avoided

Europe	1,291	5,334 MW 1.4 GW	11,778 GWh
Portugal		1,188 MW	2,715 GWh
Spain		2,322 MW	4,885 GWh
France		214 MW	411 GWh
Belgium		11 MW	24 GWh
Poland		733 MW	1,739 GWh
Romania		521 MW	1,163 GWh
Italy		295 MW	737 GWh
Greece		45 MW	93 GWh
U.K.		5 MW	10 GWh
Hungary			
Germany			
Netherlands			
South America	163	1,114 MW 1.1 GW	2,625 GWh 0.1 GW
Brazil		1,114 MW	2,625 GWh
Colombia			
Chile			
North America	1,094	7,242 MW 3.1 GW	18,362 GWh
USA		6,617 MW	17,029 GWh
Canada		130 MW	360 GWh
Mexico		496 MW	973GWh
APAC	538	726 MW 0.2 GW	636 GWh
Vietnam		405 MW	393 GWh
Singapore		230 MW	184 GWh
Rest of APAC		92 MW	59 GWh
Offshore *OW has a portofolio of 16.6 GW gross*		322 MW 0.7 GW	 1.6 GW
Portugal		11 MW	
Rest of Europe		311 MW	
Total OW Gross		322 MW	1,462 MW gross

Number of employees · Capacity installed · Generation
Capacity secured to be installed until 2025 · Capacity secured to be installed post 2025

1.1.3.

Business Description

1. Development

Site identification and grid connection
Search for sites with top-class wind conditions or irradiance resource and analyse grid connection feasibility.

Renewable resources analysis
Install meteorogical equipment to collect and study wind profile and solar radiance.

Obtain permits
Engage with local public authorities to secure environmental, construction, operating and other licences.

Design layout & equipment choice
Optimise the layout of the asset and select the best fit of equipment model based on the site characteristics.

Origination
Secure long term contracts for energy sale, guaranteeing stable and predictable cash-flows.

Project funding
Find appropriate financing for the project.

2. Construction

Procurement
Source major equipment and construction contracts globally.

Construction
Build access roads, prepare foundations, assemble wind turbines or solar panels, construct substation.

3. Operation

Start of operations & deliver clean energy
A better energy, a better future, a better world!

Ongoing maintenance service
Keep availability figures at the highest level possible and minimise failure rates.

Data analysis
Monitor real-time operational data, analyse performance and identify opportunities for improvement.

Risk & Energy management
Mitigate market exposure and manage energy sales.

4. Dismantling/Repowering

End of life
Once wind farms and solar plants reach the end of useful life (30-35 years), wind turbines and solar panels need to be assessed and replaced.

Efficiency
EDPR increases power generated by reducing the overall number of wind turbines and replacing them with more efficient machines.

To maximise the environmental positive impacts of wind and solar energy from a life cycle approach, EDPR has two main aspects in consideration when dismantling/repowering a site at the end of its useful life: land restoration and proper treatment of the waste generated.

- Even though EDPR works to minimise any impact on the land, the Company commits to clean up and rehabilitate the sites to return the area to its initial state.

- The main waste generated are turbines which are c.80%-90% recyclable, and EDPR participates in several initiatives to find a solution for the remaining percentage.

1.1.4.

2022 Main Events

Jan

20 EDPR revalidates its Top Employer Europe certificate for the fourth consecutive year, and extends it to Brazil for the first time.

26 EDPR is included in the Bloomberg Gender-Equality Index for the third consecutive year, improving its overall score compared to last year.

Feb

24 EDPR completes Sunseap's acquisition, allowing the Company to establish a portfolio for the APAC region of close to 10 GW of solar projects.

27 EDPR is awarded lease area to develop up to 1.7 GW offshore wind project in the US through Ocean Winds, its 50:50 JV with ENGIE.

Mar

14 EDPR signs the UN's Women's Empowerment Principles, in line with its commitment to nurture an inclusive environment where all employees are equally empowered.

21 EDPR makes €500 thousand donation to help support Ukrainian refugees in Poland. The funds allowed to distribute food to those in need.

Apr

05 EDPR is awarded with grid connection in floating solar auction in Portugal.

28 EDPR completes Asset Rotation deal of a 149 MW wind portfolio in Poland for an EV of €0.3bn.

May

24 EDPR enters an industrial agreement with Lhyfe, a pure player in green hydrogen production, to jointly identify, develop, build and manage projects in this area.

Jun

08 EDPR becomes a signatory of the Sustainable Ocean Principles, highlighting its commitment to healthy and productive oceans.

27 EDPR concludes Asset rotation deal of a 181 MW wind portfolio in Spain for an EV of €328 million.

Jul

07 EDPR is awarded with CfD for its Moray West project in the UK through Ocean Winds.

Aug

01 EDPR secures PPA for 200 MW solar project in the US.

22 EDPR is awarded with 2 floating offshore wind projects in Scotland with 2.3 GW through Ocean Winds.

Sep

09 EDPR completes Asset Rotation deal of a 172 MW wind portfolio in Italy.

07 EDPR concludes solar PV deal in APAC totalling 200 MWac strengthening its position in the region.

Oct

25 EDPR created the Environmental, Social and Governance Committee, composed by independent members of the Board of Directors.

06 EDPR completes the acquisition of a solar development platform, entering in Germany and the Netherlands.

06 EDPR signs Asset Rotation deal for a 260 MW operating wind portfolio in Brazil.

Nov

22 EDPR is awarded with the SkillsFuture Employer Award in Singapore, being recognised for its efforts in a people-centric approach.

14 EDPR is named a Top Workplace in the US for the 2nd consecutive year, and is honoured with 2 Culture Excellence Awards for its diversity, equity, and inclusion practices and for being a woman-led company.

Dec

27 EDPR informs about Asset Rotation through Build & Transfer of 200 MW Solar Park in US.

15 EDPR is awarded lease area to develop up to 2 GW floating offshore wind project in the US West Coast through Ocean Winds.

1.1.5.

Stakeholders Focus

Fostering strong relationships with communities, customers, authorities, and other groups of internal and external stakeholders helps companies to better understand and meet their needs and expectations.

Ever since it was founded, EDPR has been very aware of this. This is why it has been working hard to address societal issues and stakeholders' priorities, in order to create long-term value for the business and the stakeholders involved in the Company's mission.

Accordingly, and as stated in EDPR's Stakeholders Relations Policy, which is aligned with EDP Group's Policy, the Company aims to maintain an open and transparent dialog with its stakeholders in order to build and strengthen trust, promote information and knowledge sharing, anticipate challenges and identify cooperation opportunities.

EDPR seeks to achieve this through four major interaction commitments: comprehend, communicate, trust, and collaborate. These four pillars also form the basis of the Group's annual objectives regarding stakeholder relationship management and are consistent with those of EDP Group.

In this regard, monitoring stakeholder groups also helps in decision-making and in obtaining additional accurate information that allows the Company to meet its internal and external commitments.

Comprehend

INCLUDE, IDENTFY, PRIORITIZE

EDPR regularly identifies the stakeholders that influence the Company and works to analyse and understand their expectations and interests in the decisions that directly impact them.

Collaborate

INTEGRATE, SHARE, COOPERATE, REPORT

EDPR aims to collaborate with stakeholders by building strategic partnerships that aggregate and disperse knowledge, skills, and tools. These will promote the creation of shared value in a differentiating way.

Communicate

INFORM, LISTEN, RESPOND

Committed in promoting a two-way dialogue with stakeholders through information and consulting initiatives is a part of EDPR's objective. This can be attainable by listening, informing, and responding to stakeholders in a consistent, clear, rigorous and transparent manner, resulting in a strong meaningful and lasting relationship.

Trust

TRANSPARENCY, INTEGRITY, RESPECT, ETHICS

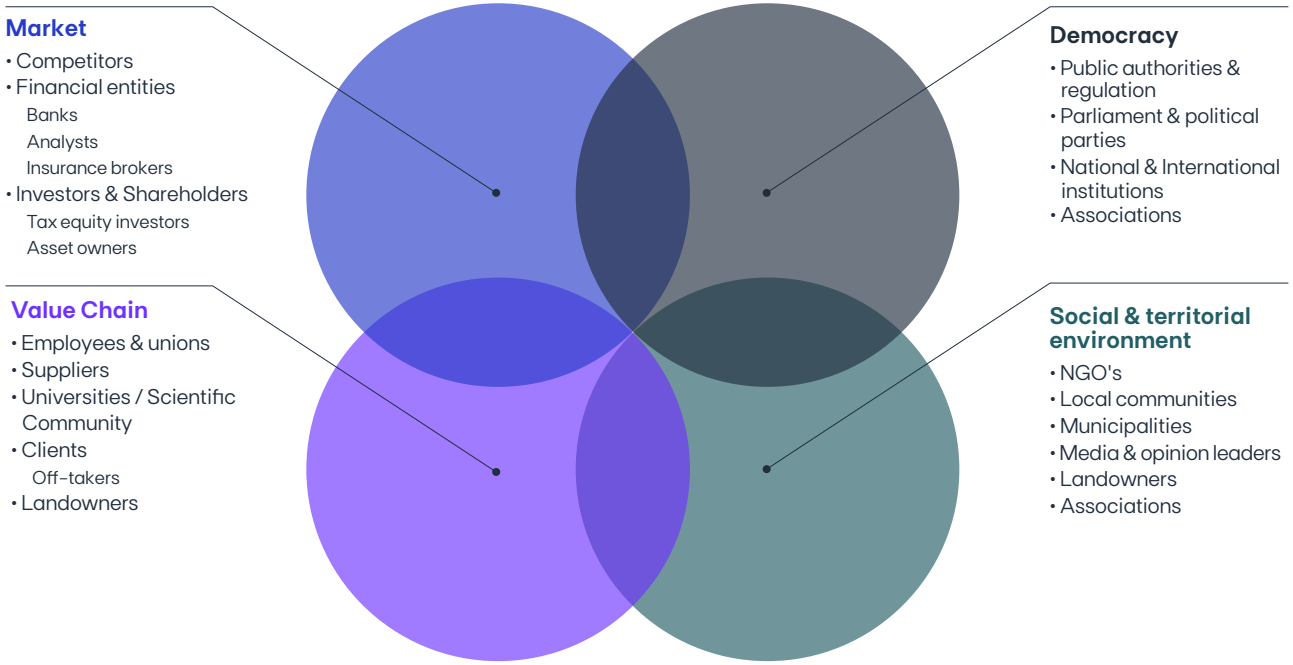
One of the Company's beliefs is the importance of a trustworthy relationship with the stakeholders in establishing stable, long-term relationships. These relationships with the stakeholders are based on values like transparency, integrity and mutual respect.

Stakeholder management approach

To ensure the balance between company objectives and stakeholder interests, it is important to define and create strong stakeholder management plans, beginning with identifying stakeholders, their roles, and the impact they have.

EDPR's stakeholders are those organizations or individuals that influence or are influenced by the activities and services undertaken by the Company, and are organized into four categories: Institutional, Social & Territorial Environment, Value Chain, and Market.

EDPR's stakeholders in 2022 are shown in the following diagram:



Once its stakeholders are identified, EDPR must be capable of understanding how the Company's performance is perceived by each of them, as well as it must have the analytical capacity to be able to identify and manage expectations, needs and areas for improvement.

In order to achieve this, EDPR has drawn up a Global Stakeholders Model that considers different stages and levels of implementation depending on market maturity, which has already been deployed in the different markets.

This model consists of a cyclical methodology that combines quantitative and qualitative analyses. EDPR knows how important it is to listen to its stakeholders, and that quantitative studies are a very useful and effective tool in stakeholder relations. This kind of studies help the Company to understand stakeholders' opinions, concerns, and expectations. But EDPR goes beyond that by seeking to understand the precise reasons as to why those results were obtained in the first place. That is why the methodology applied by the Company is based on a hybrid model that combines quantitative data with qualitative interviews to fully understand the reasons behind the opinions of the stakeholders that were interviewed. This reinforces the overall credibility of the results and procedures.

2022 highlights

While 2022 was marked by the implementation of several action plans, it was also the year that EDPR internationalised a social impact program due to its initial success.

Launched in Spain, Keep it Local arose from quantitative research carried out in this market, when some groups of stakeholders expressed their concern about depopulation in rural areas. Having such a strong presence in these rural settings, EDPR realized that its business could contribute to helping people fight against a growing phenomenon observed not only in Spain but also in other markets: rural flight. With that in mind, the company created Keep it Local, a program that awards scholarships to train young people in Operation and Maintenance skills. Through this initiative, EDPR is helping to create employment in a promising sector like that of renewable energies, while giving people the chance to live and work in their hometowns.

The first round, which took place in Spain in 2021, turned out to be a success, with over 125 people applying for one of the 24 scholarships available. It was also a great success in terms of the results and satisfaction of the participants, and since the program ended, 50% of the participants are now working in the sector and living in their home-towns. Given these great results, EDPR decided to not only hold a second round in Spain in which it offered 30 scholarships, but to extend the program to other markets too. Brazil held two rounds of the program in 2022, one focused on wind energy and the other on solar energy, training a total of 46 people. The groundwork has also been laid to roll the program out in Italy, with the first round planned for the beginning of 2023.

1.2. 2022 in review

1.2.1.

Key Metrics

Operational

14.7 GW
Installed capacity
EBITDA + Net Equity

98%
Technical availability
vs 96% in 2021

33.4 TWh
Generation
+10% YoY

30%
Load factor
+1pp vs 2021

2,121 MW
New additions
EBITDA + Net Equity

20 mt CO_2
Emissions avoided

Financial

€2,157 m
EBITDA
vs €1,760 m in 2021

€977 m
Operating cash-flow
+20% YoY

€3,446 m
CAPEX
vs €2,522 m in 2021

€4.9 Bn
Net debt
vs €2.9 Bn in 2021

€671 m
Recurring net profit
vs €655 m in 2021

€46 k/MW
Core OPEX/average MW
+16% YoY

ESG

3,086
Employees
33% female

96%
Employees trained
vs 98% in 2021

74%
Total waste recovered

c. 100%
Capacity certified[1]
ISO 14001 & ISO 45001

100%
Independent members of BoD committees

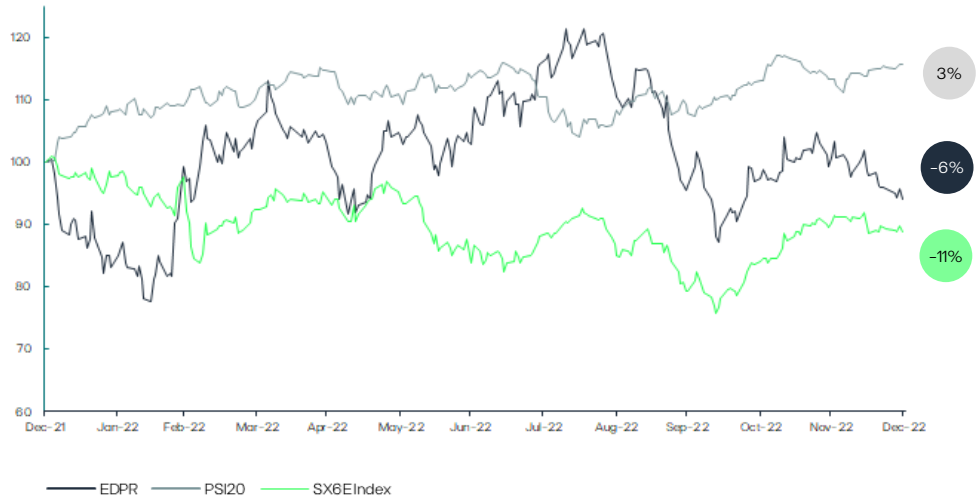
€2.4 m
In social impact programs
+42% YoY

[1] Calculation based on 2021YE installed capacity EBITDA. EDPR certifies the facilities the year after the COD (commercial operating date). Thus, the facilities that have entered into operation in 2022 will be certified in 2023.

1.2.2 Share performance

EDPR has 960.6 million shares listed and admitted to trading in NYSE Euronext Lisbon, following the successful share capital increase concluded in April. On December 31st, 2022, EDPR had a market capitalisation of €19.8 billion, and equivalent to €20.58 per share. In 2022 total shareholder return was -6%, considering the dividend paid on April 29th of €0.09 per share.

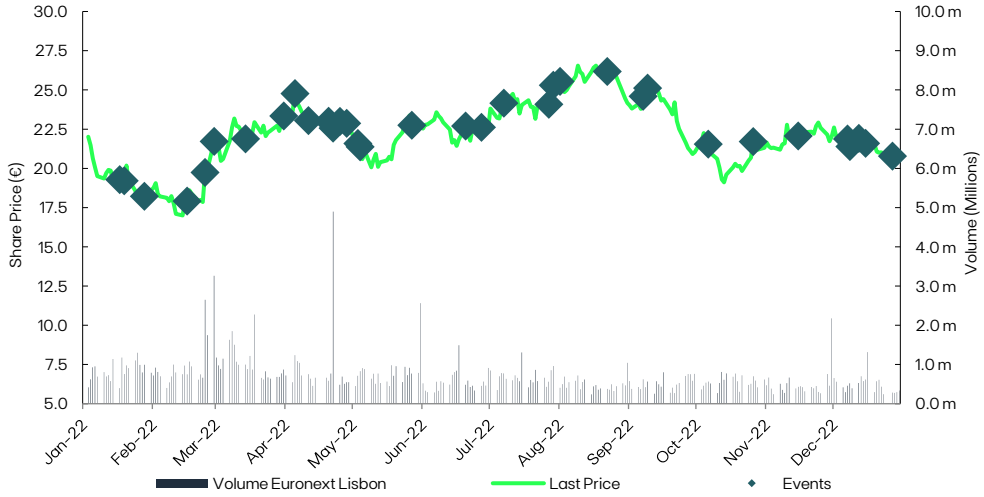
Indexed EDPR Share Performance vs. PSI20 & SX6E



EDPR IN CAPITAL MARKETS	2022	2021	2020	2019
Opening Price (€)	21.90	22.80	10.42	7.78
Minimum Price (€)	17.00	16.17	8.82	7.72
Maximum Price (€)	26.55	25.69	23.00	10.50
Closing Price (€) (adjusted for dividend and splits)	20.58	21.90	22.80	10.42
Market Capitalisation (€ Millions)	19,768	21,036	19,889	9,089
Total Traded Volume: Listed & OTC (Millions)	712.6	1,016.10	381.9	162.7
of which in Euronext Lisbon (Millions)	379.3	552.2	48.0	36.2
Average Daily Volume (Millions)	2.77	3.95	1.49	0.64
Turnover (€ Millions)	13,989	20,079	4,966	1,503
Average Daily Turnover (€ Millions)	54.43	77.85	19.32	5.89
Rotation of Capital (% of Total Shares)	74%	106%	44%	19%
Rotation of Capital (% of Floating Shares)	296%	423%	195%	83%
Total Shareholder Return	-6%	-3%	120%	36%
Share Price Performance	-6%	-4%	119%	34%
PSI 20	3%	14%	-6%	10%
Dow Jones Eurostoxx Utilities	-11%	4%	10%	22%

RELEVANT EVENTS		
1	17-Jan	EDPR informs about UKs ScotWind offshore wind auction
2	17-Jan	EDPR informs about changes in Corporate Bodies
3	19-Jan	EDPR informs about 2021 operating data
4	28-Jan	EDPR informs about conclusion of Asset rotation deal of a 221 MW wind portfolio
5	16-Feb	EDPR informs about FY 2021 Results
6	24-Feb	EDPR informs about completion of Sunseap acquisition in the APAC region
7	27-Feb	EDPR informs about the results of the NY bight offshore auction in the US
8	28-Feb	EDPR informs on the Notice of the General Shareholders Meeting of March 31, 2022
9	14-Mar	EDPR informs about notification of qualified shareholding of Blackrock
10	31-Mar	EDPR informs about resolutions of the Annual General Shareholders Meeting
11	31-Mar	EDPR informs about the payment of dividends of FY 2021
12	05-Apr	EDPR informs about grid connection in floating solar auction in Portugal
13	11-Apr	EDPR informs about PPAs secured for a 240 MW solar park in Texas
14	20-Apr	EDPR informs about PPA secured for a solar park in Brazil
15	22-Apr	EDPR informs about PPAs secured for a solar portfolio in the US
16	25-Apr	EDPR informs about notification of decrease of qualified shareholding of Blackrock
17	28-Apr	EDPR informs about conclusion of Asset rotation deal of a 149 MW wind portfolio in Poland
18	03-May	EDPR informs about changes in Corporate Bodies
19	04-May	EDPR informs about 1Q22 Results
20	27-May	EDPR informs about PPAs secured for a 124 MW wind project in Brazil
21	20-Jun	EDPR informs about representative for relations with the market
22	27-Jun	EDPR informs about conclusion of Asset rotation of a wind portfolio in Spain
23	07-Jul	EDPR informs about CfD awarded to offshore project in the UK
24	27-Jul	EDPR informs about 1H22 Results
25	29-Jul	EDPR informs about the acquisition of a solar development platform
26	29-Jul	EDPR informs about Asset rotation deal of a wind portfolio in Italy
27	01-Aug	EDPR informs about PPA secured for 200 MW solar project in the US
28	22-Aug	EDPR informs about allocation of offshore wind capacity in Scotland
29	07-Sep	EDPR informs about the conclusion of solar PV deal in APAC

RELEVANT EVENTS		
30	09-Sep	EDPR informs about closing of Asset rotation deal of a wind portfolio in Italy
31	06-Oct	EDPR informs about the closing of a deal to acquire a solar development platform
32	06-Oct	EDPR informs about Asset rotation deal of a wind portfolio in Brazil
33	26-Oct	EDPR presents 9M22 Results
34	15-Nov	EDPR informs about PPA secured for a 200 MW wind project in the US
35	07-Dec	EDPR informs about notification of qualified shareholding of Blackrock
36	08-Dec	EDPR informs about California offshore wind auction
37	12-Dec	EDPR informs about notification of qualified shareholding of Blackrock
38	15-Dec	EDPR informs about PPA secured for a solar project in the US
39	27-Dec	EDPR informs about Asset Rotation through Build & Transfer of 200 MW Solar Park in US



Source: BLOOMBERG / EDPR

1.3. Organisation

1.3.1. Shareholder structure

EDPR shareholders are spread across more than 30 countries, being EDP the main shareholder.

Since the successful Share capital increase in April 2021, where 88,250,000 new shares were issued at a subscription price of seventeen euros per share for a share premium of twelve euros, EDPR total share capital is composed of 960,558,162 shares with a nominal value of five euros each, fully paid. All these shares are part of a single class and series and are admitted to trading on the Euronext Lisbon regulated market.

Major shareholders, the EDP Group

The majority of the Company's share capital is owned by EDP Group, holding 74.98% of the share capital and voting rights. EDP group is a global company operating in all parts of the energy industry chain, from generation to the distribution and supply of gas and electricity. Over the past four decades, the company has built a significant position in the global energy landscape, establishing a presence in 29 markets on 3 continents. With over 13,000 employees, EDP supplies electricity and/or gas to over 9 million customers and is a sustainability partner for its clients, offering products and services in solar energy, energy efficiency, electric mobility, among others.

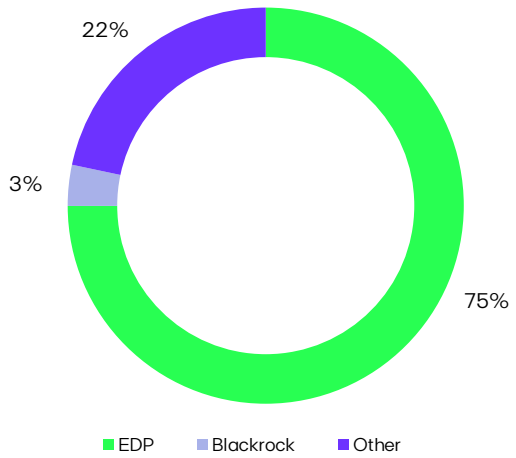
By the end of 2022, EDP had an installed capacity of 28.0 GW, generating 61.4 TWh of energy, of which 74% came from renewables. In this context, sustainability is part of the company's DNA, which is why the EDP Group has been a member of the Dow Jones Sustainability Index for more than 15 years.

Other qualified shareholders

Besides the qualified shareholding of EDP Group, Blackrock Inc. – a US global investment manager – communicated to CNMV the 12th of December 2022 an indirect qualified position, as collective investment institution, of 3.00% in EDPR share capital and voting rights.

As of December 31st, 2022, Blackrock Inc. owned 3.34% of EDPR share capital and voting rights.

EDPR shareholder structure



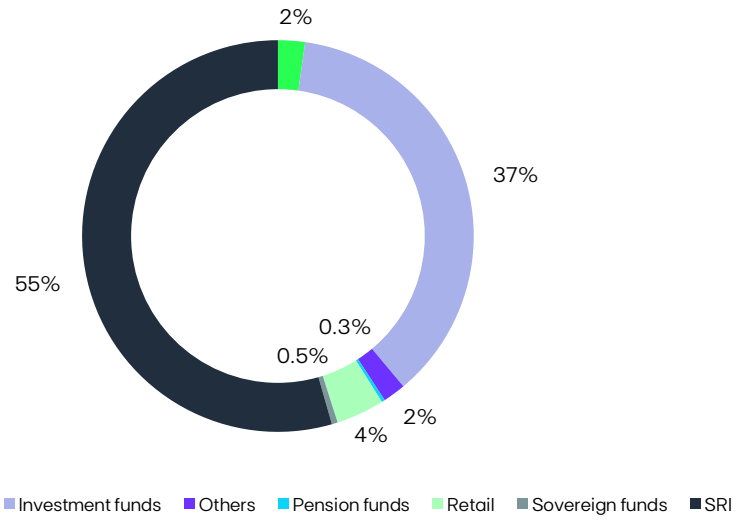
Broad base of investors

EDPR has an international base of investors. Excluding EDP Group, EDPR shareholders comprise close to 30,000 institutional and private investors spread worldwide.

Within institutional investors, which represent about 96% of shareholder base (ex-EDP Group), sustainable and responsible funds (SRI) are the major type of investor, followed by investment funds.

In this context, EDPR is a member of several financial indexes that aggregate top performing companies for sustainability.

Shareholders (Ex-EDP) by Type

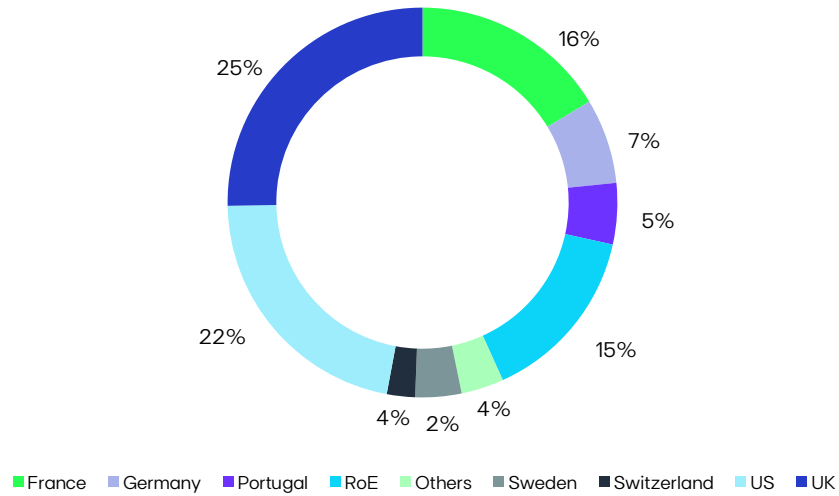


Worldwide shareholders

EDPR shareholders are spread across more than 35 countries.

The United Kingdom is the most representative country accounting for 25% of EDPR's shareholder base (ex-EDP Group), followed by the US, France, Germany, Portugal, Sweden and Switzerland. In the Rest of Europe, the most representative countries are Spain, Belgium, Norway and Austria.

Shareholders (EX-EDP) by Country



1.3.2. Governance model

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

Regulatory framework

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"). As such, the Company intends to comply with both legal systems but always considering 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.

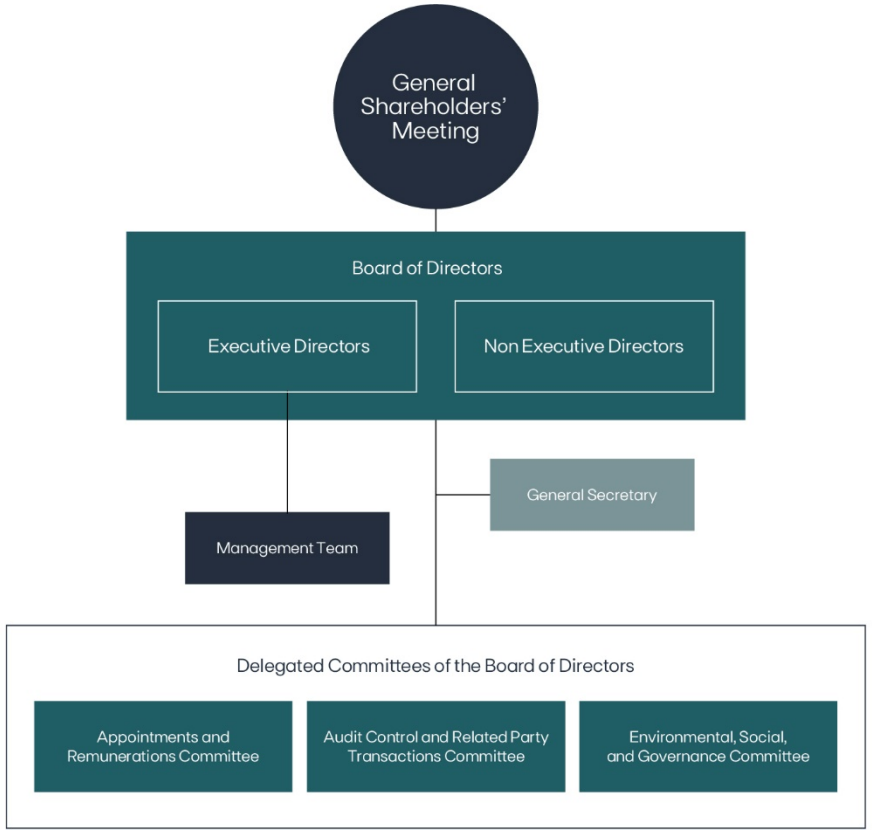
The Company's governance model is the one applicable under its personal law, and EDPR parallelly seeks to correspond it to the so-called "Anglo-Saxon" model set forth in the Portuguese Commercial Companies Code, in which the management body is a Board of Directors, and the supervision and control duties are of the responsibility of an Audit, Control and Related Party Transactions Committee.

Governance structure

In line with the framework above referred, the Company's governance model comprises a General Shareholders' Meeting and a Board of Directors that represents and manages the Company. In addition, EDPR's Board of Directors has set up three Delegated Committees entirely composed by Members of the Board of Directors: the Audit, Control and Related-Party Transactions Committee; the Appointments and Remunerations Committee; and the Environmental, Social and Corporate Governance 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 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 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 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 ensures the transparent and meticulous separation of duties, management, and the specialisation of supervision.

Governance Model



Governing bodies

General Shareholders' Meeting

The General Shareholders' Meeting is the body in which the shareholders participate. It 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

The Board of Directors is the body 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, in the General Shareholders' Regulations or in the applicable law. EDPR's BoD shall consist of no less than five (5) and no more than seventeen (17) members (including a Chairperson), who are elected for 3 years period and that may be re-elected for equal periods. In the Shareholder's Meeting held on February 22nd, 2021, it was approved to adjust the total members of EDPR's BoD in twelve (12).

The commitment of EDPR with ESG best practices and with the continuous improvement of its corporate governance was again reflected in the composition considered for its governing bodies during 2022, which enabled an agile, independent and diverse corporate governance structure. EDPR's Board of Directors is composed by twelve (12) members of which 10 non-executive, and has an independent Chairperson. The presence of independent Directors and women is key for EDPR, representing 50% and 33% of the composition of the Board respectively. In addition, in line with EDPR's commitment with the best corporate governance practices, 100% of the members of the delegated Committees are independent.

On January 17th, 2022, EDPR received the resignation of Mrs. Joan Avalyn Dempsey as member of EDPR's BoD. On its meeting held on February 9th, 2022, the Appointments and Remunerations Committee analysed the criteria drivers to launch the recruitment process to cover this position, concluding that the most adequate profile should contribute to the diversity and independence of the Board, and be acquainted with the sector and American market, which would be a profile difficult to find before the next Shareholders' Meeting. In this context, the General Shareholders' Meetings held on March 31st, 2022 approved the continuation of the existing vacancy on the Board of Directors and expressly setting forth that the Board of Directors may fill it by co-option after that General Meeting had been held.

It was. on May 3rd, 2022 that following the proposal presented by the Appointments and Remunerations Committee, the BoD approved the appointment by co-option of Mrs. Kay McCall as an independent member to fill the vacancy. This appointment entered into effect on June 1st, 2022 and will be proposed for ratification to the next General Shareholders' Meeting.

Thus, the composition of EDPR's Board of Directors as of December 31st, 2022, is the following:

- António Gomes Mota, Chairperson and Independent Director;
- Miguel Stilwell d'Andrade, Executive Vice-Chairman and CEO;
- Rui Teixeira, Executive Director and CFO;
- Vera Pinto Pereira, Dominical Director;
- Ana Paula Marques, Dominical Director;
- Miguel Setas, Dominical Director;
- Manuel Menéndez, External Director;
- Acácio Piloto, Independent Director;
- Allan J. Katz, Independent Director;
- José Félix Morgado, Independent Director;
- Rosa García, Independent Director;
- Kay McCall, Independent Director.

Executive Directors

EDPR has two Executive Directors who are also Joint Directors – Miguel Stilwell d'Andrade (CEO) and Rui Teixeira (CFO) – to whom the Board agreed to delegate all the competences that can be delegated as per established under the Company Bylaws and the applicable law.

Delegated Committees of the Board of Directors

As regulated by the applicable Law and pursuant to the best corporate governance recommendations, EDPR has set up three additional specialised internal committees, which are entirely composed by non-executive and independent Directors.

Audit, Control, and Related Party Transactions Committee

The main duties of the Audit, Control and Related Party Transactions Committee are the supervision of the financial information and internal control, risk management and Compliance systems. It also assumes the functions related to the analysis and, when applicable, the approval of the Related Party Transactions of the Company.

The Audit, Control, and Related Party Transactions Committee consists of three (3) non-executive and independent members, who as of December 31st, 2022, are the following:

- Acácio Piloto, who is the Chairperson
- Rosa García
- José Félix Morgado

Appointments and Remunerations Committee

The main duties of this Committee 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 and Management Team members.

The Appointments and Remunerations Committee consists of three (3) non-executive and independent directors, who as of December 31st, 2022, are the following:

- António Gomes Mota, who is the Chairperson
- Rosa García
- José Félix Morgado

Environmental, Social and Corporate Governance Committee

Considering: i) that Environmental, Social and Corporate Governance issues are gaining more relevance; ii) that the new investor profiles demand more and better information on the ESG performance of companies; and iii) the new regulation trends that aim to get commitment with the integration of these aspects; during 2022 it was analysed the convenience of incorporating a delegated committee specialised on these matters.

In this sense, on October 25th, 2022, the Board of Director agreed, in accordance with the proposal submitted the Appointments and Remunerations Committee, to incorporate in EDPR an Environmental, Social and Corporate Governance Committee, and also specifically approving its competences, composition, remuneration of its members and the regulations applicable to the Committee.

The main duties of the Environmental, Social and Corporate Governance Committee are the assistance and report to the Board of Directors in the alignment with the market trends and the company needs regarding Environmental, Social and Corporate Governance matters, with the aim of also providing the investors with more transparent and exhaustive information regarding matters related to Corporate Governance and the Environmental and Social pillars.

The Environmental, Social, and Corporate Governance Committee consists of five (5) non-executive an independent, that as of December 31st, 2022, are the following:

- António Gomes Mota, who is the Chairperson
- Allan J. Katz
- Kay McCall
- Rosa García
- José Félix Morgado

Management structure

Management team

In January 2021, the Board of Directors agreed to create this body in order to assume the conduction and supervision of the daily activity and performance of the Company. Then, throughout the year, considering EDPR's growth tendency and its presence in new geographies, the appropriate composition of the Management Team was analysed to ensure the required support of both business and technical needs.

Accordingly, it was agreed to establish a new structure for the Management Team that entails the following composition: the CEO and CFO, the representatives of EDPR's Platforms (Europe & Latin America, North America and Asia-Pacific) and a member in charge of the coordination of the technical functions and offshore business.

In this context, as of December 31st, 2022, the composition of the Management Team was the following:

- Miguel Stilwell d'Andrade (CEO)
- Rui Teixeira (CFO)
- Duarte Bello (COO Europe & Latin America)
- Sandhya Ganapathy (COO North America)
- Pedro Vasconcelos (COO Asia-Pacific)
- Bautista Rodríguez (CTO & Offshore Business)

Remuneration policy

EDPR's governance model is reinforced by an incentive structure with transparent remuneration. The definition of the proposal of the remuneration policy for the members of the Board of Directors is incumbent on Appointments and Remunerations Committee, which is appointed by the Board of Directors.

The Remuneration Policy applicable for the reporting period was approved by the General Shareholders' Meeting and maintains a structure with a fixed remuneration for all members of the Board of Directors, whereas for the Executive Directors also defines a fixed and a variable remuneration based on key performance indicators, with an annual component and a multi-annual component.

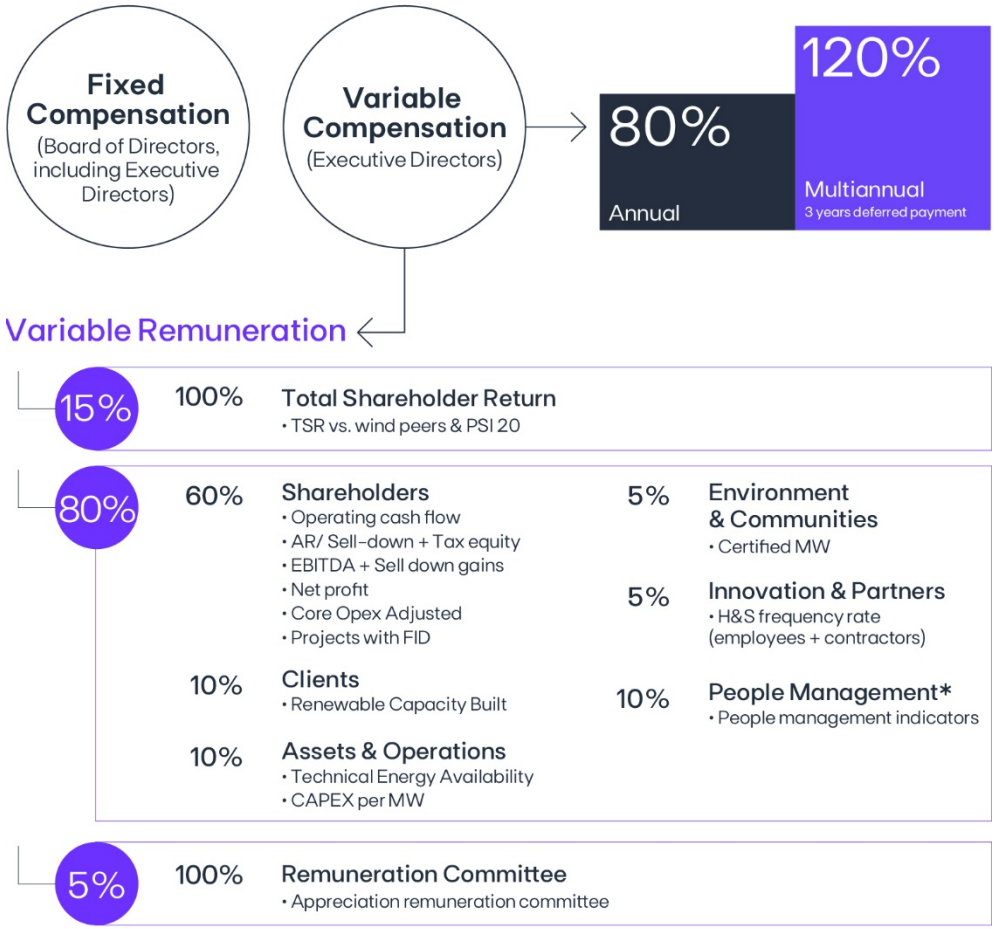
Variable annual and multi-annual remuneration will be a percentage of fixed annual component, with a superior weight for multiannual vs. annual component (120% vs. 80%). The key performance indicators (KPIs) used to determine the amounts of the annual and multi-annual variable remuneration for each year of the term are proposed by the Appointments and Remunerations Committee with the aim of aligning them with the strategic pillars of the Company: growth, risk control and efficiency.

The Remuneration Policy establishes that the indicators shall be set in accordance with 6 clusters: (i) Shareholders, (ii) People, (iii) Environment & Communities, (iv) Assets and Operations, (v) Innovation & Partners, and (vi) Clients, though 14 KPIs, including all dimensions of EDPR's strategy. Each of such clusters shall have at least one indicator.

All in all, EDPR considers that its Remuneration Policy includes key elements to enhance the Company's management performance not only focused on short-term objectives, but also incorporate as part of its results (as in particular with regards of the assignation of the variable remuneration) the interests and sustainability of the Company and of shareholders in the medium and long term.

Remuneration Policy

Components



For further detailed information regarding the responsibilities and roles of the different social bodies, its activity during 2022, and the Company's up-to-date articles of association and regulations, please refer to the Corporate Governance section of the report (chapter 5) and visit www.edpr.com.

*The policy has considered the labour conditions and the remuneration of the Company employees in order to define its terms, and in particular, has established this KPI, that includes the results of the Climate Survey launched to the employees in which the satisfaction level with the performance and applicable conditions is reflected.

1.3.3. Organisation structure

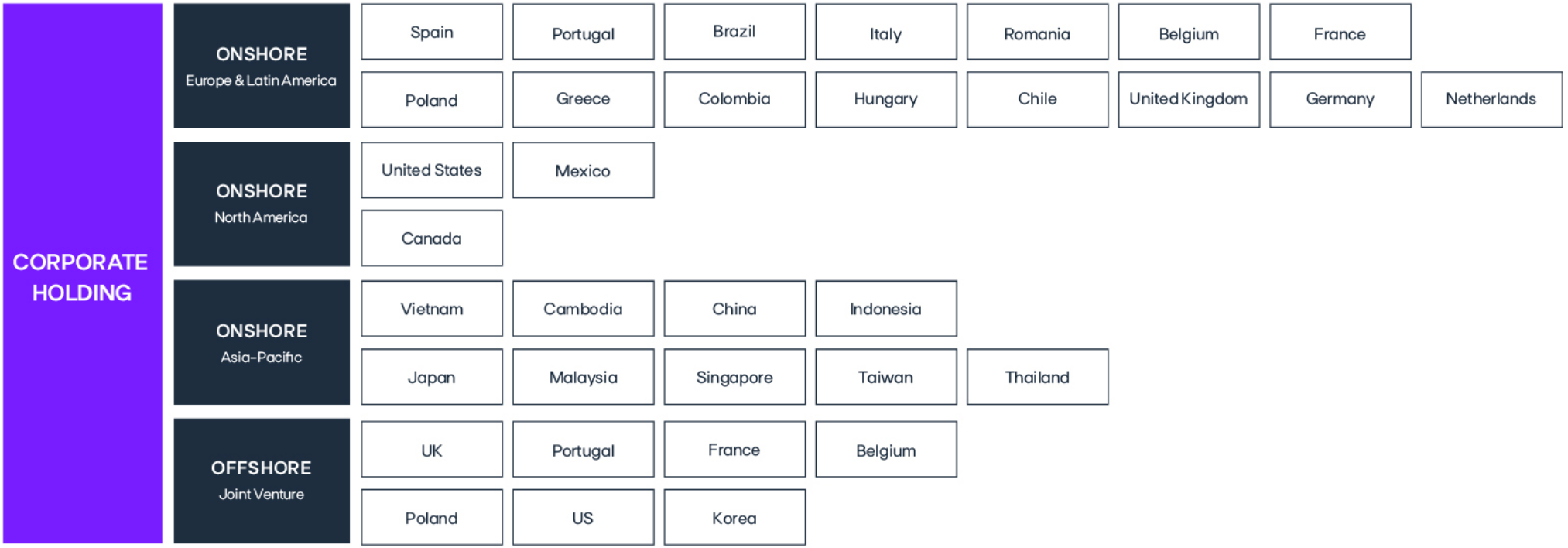
EDPR has grown significantly in a short period of time and will continue to step-up its growth, in line with its ambitious objectives for 2025. In this context, the Company's operative model is evolving to have an adequate organisation to cope with the strategic ambitions and enhanced growth standard.

Accordingly, EDPR's organisation structure was defined based in the following fundamentals:

- Ensure corporate functions enable growth, maximize efficiency, and promote one global company;
- Empower core regions (Europe, Latin America, North America and Asia-Pacific) to lead growth and development;
- Leverage existing transversal logic in key business functions, with central and local resources;
- Ensure new technologies (such as storage and hydrogen) are nurtured and amplified by regions and foster further continuous and disruptive innovation.

As a result, EDPR's organisation model is organised around five main elements: a Corporate Holding, Onshore Europe & Latin America (EU & LATAM) platform, Onshore North America (NA) platform, Onshore Asia-Pacific (APAC) platform and Offshore platform. Each platform includes different business units specialised in each of the market's specificities.

This structure provides a perfect balance between the global view necessary to further develop EDPR's leadership in global renewable energy and the local approach that is critical for the successful development of our wind farms and solar plants, ensuring alignment with the defined strategy, optimising support processes and creating synergies.



Organisational model principles

The principles on which EDPR bases its organisational model are defined by the Management Team. These are a set of performance aspects that define the characteristics of the relationships, grant the rights between EDPR Holding and the business units, and ensure optimal efficiency and value creation.



Accountability alignment
Critical KPIs and span of control should be hierarchically aligned at project, country, platform and holding level to endure accountability tracking, and to take advantage of complementarities derived from end-to-end process vision.



Client-service
Corporate areas function as competence support centers and are internal service providers to all business units for all geographical non-specific needs. Business priorities and needs are defined by local businesses, and best practices are defined and distributed by corporate units.



Lean organization
Execution of activities at holding level are held only when significant value is derived, coherently with defined EDPR holding role.



Reinforce collegiate decision making
Ensure proper country-balance dynamics to ensure multiple-perspective challenge across functions



Clarity and transparency
Platforms organization models should remain similar, to allow for:
1) Easy coordination, vertically (holding-platforms) and horizontally (across platforms);
2) Scalability and replicability to ensure efficient integration of future growth.

EDPR holding

EDPR Holding seizes value creation through the dissemination of best practices in the organisation and the standardisation of corporate processes to the platforms and the business units to improve efficiency. The internal coordination model and interface with EDP Group impacts functions and responsibilities of both the Company's processes and structure. The assignments of the main responsibilities and activities of EDPR Holding to fulfil their respective missions include:

- Define internal structures;
- Ensure a global budget and its periodic monitoring;
- Manage the essential human resources;
- Provide appropriate management information;
- Compete for a culture of excellence throughout the Group;
- Integrate risk management and compliance in each area of responsibility, ensuring the monitoring and effectiveness of controls.

Strategic Management

Covers the activity of EDPR Holding to support the Management Team

- Define strategy objectives, policies, rules and procedures;
- Promote the dissemination of the EDPR culture and best practices;
- Review the accomplishment of the Company's business plan;
- Control key performance indicators.

Transversal Operation

Systematically and progressively coordinate between EDPR Holding and the Business Units

- Leading the activities included in the mission and functions of corporate addresses;
- Align the policies and strategies of each Business Unit;
- Ensure a functional reporting including policies, plan of action of activities;
- Linking the regulatory obligations of each Business Unit with efficient and effective management by leveraging corporate knowledge to maximise the interests and results of the Group;
- Capture synergies and optimise support processes.

EDPR platforms

The four platforms are defined as: Onshore Europe & Latin America, Onshore North America, Onshore Asia-Pacific and Offshore.

Onshore Europe & Latin America platform

After its consolidation in Spain since 1997 as one of the leading companies in the renewable industry, EDPR continued to expand its business in Europe in 2007 with the entry, throughout these years, in other markets such as Portugal, France, Belgium, Italy, Poland, Romania, and more recently Greece, Hungary, UK, Germany and Netherlands.

In South America, EDPR's history began in 2009 through Brazil, entering in the Colombian market ten years later and in the Chilean market in 2021.

In this platform, the technologies that represent the installed capacity are wind and solar photovoltaic (PV).

Onshore North America platform

As part of its growth strategy, EDPR entered the US market in 2007, having more than doubled its wind power production capacity since.

This first approach to the North American market was followed by EDPR's activity in Canada and Mexico and reinforced by its recent entry into distributed solar (DG) power generation in the US in 2021.

On the North American Onshore platform, along with solar DG, wind and solar PV make up the installed base of technologies.

Onshore APAC platform

EDPR entered in Asia through a solar PV project in Vietnam in 2021.

In February 2022, EDPR concluded the acquisition of a majority stake in Sunseap, which has become the most established home-grown clean energy solutions provider in Singapore, being the largest owner and developer of rooftop PV systems. Backed by its strong market position as a leading Pan-Asian solar player, Sunseap is the largest distributed solar player in SEA and top 4 largest solar player in SEA, with an expanding presence.

As a result, EDPR is currently present in 9 APAC markets: Vietnam, Singapore, China, Taiwan, Japan, Cambodia, Malaysia, Thailand, and Indonesia.

The APAC Onshore platform's installed technologies are solar photovoltaic (PV) and distributed solar (DG).

Offshore platform

EDPR has a 50:50 Joint Venture with ENGIE (Ocean Winds) for offshore wind energy since 2020, which grants the development of projects in the United Kingdom, Portugal, France, Belgium, Poland, South Korea, and the United States.

Ocean Winds develops both bottom-fixed and floating offshore wind farms.

1.3.4. Integrity and ethics

EDPR is global energy company, focused on creating value, innovation and sustainability, which operates a business based on a commitment to excellence, serving its stakeholders and making a decisive contribution to a responsible energy transition. One of its most valuable assets is its reputation, which is why EDPR is committed to carrying out all its activities ethically in the different markets in which it operates and acting on principles that derive from its identity. In this context, EDPR is committed to act in accordance with the highest ethical and compliance standards.

Ethics

The Code of Ethics refers to principles of action that include compliance with legislation, integrity regarding matters such as bribery and corruption, respect for human and labour rights, transparency, and corporate social responsibility, including its contribution to sustainable development and its responsibility for the economic, environmental, and social impacts of its decisions and activities. This Code is a privileged tool that frames the reflection on ethics, but it is essentially a guide to support employees in their daily decisions when performing their job activities. It does not override the law and regulations – which must always be fully and scrupulously complied with – but rather complements them by supporting responsible decision making.

In that sense, EDPR's Code of Ethics applies to all Company employees regardless of their position in the organisation and working location, and they all must comply with it. Additionally, the commitments in this Code are equally applicable to EDPR business partners, representatives and suppliers who are, in any way, entitle to act on behalf of EDPR. The Code of Ethics is published on the intranet and website of EDPR, and all employees have access to it. In this sense, all the employees (including new hires) have to confirm its acknowledgement annually. Likewise, this Code has been widely circulated to the employees of the Group through internal communications, and the new hires receive a specific training on introduction to the Code of Ethics (Let's live our Code of Ethics).

During 2022, the Code of Ethics has been reviewed and updated, being approved by the Ethics Committee and the Board of Directors of EDPR in October.

This review considers the established in the Directive (EU) 2019/1937 on the protection of persons who report violations of Union law (incorporation of the speak up channel) and also to achieve a greater alignment with the purpose and strategy of the Group: "Changing Now Tomorrow".

As consequence of the above, in 2022 EDPR has reviewed and merged all its whistleblowing channels and has launched the corporate channel "Speak Up".

The Speak Up channel is a global channel, that welcomes the reporting of alleged violations, either of the Code of Ethics, or of any legal issues – among which are those provided for in the Directive (EU) 2019/1937 – as well as internal policies and regulations. Additionally, in geographies where required by local laws, EDPR has specific Speak Up channels. These channels are published in the official website available to all the employees and to any interested party (https://www.edpr.com/en/speak-up).

Through these channels, reporting will follow a robust, effective, and efficient management process, supported by an independent governance model – which includes EDPR's Ethics Committee, the Ethics Ombudsman and, in matters relating to integrity issues or certain specific legislation, the Compliance area.

An essential aspect of the reporting process is the protection of the whistle-blowers, who can also make denounces in an anonymous way. This commitment is predicated on full respect for the principle that anyone who uses the reporting methods in good faith and with justification will be protected from censure or retaliation. Additionally, all information exchanged is kept confidential and secured against unauthorized access, so that personal data protection is assured.

In 2022, there were nine (9) claims submitted through the Speak Up channel or the previous existing channels, of which 6 were considered as founded (2 with an action plan and 4 with a monitoring plan defined), 1 as inconclusive (there is not enough evidence to confirm the infraction) and 2 are under analysis.

The Ethics Ombudsperson, an independent third party that is behind the Speak Up channel, receives the complaints and doubts submitted through this channel and investigates and documents the procedure for each of them. The appointment for this position is made by the Ethics Committee and approved by the Board of Directors and its main functions are detailed in the Corporate Governance section of this report (chapter 5). Since January 2019, the Ombudsperson of EDPR is Maria Manuela Casimiro da Silva.

To support and achieve its Ethics commitments and initiatives, and with the aim of minimising the risk of unethical practices, generating transparency and trust in relationships, EDPR has implemented the following actions:

- **Ethics Committee:** EDPR revised the organisation and functioning of its Ethics Committee to ensure best practices in terms of its composition and scope of action. The main functions of the Committee are detailed in the Corporate Governance section of this report (chapter 5). The Ethics Committee is composed by the Chairman of the Appointments, Remunerations and Corporate Governance Committee, who shall chair the Committee; the Chairman of the Audit, Control, and Related Party Transactions Committee; the Ethics Ombudsperson; the Compliance Officer; the Human Resources Director; the General Counsel & Compliance of EDPR North America LLC.; and the Secretary of the Board of Directors, who shall also perform the duties of the Secretary of the Ethics Committee meetings.
- **Ethics survey:** During this year, the results of the survey launched in November 2021 have been analysed and an action plan has been developed.
- **Celebration of the Global Ethics Day:** On October 19th, EDPR celebrated the Global Ethics Day, and with the goal of reinforcing the ethics culture, the Ethics Ombudsperson and the Compliance officer published messages in the intranet highlighting the relevance of Ethics and Compliance in our organization.

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 for this implementation and functioning, the Company has a Compliance Officer.

In addition, EDPR has a Global Compliance Model which applies to the whole EDPR Group, maintaining the idea of establishing Compliance as a strategic part of the Company's corporate culture.

In the definition of the Global Compliance Model, the Global Compliance structure has been defined and a great effort has been made to develop a robust set of policies and procedures for the Group, which include the following:

- The **Code of Conduct for Top Management and Senior Financial Officers**, approved by the Board of Directors, that reinforces and complements the Code of Ethics, and reflects the commitment of the people who have been given the responsibility and power to carry out the supervisory and administrative functions of the EDPR Group.
- The **Compliance Standard**, approved by the Board of Directors and updated in 2022, which establishes the principles and procedural rules that govern the carrying out of the Compliance function and the specific Compliance functions of all employees.

The Global Compliance Program integrates specific programs depending on the risks affecting the Group:

- A specific **Integrity Compliance Program**, focused on the prevention of corruption and bribery risks: EDPR has a zero-tolerance approach to bribery and corruption and is committed to act professionally, fairly and with integrity in all business dealings and relationships wherever the Company operates. For this reason, the specific Integrity Compliance Program has as its central axis the Integrity Policy, which was approved by the Board of Directors and updated in 2022.The Integrity Policy has been complemented by other procedures that facilitate the application of this Policy, such as:
  - The Donations and Sponsorships Procedure, approved by the Management Team.
  - The Offers and Events Procedure, approved by the Management Team and updated in 2022.
  - The Conflict of Interest Procedure, approved by the Management Team.
  - The Integrity Due Diligence Procedure and the Procedure for relationship with Public Officials and Politically Exposed Persons,. The creation of a technological platform for third-party analysis, which can be used by all Group employees, is noteworthy. Both of them have been reviewed and updated in 2022.
  - The Intermediary Agreements Procedure, approved by the Management Team in 2022.
- A specific **Criminal Compliance Program,** focused on the prevention of criminal risks in Spain considering the regulation in Spain. The Criminal Compliance Policy, initially approved in December 2017, was updated during 2022.

- A specific **Personal Data Protection Program Compliance**, focused on the protection of personal data to which EDPR has access and for which it is responsible. In this context, the Company has been strengthening its management system to ensure the adequacy of EDPR Group's entities to the applicable legal requirements regarding Data Protection in the different geographies. The specific Personal Data Protection Compliance Program has as its central axis in the principles of reflected on the Personal Data Protection Policy, approved by the Board of Directors. The main matters involved this Program are periodically reviewed taking into account new requirements and the expansion of the Group in new geographies:

    - The Cookie Policies across different geographies have been updated in 2022.
    - Since September 2022, the internal Data Protection Procedures and Methodologies are being reviewed taking into account the regulatory requirements established in the legislations of the new geographies in which EDPR has a presence.
    - In October 2022, EDPR started a Project for the review and identification of International Personal Data Transfers accompanied by the elaboration of a Gap Analysis and Action Plan for the subsequent regularization of those transfers that may require it.
    - In December 2022, EDPR started the development of a new Master Data Protection Policy at a Group Level.

Within the context of the Global Compliance Program, additional activities performed during 2022 to strengthen corporate compliance were:

- The risk and control matrix was updated. All the areas/departments of EDPR have reviewed the assigned controls and have validated the applicable controls (self-assessment).
- A Control Audit Plan was established, and the controls assigned in the Plan were audited by an independent third party.
- The Risk Assessment Methodology was updated in order to have a more objective risk assessment.
- The reporting system to Top Management and Senior Management was improved, establishing reports about the Global Compliance Model to: (i) the CEO (monthly), (ii) the Audit Control and Related Party Transactions Committee (quarterly), (iii) the Management Team (yearly) and (iv) to the Board of Directors (yearly).

All this normative development implied a strong work to make the new policies and procedures of the Group known, with training and communication in the field of Compliance having a special focus this year.

Training and communication are fundamental tools to strengthen and disseminate the ethics and integrity culture. In this sense, the following activities have been developed during the year: (i) Training for specific areas (M&A, Legal, Procurement) on the Integrity Due Diligence Procedure; (ii) Transversal trainings based on the Compliance Management System, integrity and personal data protection (iii) Training on Ethics for Middle Management, (iv) Training sessions in person in different geographies (Italy, Greece, France, Romania, Brazil, Colombia and Hungary) and (v) training on Ethics and Criminal Compliance to the new hires.

During 2022, 78% of employees completed at least one course of the Ethics or Compliance trainings launched.

These trainings were complemented with communication activities. In addition, specific communications have been made on: (i) the monthly Ethics and Compliance Comic which shows practical cases on the application of the Code of Ethics and the Compliance policies and procedures, (ii) Global Ethics Day campaign, (iii) periodic posts on intranet and internal platforms over compliance topics and (iv) different thematic campaigns as the Privacy Day, GRPD anniversary or anticorruption day.

These achievements allowed EDPR to renew its double certification in Criminal Compliance and Anti-Bribery from AENOR, which verifies and accredits that the company has developed a system of criminal and anti-bribery compliance that meets the requirements of reference standards UNE 19601 and ISO 37001.

With said certifications, EDPR demonstrates that it has an effective anti-bribery management system (ISO 37001) and that its Spanish criminal risks Prevention Model complies with best practices to prevent crime, reduce risk, and foster an ethical and legally compliant business culture (UNE 19601). In addition, these achievements are a recognition of EDPR's commitment to promote a culture of compliance and strengthen values such as integrity, accountability, and transparency.

Our energy



Strategic Approach

2

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2.1. Business environment

2.1.1. General context

2022 overview

Today the world is in the midst of a global energy crisis. The Russian invasion of Ukraine is causing far-reaching disruptions on energy markets that are to be added to the ones caused by the COVID-19 pandemic.

Starting in 2019, the pandemic strained global supply chains mainly due to lockdowns all around the world and, in particular, in China. Clean energy projects were delayed for months or even years as procurement, manufacturing, shipping, and logistics were all affected by the supply chain crisis. Although the world began to gradually lift some of the restrictions by the end of 2020, their impacts are still tangible as supply chain have not completely recovered yet.

In February 2022, the Russian invasion of Ukraine had a profound effect on global energy markets. Russia was the largest exporter of fossil fuels, but the curtailment of natural gas supply to Europe together with the European sanctions banning coal and some oil imports, led to price volatility, supply shortages, and security issues. In addition, the war has, again, disrupted global supply chains, as Ukraine, Russia, and Belarus supply much of the world's key raw materials.

In terms of prices, the shortage of fuels has led to record price levels, exposing consumers to higher energy bills. Record dry conditions in parts of southern Europe have also exacerbated the already fragile situation in the energy markets and contributed to upward price pressures. Rising energy prices have ultimately contributed to high inflationary pressures. In response to inflation, central banks across the world are increasing interest rates, which could be pushing the world towards a global recession, increasing the risk of extreme poverty in many regions all around the globe.

Therefore, today's energy crisis has brought to light the vulnerability of our energy system. Fuel shortages have highlighted the importance of energy security and governments all around the world are seeking to put energy independence at the heart of their energy systems. This has translated in important structural changes, with many countries striving to reduce energy demand, diversify energy suppliers and boost domestic sources.

One potential positive development is that, more than ever before, governments are trying to accelerate the energy transition towards a secure, sustainable, and affordable energy mix. Renewables will be the cornerstone of this transition as they simultaneously address energy security and the climate crisis. The US and the European Union have already taken a big step forward in this regard with the approval in 2022 of the Inflation Reduction Act (IRA) and the REPowerEU Plan.

GLOBAL WARMING IN 2022

According to the Copernicus Climate Change Service, 2022 was the 5th warmest year on record and summer 2022 was the hottest on record for Europe. The annual average temperature in 2022 was approximately 1.2°C higher than in the period 1850-1900. The study also reveals that the last eight years have been the eight warmest on record and that extreme climate events are clearly on the rise.
In 2022, numerous climate catastrophes have caused widespread damage all around the world. In Pakistan, monsoon flooding left about a third of the country under water, affecting around 33 million people and killing more than 1,700. In the summer of 2022, China was hit by its most severe heatwave in six decades, exacerbating a drought that caused power shortages in vast areas of the country and forcing the government to ration electricity in some provinces.
In Europe, an extreme heatwave and a drought hit several countries during the summer of 2022, killing at least 15,000 people, according to the World Health Organization.
In the US, Hurricane Ian, a category 4 Atlantic hurricane that struck western and southeast US, was the second-deadliest storm this century in the US, behind Hurricane Katrina in 2005.

CLIMATE NEGOTIATIONS: 27TH CONFERENCE OF THE PARTIES OF THE UNFCCC (COP 27)

The United Nations Conference of the Parties met in Sharm el-Sheikh (Egypt) from October 31st to November 20th, 2022, for its 27th annual summit ("COP 27").
The main achievement of the COP 27 agreement was a commitment to create a new dedicated fund to support vulnerable developing countries facing loss and damage from climate disasters. However, it remains to be decided how the fund will work, and who will contribute to it financially. The agreement states that the donor group will extend beyond developed nations, opening the door for the inclusion of major emerging economies such as China.
Overall, there was little progress from last year's COP26 meeting in Glasgow on key issues. Despite the energy crisis prompted by the Russian invasion of Ukraine and the urgency to phase out fossil fuels, negotiators failed to reach a commitment on greater cuts to greenhouse gas emissions and an end to fossil fuel use. There were however a few exceptions, with some countries announcing more ambitious nationally determined contributions (NDCs), like Australia, Singapore, Thailand, or Norway, and other announcing faster decarbonization (Turkey and India, among others).

REPowerEU

At European level, the European Commission adopted in May 2022 the REPowerEU Plan, a proposal to rapidly reduce dependence on Russian fuels and accelerate the energy transition. The Plan aims to end Europe's dependence on Russian fossil fuels as quickly as possible (by 2027, with a 2/3 cut in Russian gas consumption by the end of 2022), using a combination of supply diversification of gas and demand reduction. The strategy plans to increase gas supplies from other producers, including Norway, Algeria, Libya, and Azerbaijan and through higher LNG imports, involving the need to adapt gas infrastructure to allow for the import of more LNG. Plans to reduce natural gas demand are to be built on fuel substitution, mainly increasing the share of renewables, but also increasing, green hydrogen and nuclear, among others.

The REPower plan increases the renewable ambition of the Fit-for-55 Package which was presented in July 2021. In that package, the European Commission proposed that the EU should increase its renewable in energy demand to 40% in 2030. In the REPowerEU, the Commission proposes to increase this target to 45%. The Parliament has already endorsed the new 45% target while most of the EU member states have not done it so far.

Essentially, achieving REPowerEU targets would mean tripling renewable energy additions until 2030, achieving 510 GW of wind and 592 GW of solar PV.

Solar PV is in fact the primary focus of REPowerEU. The 2030 Solar target is increased 122 GW (compared to the previous 470 GW target). A dedicated EU Solar Strategy was also presented to achieve those ambitious solar goals. The Strategy provides recommendation to boost all kind solar PV installations and targets to develop and EU solar industry.

Permitting has been identified as the main barrier to achieve renewables deployment. The Plan includes a proposal to tackle permitting delays to ensure that renewable projects are able to complete the permitting procedure within two years. The Plan also outlines dedicated "go-to" areas for renewables[1] that would be put in place by Member States, with shortened and simplified permitting processes in areas with lower environmental risks.

The REPowerEU plan involves a series of amendments of existing legislation, namely the Renewable Energy Directive whose discussion will continue over 2023

Before that, the Commission released a proposal to speed up permitting process for renewable energy projects, that was agreed in a Council regulation in December 2022.

Inflation Reduction Act

The Inflation Reduction act of 2022 (IRA) was signed into law on August 16th, 2022, representing the most significant legislative action ever to tackle climate change and accelerate the transition towards a clean energy economy. The law aims at achieving its emission-reduction goals through enhanced support of renewable technologies, electric vehicles, green hydrogen, and carbon capture, utilization & storage (CCUS), among others.

QUOTE IRA. JOE BIDEN, PRESIDENT OF THE UNITED STATES

"The new law is not just about today, it's about tomorrow. It's about delivering progress and prosperity to American families."

Targets will be delivered through a combination of grants, loans, rebates, incentives, and other investments to support the goals. The law allocates 369 billion USD in Energy Security and Climate Change programs over the next ten years, the largest climate-related investment by the US government ever seen, to help the country achieve a more clean and sustainable energy matrix. Of this, wind, solar, and storage would receive an estimated $128 billion of tax credit extension and expansion. Crucially, the law adopts long-term energy tax credit structures to support renewable energy projects, giving developers a 10-year window for such incentives versus the previous stop-and-go scheme. These new credits will be available until either 2032 or until the power-sector emissions are 25% compared to 2022 levels.

Expiring tax credits for wind and solar would be extended through 2024, and after this period they would switch to new technology-neutral credits for new emission-free power plants. According to industry estimates, the IRA could contribute to a doubling of the share of renewable energy generation by 2030, relative to current levels.

[1] Now called "Accelerated Renewable Areas".

2.1.2. The evolution of renewables around the world in 2022

Wind

Global wind additions are expected to remain strong in 2022[2], with analysts[3] forecasting around 95-99 GW of new capacity. If confirmed, total additions would probably be similar than the ones observed in 2020 (95 GW) and 2021 (94 GW). All analysts highlight the challenges faced by the wind industry: in addition to the supply chain disruptions caused by the COVID-19 and delays in project commissioning all around the globe, the wind industry is facing new challenges caused by Russia's invasion of Ukraine.

Regarding offshore wind, new installations are expected to drop by around 50% in 2022, following an extraordinarily good year in 2021. According to consulted analysts, around 9-13 GW of projects are expected to be connected in 2022, with China representing around 50% of new additions. The UK is also expected to drive the record-high-capacity additions in Europe, adding around 3 GW of new capacity.

Overall, China remains the largest wind market, although additions have dropped from last year's record-breaking figures. According to the National Energy Administration (NEA), China added 37.6 GW of wind power, down 21% in annual terms. Experts believe that new installations have been impacted by China's strict pandemic control measures and the end of feed-in tariffs for offshore wind projects. However, the outlook for the next years is promising, in particular following the announcement of the China's Five-Year Plan on renewables that foresees doubling the renewables generation by 2025 (compared to 2020YE levels).

In the European Union, new wind energy installations totalled 15 GW in 2022, according to preliminary data released by Wind Europe, up 33% in annual terms. Onshore wind installations represent around 90% of the total, with Germany, Sweden, Finland, Spain and France leading the ranking. In the offshore field, France commissioned its first offshore wind farm, adding almost 500 MW to the European offshore. The preliminary capacity data exclude the UK, which is expected to drive record-high-capacity additions in Europe, adding around 3.2 GW of new offshore projects.

Although the results are positive, especially in view of the high inflation and supply chain challenges, the Association points out that 15 GW are still significantly short of EU needs in order to reach climate and energy security targets. Permitting is regarded as one of the main barriers to further deployment, although new regulation approved in December 2022 by the European Council should reduce permitting bottlenecks and unlock part of the 80 GW of wind that are currently estimated to be stuck in the licensing process.

In the US, only 8.6 GW of wind projects were connected in 2022, according to the American Clean Power Association (ACP). This slowdown in wind installations is mainly explained by the phase-down of the PTC prior to the passage of the Inflation Reduction Act. No offshore wind projects were commissioned in 2022, but according to the ACP, at least 24 GW of offshore wind projects are under construction or in advanced development. In addition, ten states have set offshore wind procurement targets, accounting for more than 74 GW.

In South America, Brazil is likely to be the largest market in 2022, wind experts forecasting around 3 GW of new onshore wind additions.

[2] At the time of preparation of this report, final data from the Global Wind Energy Council (GWEC), the American Clean Power Association (ACP) or Wind Europe, had not been released.

[3] Experts consulted include: GWEC, IHS markit, Bloomberg New Energy Finance, Wood MacKenzie, IEA, Wind Europe and American Clean Power Association, among others.

Solar PV

2022 is on course to become another record-breaking year for solar PV, with consulted analysts[4] estimating that around 193-268 GW of new installations could had been deployed worldwide. All analysts highlight that solar PV is becoming the least costly option for new electricity generation in an increasingly number of countries, despite soaring equipment prices and lingering supply challenges.

All solar PV segments have witnessed considerable growth in 2022. According to experts, around 55-60% of new solar PV capacity would be utility-scale projects and the remaining ones small-scale (mainly residencial and commercial systems).

China remains the largest solar PV market worldwide and once again achieved a new historical high in new installations, with 87 GW added according to the National Energy Administration (NEA). Other major markets in Asia include India (around 14 GW expected), Japan (around 6 GW) and Republic of Korea (around 4 GW).

Europe also witnessed an excellent year in terms of solar PV additions, with 41 GW installed, an impressive annual growth of 47% from the 28 GW installed in 2021. According to Solar Power Europe, Germany was again Europe's largest market with 7.9 GW of newly installed capacity, followed by Spain (7.5 GW), Poland (4.9 GW), the Nethrlands (4.0 GW) and France (2.7 GW).

The EU's solar power generation fleet amounts to 208.9 GW, 25% more than in 2021 (167.5 GW). Therefore, solar capacity has exceeded the 200 GW milestone, only four years after it surpassed the 100 GW landmark.

In the US, around 18-24 GW of solar PV capacity could have been added in 2022[5]. Although overall results are positive, the preliminary data point to a relative slowdown of the sector, mainly explained by trade barriers, high equipment prices and ongoing supply chain constraints, that is hindering solar energy fast progress.

New solar PV additions in South America are also expected to hit a new record in 2022. Since 2018, the region has, every year, added more solar PV than wind and this trend is set to continue. The strong rise of solar PV is primarily driven by the small-scale segment. Rapid expansion of the sector was witnessed in Brazil (2.7 GW added in 2022 according to ANEEL) and Chile (1.8 GW, according to ACERA data).

FLOATING SOLAR PV

The rise of floating solar technology is also among the latest trends in the revolutionary growth of solar PV capacity. Floating solar refers to solar panels mounted on a structure that floats on a body of water, typically a reservoir, lake, or even in coastal areas.
The main advantage is that the technology removes the need of purchasing or leasing expensive land areas. In addition, the water has a cooling effect on the solar facility, increasing its efficiency. On the other side, the shade of the floating installation helps to reduce water evaporation, ultimately protecting the water resources.
Although today, the total installed capacity of floating solar is below 5 GW, there is wide consensus among experts that it will exponentially grow in the next years. In Singapore, Sunseap (now part of EDPR) completed in 2021 one of the world's largest floating PV plants, with a capacity of 5 MW. Although Asia Pacific is taking the lead in deploying the technology, other regions are also progressing fast. EDPR will start the construction of the Alqueva floating solar plant, which is set to become the largest in Europe (70 MW).

[4] Experts consulted include: IHS markit, Bloomberg New Energy Finance, Wood MacKenzie, IEA, solar Power Europe and American Clean Power Association, among others.

[5] Experts consulted include IHS, BNEF, IEA and Wood MacKenzie, among others.

2.1.3. Regulatory framework

Belgium



- Green certificate scheme (GC).
- Wind farms receive market price plus GCs per MWh produced.
- Number of GC/MWh (kECO) for new plants' contracts was previously revised every two years:
  - However, due to soaring electricity prices, an extraordinary revision was done in December 2021: from April 2022 onshore wind projects will receive 0.52 GC/MWh instead of 0.73 GC/MWh (current parameter).
  - Also, in December 2022 it has been updated, to 0 GC/MWh.
- The minimum price for GCs is set at 65€/GC in Wallonia.

Poland



- Electricity price can be stablished through bilateral contracts.
- Wind farms commissioned before 2018 are supported through a Green Certificate scheme (GC). Wind receives 1 GC/MWh during a 15-year period. Electricity suppliers have a substitution fee for non-compliance with GC obligations.
- Since 2018, wind farms are supported by 15-year two-side Contracts-For-Difference awarded through auctions.

Italy



- Wind farms in operation prior to 2012YE are under a feed-in-premium scheme applicable during the first 15 years of operation.
- Wind farms commissioned from 2013 to 2017 are supported by a 20-year floor CfD scheme, awarded through competitive auctions.
- Since 2017, wind farms are supported by a 20-year two-side CfD scheme.

Portugal



- Wind farms commissioned before 2006 are subject to a Feed-in-tariff (FiT) whose value is correlated with production and indexed to CPI. Initial tenure was the soonest of 15 years (or until 2020) or 33GWh/MW but in was increased 7 years (tariff exten -sion) with a cap and floor scheme in exchange of annual payments between 2013 and 2020.
- Wind farms under the new regime (COD after 2006) are subject to a FiT for the soonest of 20 years from COD of 44 GWh/MW. Tariff value is also indexed to CPI.
- Since 2019, solar projects are awarded following a new auction system.
- Floating PV projects awarded in 2022 auction have a 15 years CfD with a negative strike price (the original project pays for injecting the energy in the grid in exchange of securing grid capacity that can be used by over equipment and hybrid).

Spain



- Under RD 413/2014, wind energy projects receive pool price and a premium per MW in order to achieve a target return defined by regulation.
- RDL 17/2019 has set the target return (TRF) @7.398% for WF's prior to 2013 for the next two regulatory periods (until 2031) and @7.09% for new installations for the current regulatory period (until 2026).
- Premium calculation is based on standard assets (standard load factor, production and costs).
- Since 2016, all the new renewable capacity is allocated through competitive auctions.
- In 2020, RD 960/2020 defined the framework for a new auction mechanism.
- In 2021 and 2022 three auctions under the new scheme (set by RD 960/2020) were held:
  - Wind and onshore PV projects competed for 12-year fixed-price PPAs with certain exposure to market prices (5% for non-dispatchable and 25% for dispatchable RES).
  - Participants were awarded unidentified MWs but were requested to comply with stringent deadlines and submit a strategic plan.

Colombia

- Colombian wind farms are awarded 15-year contracts though competitive pay-as--bid auctions. Contracts are signed with distribution companies.
- Additionally, Colombian wind farms must secure reliability charge contracts, which provides a monthly payment in exchange of having part of their capacity available when the system is under tight supply conditions.

Brazil

- Old wind farms receive support under a feed-in program ("PROINFA").
- Since 2008, competitive auctions award 20-year PPAs to winning projects.
- Electricity may also be sold under private PPAs.

France

- Old wind farms receive Feed-in tariffs for 15 years, with values depending on their COD and load factors achieved.
- A transitory Contract-for-difference scheme was released in December 2016 in which wind farms having requested a PPA in 2016 would receive a 15-year CfD, being the strike price very similar to the previous FiT. This scheme was closed in December 2019.
- From 2017 onwards:
  - Wind farms with 6 wind turbines (or less, and with 3MW/WTG maximum) can request a 20-year CfD which strike price ranges from 72€/MWh to 74€/MWh depending on turbine's diameter and may include a FiT reduction when a yearly generation cap is reached. Since April 2022, additional tip height restriction (below 132m) has been implemented.
  - Wind farms not eligible to CR17 need to participate in competitive tenders in order to obtain a 20-year CfD.
  - A new set of rules ("Cahier des Charges") that will govern auctions (both technology-specific and neutral) from H2 2021 until 2026 were published in August 2021.

Romania

- Wind assets (installed until 2013) received 2 GC/MWh until 2017 and 1 GC/MWh after 2017 completing 15 years:
  - 1 out of the 2 GC earned until March 2017 is postponed and can only be recovered gradually from January 2018.
- Solar assets received 6 GC/MWh for 15 years:
  - 2 out of the 6 GC earned until December 2020 are postponed and may only be recovered gradually from 2025.
- GC are traded in the market under a cap and floor system (cap €35.0 and floor 29.4€).
- Wind assets (installed after 2013) receive 1.5 GC/MWh until 2017 and 0.75 GC/MWh afterwards until completing 15 years.
- Solar PV facilities (installed after 2014) only receive 3 GC.
- The GCs issued after April 2017 and the CGs postponed to trading from July 2013 will remain valid and may be traded until March 2032.

Greece

- Renewable projects in Greece are supported by a 20-year feed-in premium (Contract-for-Difference) awarded through auctions.
- In 2022, Greece launched a new support system, based on two-way contract-for difference contracts, awarded through auctions:
  - For both onshore wind and solar installations, support will be awarded through a joint competitive tendering procedure, with minimum reserves per technology of 30%.

Hungary

- Renewable projects before 2016 benefited from a feed-in tariff scheme ("KÁT system").
- In 2016 the FiT was closed to new projects and replaced by a new support system ("MÉTAR system") consisting of 15- year Contracts-for-Difference granted through technology-neutral tenders.

Chile



- Technology-neutral auctions, for renewable and non-renewable technologies award 15-year power purchase agreements with distribution companies.
- Large non-regulated customers can also enter into PPAs directly with generators or organize a public auction.

UK



- Since 2013, renewables are supported through a 15-year two-way Contracts-for-difference, awarded through auctions, that have progressively replaced the former Green Certificate scheme:
  - The "established technologies" which include onshore wind and solar PV, compete for budgets in each allocation round. Less mature technologies have a separate "pot" of allocated budget. For the first time, in 2023 auction, offshore will compete with mature technologies.

Vietnam



- Onshore wind projects were supported under two different Feed-in-tariff regimes:
  - Projects were granted a 20-year PPA with EVN, the state utility.
  - As the latest feed-in-tariff was closed for new projects, a new support scheme is expected to be released soon – most likely, competitive auctions will be introduced.
- Solar PV projects have also been remunerated under two different feed-in-tariff regimes and the government is also planning to introduce a pilot auction program.
- FiT schemes are no longer available; however a transitional scheme has been published for renewable projects that had a FiT signed but failed to COD on time. Transitional scheme would be subject to a price negotiation with EVN.

Singapore



- No support is given to large-scale renewable energy.
- Solar PV development is mainly incentivized through public agencies tenders like the SolarNova programme or JTC tenders:
  - Solarnova was launched in 2014 by the Housing Development Board (HDB). It aggregates demand for solar PV across some government agencies buildings to achieve economies of scale. Since 2014, 7 SolarNova tenders have been launched, granting 441 MW
  - JTC is a government agency under the Ministry of Trade and Industry that launched several Solar PV tenders under the Solarland and SolarRoof programme. There have been fewer and smaller auctions than in solarnova's program.

Other APAC

- In APAC, many countries enacted FITs' schemes in the first stages of renewables' development (Japan, Taiwan, India, Thailand, among others). However, most of these countries are transitioning to other schemes (mainly auction-based systems) and are opening up to the possibility of private corporate PPAs (for example South Korea, Malaysia, Australia, Australia, etc.).
- Other countries have opted for GC systems (for example, India or Korea), although this system has not been widely used in APAC countries.
- An increasing number of countries are setting auctions to remunerate renewable projects (Singapore, Japan, China, some States in Australia, Taiwan, India, Malaysia).

2.2. Strategy

The World is joining forces to face global warming, one of the major challenges that currently threatens the planet, that if not controlled might have irreversible consequences.

There is an undeniable new private and social commitment demanding and supporting an unparallel renewables growth to meet the requirements for a decarbonised and electrified world in which a clean, affordable, and reliable energy sector is at the centre of the economy. This will inevitably lead to an unparalleled growth of renewable energy that is expected to be supported by a continued decrease in renewables' costs. EDPR has extensive experience in the sector and a track-record in delivering its targets, often ahead of schedule, and is prepared to deliver on a new and even more ambitious plan.

EDPR's Business Plan for the 2021-25 period is based on a strategy focused on accelerating growth, supported by the value generated by its ongoing Asset rotation strategy, and performed by its proven high-quality teams and efficient operations based on sustainable excellence across all ESG dimensions.



EDPR's business model to deliver solid and ambitious growth targets through 2025, positioning the Company to successfully lead a sector with increased worldwide relevance.

2.2.1. Growth

Accelerated and selective growth is the key principle behind EDPR's investment selection process, with new projects having long-term PPAs or CfDs secured or awarded through long-term contracts under stable legal and regulatory frameworks.

As presented in February 2021, EDPR plans for the period 2021-2025 to double its installed capacity and add 20 GW, of which 11.2 GW is already secured as of December 2022. EDPR is still aiming to diversify its portfolio geographically and technologically even more, developing more wind onshore, solar, wind offshore and storage technology along with the entrance in new markets. Geographical distribution of the 20 GW is planned to be 45% in North America, 35% in Europe, 15% in Latin America and 5% in Other geographies (now Asia-Pacific), while technological distribution will result in 45% additions on wind onshore, 40% in solar PV, 7% in solar DG, 5% in wind offshore and 2% in storage.

New markets expansion in 2022

EDPR's 2021-25 Business Plan foresaw that ~5% of the overall 2021-25 investment would be directed to new markets in order to develop optionality and diversify EDPR's portfolio. Key criteria when assessing new markets are having strong fundamentals, stable legal and regulatory frameworks, growth potential, large market size and visibility on low risk contracted remuneration.

APAC is one of the largest and fastest growing renewables market globally with expected additions of 120 GW/p.a. on average until 2030 (55% of global additions) and solar will represent ~65% of these additions, split between PV and DG. Therefore, besides announcing the entrance in Vietnam through an acquisition back in June 2021, EDPR acquired Sunseap, the largest distributed solar player and top 4 largest solar player in SEA, with presence in 9 markets and a total of 0.6 GW operating and under construction.

This year, EDPR has also acquired Kronos, a solar developer company based in Germany. This acquisition allows EDPR to enter into Germany and the Netherlands which benefit from ambitious renewables targets, given the increased importance of security of supply and energy independence.

Germany represents close to 50% of the acquired portfolio and the government has recently announced the "Easter Package" that stands out with ambitious renewables capacity targets, with 360 GW of renewable installed capacity until 2030. Moreover, the entrance in these new markets creates opportunities to expand not only in solar but also in other technologies, namely wind standalone or wind through hybridisation, hydrogen, and storage technologies.



EDPR main growth market driven by PPAs secured

North America is EDPR's main growth market, with 7.2 GW of installed capacity, representing almost half of EDPR total portfolio. **The US, Canada and Mexico will account for 45% of the total 20 GW targeted capacity additions.** As of December 2022, **EDPR already secured 55% of such target** with 4.7 GW secured, of which 4.3 GW in the US, with around 2.8 GW in solar technologies.



Focus on low risk regulatory frameworks

EDPR growth in Europe is supported by identified short-term opportunities along with medium-term pipeline options and PPA appetite. **EDPR plans to add 6.7 GW in Europe, representing 35%** of the total capacity to be added in the period 2021-2025. As of December 2022, from the targeted 6.7 GW, **EDPR already secured 3.5 GW related to wind onshore and solar PV**. In April 2022, EDPR was awarded 70 MW of floating solar PV in Portugal. In 2022, EDPR added 378 MW of wind onshore in Europe and 53 MW in Solar.



Projects with long-term PPAs

South America represents a 15% of the total capacity to be added in the 2021-2025 period. EDPR has been active in upcoming opportunities, namely auction and long term PPAs, given the strong fundamentals of some South American countries, with high growth of electricity demand, robust renewable resources and stable regulatory frameworks. As of December 2022, **EDPR already secured more than 2.0 GW in South America**, mostly in Brazil, with 1.5 GW secured (of which 0.5 GW will be solar).

Both Sunseap and Kronos are fully aligned with EDPR's growth strategy and within the investment target for new geographies, allowing EDPR to accelerate growth worldwide in both solar and wind.



Solid platform on one of the fastest growing renewables market globally

New geographies represents a 5% of EDPR 2021-25 growth. EDPR managed to accomplished 50% of such target with the acquisition of Sunseap in 2022, a solar focused platform based in Singapore. As of December 2022, **EDPR had a total secured capacity in new geographies of 0.9 GW and added 0.7 GW of solar related to APAC**. In June, EDPR strengthened its position in Vietnam with the agreement to acquire two solar projects of 200 Mwac in operation since 2020 and with a 20-year PPA. With this, EDPR will expand its footprint in the world, accelerating its growth in Asia-Pacific where establishes a solid platform.



Investing in offshore wind technology

Offshore wind energy is becoming an essential part of the global energy transition, leading to the market's rapid growth and increased competitiveness. **EDPR and ENGIE** combined their strengths and formed a 50%/ 50% **Joint Venture called Ocean Winds** with **a target of 5 to 7 GW of projects in operation or under construction and 5 to 10 GW under advanced development by 2025**. In 2022, Ocean Winds was awarded five new projects: ScotWind (2 GW, UK), NY Bight (~1.7 GW, US), Shetland Islands I & II (2.3 GW, UK) and Golden State (2.0 GW, US). As of December 2022, total gross capacity in the portfolio amounted to 16.6 GW.

Developing new technologies and business models to ensure long term renewables competitive edge and growth



HYBRIDIZATION

Improve profitability and assets utilization

- Opportunities combining Solar + Wind to improve infrastructure utilization.
- 0.4 GW of hybrid projects analyzed for 2021-25.
- 70 MW of hybrid wind capacity awarded in Portugal



STORAGE

Strong path to address intermittency

- Deploy storage coupled with solar (first solar 200 MW + storage 40 MW under construction in US).
- New unit to develop capabilities for standalone storage management (0.4 GW expected through 2025).
- Addressing client requirements.



FLOATING OFFSHORE

Differentiated business case

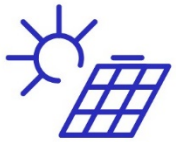
- Early-mover advantage and technology partner
- Large GW projet in early stage in Korea and pipeline in Spanish and Greek islands
- Five new projects awarded YTD in North America and Scotland



REPOWERING

Increasing current assets long-term value

- Using current infrastructure and upgrade with more efficient technology.
- First repowerings successfully installed/under construction in Spain (42 MW) and in US (162 MW)
- At least additional 0.4 GW expected through 2025 (in the US taking advantage of current PTC framework).



SOLAR DG

Leverage distinctive go-to-market capabilities

- Through the agreement to acquire Sunseapin 2022, Solar DG enabled EDPR to enter a new market such as Asia Pacific where utility-scale will also play a key role.
- With the acquisition of C2 in 2021, EDPR will develop the distributed generation segment, broaden competitive solutions to its customers and boost the North America platform growth potential reinforcing the company's commitment with the region.
- Enables EDPR to serve a rapidly growing market segment offering a range of new services and solutions to meet its clients' renewable energy needs.



HYDROGEN

Key role on decarbonization

- Improve renewables value creation through synergies, offering additional services and repurpose thermal assets.
- Ambition to deplay 1.5 GW of green energy hydrogen production capacity by 2030.
- Agreement with Lhyfe to jointly develop and manage renewable hydrogen production projets

2.2.2. Value

The ongoing Asset rotation model has been a cornerstone of EDPR's strategy, and its success has been key to crystallise value upfront to redeploy and fund accretive new growth opportunities.

The Asset Rotation model relies on a combination of the cash generated from operating assets and EDPR's strategy of selling majority stakes in projects in operation or under development, along with the US Tax Equity structures to finance the profitable growth of the business. This model allows the Company to crystallise value upfront while recycling capital to reinvest in other projects.

2021-25

€19 bn	€8 bn	€11 bn
Gross investments	Asset rotation proceeds	Net investments

Value: Ongoing Asset rotation strategy

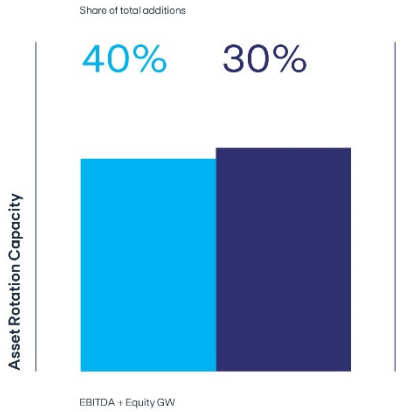
Proceeds from selling majority stakes in operational or under development assets are also important sources of funds for the self-funding model of EDPR in financing its profitable growth.

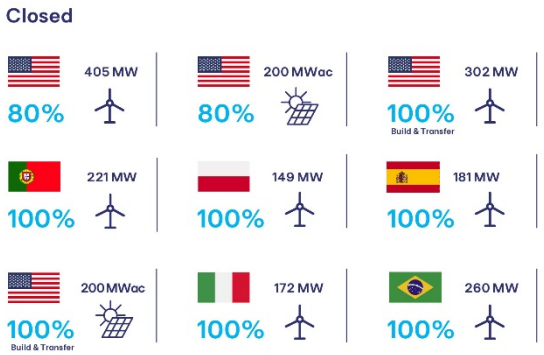
Under this strategy, EDPR sells majority stakes in projects in operation or in late stage of development, allowing the Company to recycle capital, with up-front cash flow crystallisation, and create value by reinvesting proceeds in accretive growth, with the option to provide operating and maintenance services. On the top of these, the Asset rotation strategy makes visible the value creation on reported financial statements, with capital gains being booked in the income statement.

In its 2021-25 Business Plan, EDPR estimated to deliver capital gains of c.€0.3 billion p.a. but demand for RES assets has increased considerably, therefore driving valuations to high levels.

In terms of capacity, EDPR has sold on average 1.1 GW/year in 2021-22 (below the average 1.4 GW/year targeted) allowing for an average capital gain of 0.5 billion euros per MW.

Since 2021, EDPR has closed 9 asset rotation transactions (7 in wind and 2 in solar, including 2 Build & Transfer agreements) with c.€3.4 billion of Asset rotation proceeds, representing over 40% of our €8.0 billion target.





2.2.3. Excellence

One of the strategic pillars of the Company, setting it apart in the industry, is the drive to maximise the operational performance of its wind and solar plants though excellence and the experience from its quality teams. EDPR has flexibility on managing the full value chain to deliver competitive and quality projects at the highest excellence standards, while guaranteeing the compliance with the best ESG standards.

> 20 years
Experience from development through operation

>600
Parks under management by 2025

-2%
Core OPEX/MW CAGR 2020-25

Development: Competitive projects

EDPR leverages on its local development knowledge and multi-partnership network to find and develop competitive and quality projects. The Company's second to none energy assessment track record, experienced PPA origination teams and efficient site layouts are set to maximise the output of each and every project, both operational and financial wise.

Construction: Large experienced focused on delivering

EDPR's global scale provides competitive procurement over the whole portfolio. Its long-term business with top tier suppliers becomes a scarce asset nowadays, accounting with more than 20 years of relationships, bringing EDPR the best market opportunities. The large experience in years and MW of EDPR's E&C team leverage on agile project management, focused in delivering new projects to the portfolio.

Operations: Excellence in asset management

EDPR's unique O&M strategy has allowed the Company to increase internalisation post-warranty, therefore resulting in service price reductions and flexibility to choose today on an asset-by-asset basis the most competitive choice between insourcing or outsourcing. Since 2021, macro environment has rapidly change worldwide with supply chain unbalances and inflationary pressure leading into higher costs. EDPR continued to grow even under such circumstances, however leading into higher Core Opex/ MW ratios YoY.

Setting targets for ESG excellence throughout the value chain

	2022	2025
Circular economy % Recovery rate for generated wastes in the whole value chain	74%[1]	85%
Biodiversity % Facilities with high biodiversity risk with action plans defined	100%	100%
People % Improve diversity and inclusion by increasing female employees	33%	36%
Communities €m/year Investment in supporting local communities	2.4	3
Suppliers % Purchasing volume in sustainable suppliers	62%	75%

Zero accidents mindset

[1] Recovery only for operations since there was no dismantling in 2022, and construction data is in progress.

EDPR's growth derived from the 2021-25 Business Plan will be supported by the current top-class team and reinforced by the best talent in the market, attracted by a superior value proposition offered by the Company. Accordingly, EDPR's team increased by 44% during 2022, having now over 3,000 employees.

In this context, EDPR developed a Human Resources strategy focused on three main pillars and supported by specific targets:

Attract

EDPR aims to integrate the best talent in the market, attracted by a great company culture, while fostering diversity and inclusion as a trigger for innovation.

First Choice employer

36% women in EDPR

Experience

The Company will continue to work on promoting the best experience for its team, providing tailored reward schemes and career paths and consolidating the flexibility measures offered, resulting in the retention of top talent.

Top [1] in Engagement & Enablement

>50% employees on hybrid [2] model

Develop

Reying on internal talent is a key drive for EDPR mainly accomplished by favouring development through training. functional and geographic mobility and development programs.

90% people with digital training

30% women in management

[1] Better than utilities and high performing companies.
[2] Work at home for some part of the week.

2.3. Risk management

In line with EDPR's controlled risk profile, Risk Management process defines the mechanisms for measurement and management of risks and opportunities impacting the business, increasing the likelihood of the Company in achieving its financial, operational and ESG targets, while minimising fluctuations of results.

Risk management process

EDPR's Enterprise Risk Management Process is an integrated and transversal management model that ensures the minimisation of the effects of risk on EDPR's capital and earnings, as well as the implementation of best practices of Corporate Governance and transparency.

EDPR's Enterprise Risk Management Process is inspired on Basel Committee on Banking Supervision's principles, guidelines, and recommendations.

The process aligns EDPR's risk exposure with the Company's desired risk profile. Risk management policies are aimed to mitigate risks without ignoring potential opportunities, thus optimising return versus risk exposure within predefined risk appetite limits.

Risk governance model

Risk management is closely followed and supervised by the Audit, Control and Related Party Transactions Committee; an independent supervisory body composed of non-executive members. It is also endorsed by the Management Team, supported by the Risk Committee, and implemented for investment and day-to-day decisions by all managers of the Company.

EDPR has created three distinct forums within the Company's Risk Management processes, separating discussions on execution of mitigation strategies from those on definition of new policies, in order to help decision-making process:

- **Restricted Risk Committee**: Held every month, it is mainly focused on development risk and market risk from selling energy (electricity price, basis, profile, Green Certificates 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 compliance with risk thresholds defined within risk policies (market risk, counterparty risk, operational risk, and country risk).
- **Financial Risk Committee**: Held every quarter, it is held to review main financial markets risks (exchange rates, interest rates and inflation), liquidity risk, commodities risk and credit risk to financial institutions and discuss the execution of mitigation strategies.
- **Risk Committee**: Held every quarter, it is the forum where new strategic analyses are discussed, and new policies and procedures are proposed for approval to the Management Team. Additionally, EDPR's overall risk position is reviewed, together with EBITDA@Risk and Net Income@Risk.

Risk map at EDPR

Risk Management at EDPR is focused on covering all risks of the Company, including ESG. To have a holistic view, they are classified in five Risk Categories. Within each Risk Category, risks are classified in Risk Groups. In addition, for each risk category and risk group, EDPR implements a series of mitigation strategies with specific measures. The full description of the risks and how they are managed can be found in the Corporate Governance chapter. The Risk Categories, the Risk Groups and the Risk Management mitigation strategies are summarised below.

Risk categories		Risk groups	Mitigation strategies
Market risks	It refers to the risk to EDPR resulting from movements in market prices. Due to the relationship between wind production and energy price, production risk is considered within market risk. In particular, market risks are changes in energy prices, energy production risk, interest rates, foreign exchange rates and other commodity prices.	• Energy Price Risk • Energy Production Risk • Commodity Price Risk • Liquidity Risk • Inflation Risk • Exchange Rate Risk • Interest Rate Risk	• Close analysis of natural hedges to define best alternatives. • Hedge of market exposure through long term power purchase agreements (PPA) or short and medium term financial contracts. • Natural FX hedging, with debt and revenues in sarne currency. • Execution of FX hedging for net investment (after deducting local debt). • Execution of FX hedging to eliminate FX transaction risk, mainly in Capex. • Execution of interest rate hedging. • Execution of inflation hedging. • Alternative funding sources such as Tax equity structures and Multilateral/ Project Finance agreements.
Counterparty risks	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.	• Counterparty Credit Risk • Counterparty Operational Risk	• Counterparty exposure limits by counterparty and at EDPR level. • Collateral requirement if limits are exceeded. • Monitoring of compliance with internal policy.
Operational risks	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) and ensuring Business continuity at all times. It also includes risks such as ESG and environmental impact in the business.	• Development Risk • Legal Claims Risk (Compliance, Corruption, Fraud) • Execution Risk • Personnel Risk (health and safety, human rights, discrimination) • Operation Risk (Damage to Physical Assets, Equip. Performance, Environmental and Climate Change aspects) • Processes Risk (including Business Continuity) • Information • Technologies Risk	• Supervision of suppliers by EDPR's engineering team. • Flexible CODs in PPAs to avoid penalties. • Partnerships with strong local teams. • Monitor recurrent operational risks during construction and development. • Close follow-up of O&M costs, turbine availability and failure rates. • Insurance against physical damage and business interruption. • Strict compliance with legal requirements and zero tolerance for discrimination, unethical behavior or fraud. • Attractive remuneration packages and training for personnel. • Revision and compliance with all regulations that affect EDPR activity (H&S, environmental, taxes...). • Control of internal procedures. • Redundancy of servers and control centers of wind farms. • TCFD analysis and climate mitigation measures • Contingency plans • ESG policies and specific measures

Risk categories		Risk groups	Mitigation strategies	
Business risks	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 energy prices and energy production are considered market risks	• Regulatory Risk (renewables) • Equipment Price Risk • Equipment Supply Risk	• Careful selection of energy markets based on country risk and energy market fundamentals. • Diversification in markets and remuneration schemes. • Diversification in technologies. • Follow-up of regulation changes in markets where EDPR is present to adjust strategy if needed. • Active involvement in major industry associations in all EDPR markets.	• Signing of medium-term agreements with equipment manufacturers to ensure visibility of prices and supply. • Relying on a large base of equipment suppliers to ensure supply.
Strategic risks	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).	• Country Risk • Competitive Landscape Risk • Technology Disruptions Risk • Invest. Decisions Criteria Risk • Reputational Risk • Meteorological Changes • Corp. Organisation and Governance • Energy Planning	• Careful selection of countries. • Worst case profitability analysis of every new investment considering all risks factors. • Risk-return metrics at project and equity level • Profitability resilience metrics.	• Consideration of stress case scenarios in the evolution of energy markets for new investment decisions. • Follow-up of cost effectiveness of renewable technologies and potential market disruptions.

Risk analyses highlights during 2022

In 2022, EDPR analysed the impact of the current inflationary scenario on costs and revenues. On costs, it was considered the exposure to inflation of operating expenses, capital expenses and interest payments, while on revenues, the exposure of inflation-indexed PPAs and merchant revenues. Different measures were put in place to balance inflation exposure, namely the increase in the duration of the corporate debt with EDP.

Moreover, a detailed analysis on the effects of the conflict between Ukraine and Russia was performed to determine which are the main risks to which EDPR is exposed and to define a contingency plan to reduce potential impacts. As a follow-up of this analysis, EDPR took some business continuity measures in bordering countries with Ukraine.

Also, during 2022, EDPR reassessed the Operational Risk of the company, executing a bottom-up analysis across all departments, as stated in EDPR's Operational Risk Policy. Following the growth of the installed capacity at EDPR in recent years, together with the planned growth within the current Business Plan, it was agreed to adjust the Operational Risk threshold accordingly in EDPR's Operational Risk Policy and Enterprise Risk Management framework.

Finally, EDPR performed a deep-dive analysis on current and expected future Counterparty exposure to capital equipment suppliers, within the context of the main challenges faced by the industry, such as supply chain bottlenecks, inflationary pressures and increase in commodity prices, with individual counterparty risk limits adjusted accordingly. Additionally, EDPR also proposed to adjust its Portfolio risk limits to account for its Distributed Generation activity in Asia-Pacific, following EDPR's acquisition of a majority stake in Sunseap during 2022.

EDPR risk matrix by financial impact

EDPR's risk matrix is a qualitative assessment of likelihood and impact of the different risk categories within the Company. It is dynamic and it depends on market conditions and future internal expectations and scenarios.



1 Energy Price
2 Energy Production
3 FX
4 Interest Rate
5 Equip. Market Risk
6 Pipeline Develop
7 Counterparty
8 Regulatory
9 Execution / Construction
10 Legal
11 Operation (damages, equip. perf)
12 Comm. Price
13 Inflation
14 IT
15 Personnel
16 Processes
17 Liquidity
18 Strategic
19 Business Continuity

Reviewed policies or procedures in 2022

Emerging risks at EDPR

Changes in weather patterns at a global level caused by climate change

Resource volatility has always been a normal part of the Renewables business but, in the past few years, the level of concern regarding the resilience of companies to withstand future shifts in weather patterns, derived from climate change, has increased significantly. In addition, the latest reports of the Intergovernmental Panel on Climate Change (IPCC) highlight climate change as one of the most significant risks that society will face in the future.

It is not clear how global warming will affect changes in weather patterns in the long term, but it could imply that some regions will have weaker resources in the future, leading to drops in energy production, while some others will be experiencing increases.

To monitor this emerging risk and its potential impact, EDPR has adopted the recommendations issued by the Task Force on Climate-Related Financial Disclosures (TCFD) to analyse, incorporate, and disclose climate-related risks and opportunities into its business.

EDPR has assessed the potential impact arising from changes in weather patterns, in which physical and transition risks, as well as opportunities, were analysed using three different climate scenarios. Each of these scenarios included a set of political, social, economic, and technological narratives associated to them.

From the analysis, it was concluded that the geographical and technological diversification from EDPR's portfolio significantly helps mitigate this potential risk.

In addition, for those risks that EDPR has identified as significant, the Company has identified a series of adaptation measures that EDPR has currently in place in some markets and may replicate in others in the short, medium, and long term.

Gap in labour market and availability of talent for renewable energy companies

Increased competition for labour resources, both skilled and unskilled, structural changes in work culture (driven by remote working) and digital transformation are some of the factors creating an emerging gap in the supply-demand labour market.

The rapid growth of the global renewable energy industry, expected for the next couple of decades, together with an ageing world population, could originate a mismatch between the availability of skilled and professional labour and the demand from industry players, including EDPR.

A shortage of qualified personnel could impact team sizing and productivity, lead to an increase in workforce costs and create the need to go further on the benefits provided, in order to attract and retain talent in the organisation.

To tackle the problems caused by this emerging risk, EDPR is putting in place some mitigation measures, such as the development of youth-targeted programs, an increase in social media presence geared towards recruiting and networking initiatives, the advancement of work-inclusive methodologies and the flexibilization of work, in line with the new reality and work culture.

Potential misalignement between regulatory risk on energy market design with international commitments for climate transition

The marginal remuneration system has been a staple of the wholesale electricity market design in Europe and North America for many decades. However, in recent years, this operating model has seen its fair share of challenges, as a growing number of intermittent, zero-marginal cost technologies (such as wind or solar) have increased its share in the overall production, leading to higher generation uncertainty and price volatility within electricity markets.

These structural challenges, coupled with the aftermath of a worldwide pandemic, the constraints in global supply chains and the invasion of Ukraine in 2022, created an unprecedented situation of high electricity prices, especially in Europe, leading many governments to implement short-term regulatory changes in the hopes of easing the economic impact on consumers and businesses alike.

For energy companies, the emerging discussions on potential modifications to the current marginal design of electricity markets, can create a situation of deep uncertainty and affect their strategic outlooks.

Structural changes with retroactive consequences on existing projects' profitability could discourage any new investments in renewable installations and promising technologies, thus jeopardising the fulfilment of the ambitious long term climate goals put forth by those same countries. This could, in turn, lead to a downwards revision of those same climate transition objectives.

To address this emerging risk of regulatory changes not being aligned with long-term climate goals, EDPR's mitigation strategies entail a close follow-up of the regulatory developments, an active participation in national and international discussions, a strategic approach to geographically diversify its presence and the creation of contractual resilience, in order to share the risk stemming from potential structural changes in market design.



Our drive

Performance

3

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3.1. Financial capital

3.1.1. Operational performance

OPERATING PORTFOLIO	INSTALLED CAPACITY 2022 (MW)				NET CAPACITY FACTOR (%)			ELECTRICITY GENERATION (GWh)		
	Dec-22	ADDED	AR[1]	Δ YTD	2022	2021	Δpp YoY	2022	2021	Δ% YoY
Europe	**5,158**	**431**	**-502**	**-71**	**26%**	**26%**	**-0.1pp**	**11,778**	**11,356**	**4%**
Spain	2,166	153	-181	-28	26%	26%	-0.1pp	4,885	4,979	-2%
Portugal	1,168	26	-	26	27%	28%	-1pp	2,715	3,049	-11%
Rest of Europe	1,824	251	-322	-70	26%	26%	+1pp	4,178	3,329	26%
France	214	33	-	33	24%	24%	-0.4pp	411	314	31%
Belgium	11	-	-	-	27%	29%	-3pp	24	22	9%
Poland	733	136	-149	-14	28%	27%	+1pp	1,739	1,176	48%
Romania	521	-	-	-	26%	24%	+1pp	1,163	1,116	4%
Italy	295	83	-172	-89	25%	26%	-1pp	737	689	7%
Greece	45	-	-	-	24%	20%	-	93	9	-
UK	5	-	-	-	24%	23%	-	10	4	-
North America	**6,650**	**412**	**-200**	**212**	**33%**	**31%**	**+2pp**	**18,362**	**17,057**	**8%**
US	6,025	316	-200	116	33%	31%	+2pp	17,029	15,814	8%
Canada	130	-	-	-	32%	28%	+4pp	360	255	41%
Mexico	496	96	-	96	45%	41%	+4pp	973	987	-1%
South America	**1,114**	**580**	**-260**	**319**	**39%**	**41%**	**-2pp**	**2,625**	**1,888**	**39%**
Brazil	1,114	580	-260	319	39%	41%	-2pp	2,625	1,888	39%
APAC	**711**	**683**	**-**	**683**	**16%**	**20%**	**-**	**636**	**23**	**-**
Vietnam	405	377	-	377	19%	20%	-	393	23	-
Singapore	230	230	-	230	12%	-	-	184	-	-
Rest of APAC	77	77	-	77	16%	-	-	59	-	-
Total EBITDA level	13,634	2,106	-963	1,144	30%	29%	+2pp	33,401	30,323	10%

Europe	**498**	**-**	**-**	**-**
Spain	156	-	-	-
Portugal	31	-	-	-
Rest of Europe	311	-	-	-
North America	**592**	**-**	**-**	**-**
US	592	-	-	-
APAC	**15**	**15**	**-**	**15**
Rest of APAC	15	15	-	15
Total Equity level	1,105	15	-	15
TOTAL	14,738	2,121	-963	1,159

(1) AR stands for Asset Rotation

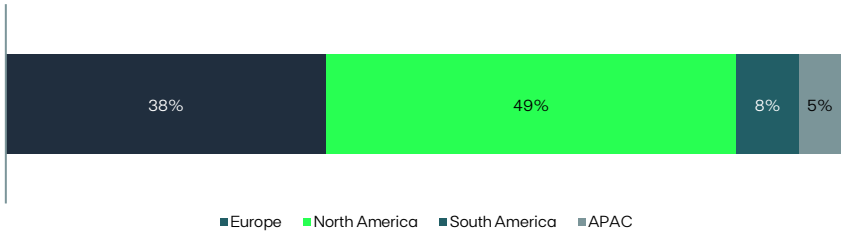
EDPR continues to deliver solid selective growth

With a top-quality portfolio, EDPR has a strong track record and proven capability to execute superior projects and deliver on targets. The installed asset base of 14.7 GW is not only young, on average 9 years, it is also mostly certified in terms of environmental and health and safety standards.

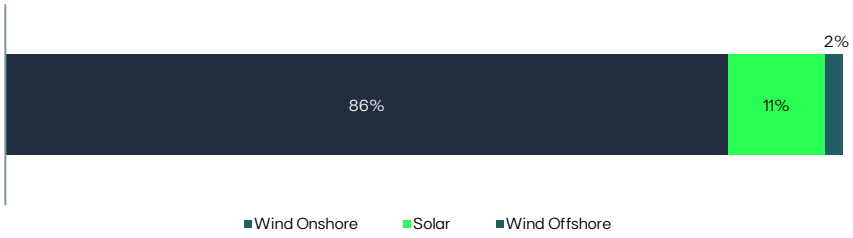
As of 2022, EDPR had, in terms of EBITDA + Equity capacity, 5,656 MW installed in Europe, 7,242 MW in North America, 1,114 MW in South America and 726 MW in APAC.

In terms of technology, EDPR continued its effort to diversify its portfolio, which translates into 12,724 MW of wind onshore, 322 MW of wind offshore and 1,691 MW of solar technology, that includes both solar PV utility-scale and solar DG.

Capacity by Region (%)



Capacity by Technology (%)



2022 installations were global, mainly driven by South America and APAC

During 2022, EDPR added a total of 2,121 MW, including the successful expansion in APAC through the acquisition of Sunseap, that now represents 5% of EDPR's portfolio.

More specifically, EDPR added 1,053 MW of wind onshore, corresponding to 378 MW in Europe, namely 145 MW in Spain, 100 MW in Poland, 83 MW in Italy, 32 MW in France, and 18 MW in Portugal. In North America, 96 MW were installed coming from a project in Mexico. Lastly, in South America, EDPR added 580 MW of wind onshore in Brazil.

In terms of solar capacity, 377 MW were added in Vietnam, 316 MW in the US, 230 MW in Singapore, 92 MW in the rest of APAC, 36 MW in Poland, 9 MW in Spain, and 8 MW in Portugal.

Pursuing its Asset rotation strategy, EDPR successfully concluded several Asset rotation deals that amounted to c.1 GW of capacity. In detail, EDPR sold a 100% stake in a 149 MW wind portfolio in Poland, a 181 MW wind portfolio in Spain, a 172 MW wind portfolio in Italy, a 260 MW wind portfolio in Brazil and in a 200 MWac solar project in the US, the latest under a Build & Transfer agreement.

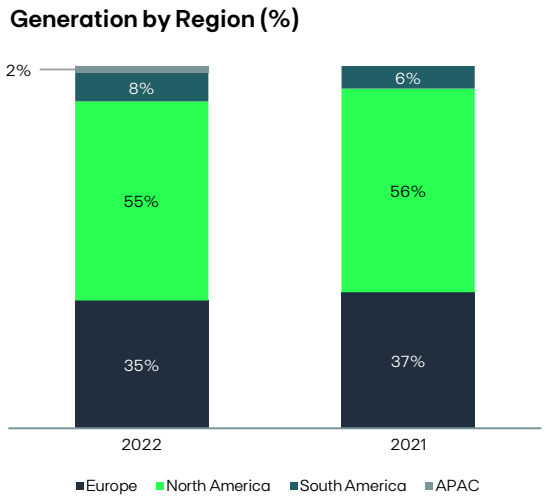
All in all, in 2022, EDPR consolidated portfolio net variation was of +1.2 GW.

10% increase Year on Year in generation

EDPR produced 33.4 TWh (+10% YoY) of clean energy in 2022. The YoY evolution comes in line with a higher installed capacity in the period and a better renewable resource YoY.

In 2022, EDPR achieved a 30% load factor (vs 29% in 2021) reflecting 98% of P50 long term average GCF, following a recovery of the renewable resource, especially in the first half of the year, mainly driven by North America.

EDPR achieved a 95% technical availability in 2022, with the company continuing to leverage on its competitive advantages to maximise the projects' output and also on its diversified portfolio across different geographies to minimise the renewable resource volatility risk.



Solid growth and diversified portfolio delivers balanced output

EDPR's operations in Europe were a major driver for the electricity production increase in 2022, increasing +4% YoY to 11.8 TWh and representing 35% of the total output. This is mainly explained by the new capacity in operation and stable renewable resource. In Europe, EDPR achieved a 26% load factor (flat YoY). In Spain, load factor during the year was 26% (flat YoY), while in Portugal reached a load factor of 27% (-1pp YoY). On the other hand, in the Rest of Europe, EDPR accomplished a 26% load factor (+1pp YoY).

In North America, output increased +8% YoY to 18.4 TWh, reflecting mainly a stronger renewable resource at 33% (+2pp YoY). North America represented 55% of EDPR's total output in 2022.

EDPR's production in South America, more precisely in Brazil, increased to 2.6 TWh (+39% YoY), mainly explained by higher installed capacity. The region represented 8% of all EDPR generation in the year, despite a lower load factor of 39% load factor (-2pp YoY).

Finally, APAC production during the year reached 0.6 TWh following the solar capacity additions in the year, and already represent 2% of all EDPR generation.

EDPR manages a portfolio of 14.7 GW, propelled by capacity additions in 2022

As of December 2022, EDPR had 4.0 GW of new capacity under construction, more than doubling 2021 levels of capacity under construction.

Capacity under construction has increased for solar technology during the last year, fostering portfolio diversification and supporting most of the additions for 2023 and beyond, of which the most sizeable ones are Moray West wind offshore project in the United Kingdom and the two wind projects in Colombia.

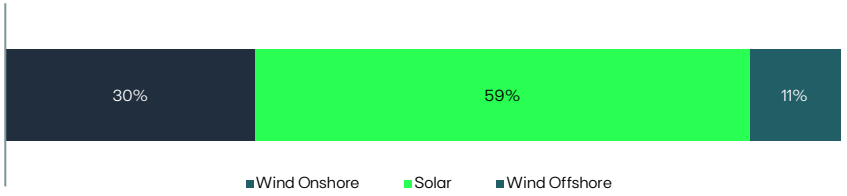
In terms of wind onshore, under construction capacity amounted to 188 MW in Europe, 119 MW in Italy, 22 MW in Portugal, 20 MW in Spain, 15 MW in France and 12 MW in Poland. In North America, 502 MW were under construction, of which 300 MW corresponding to wind onshore in Canada and 202 MW to wind in the US. In South America, Colombia had 504 MW of wind under construction.

Regarding solar capacity under construction, 659 MW were in Europe, more precisely, 193 MW in Italy, 184 MW in Poland, 170 MW in Portugal, and 112 MW in Spain. In North America, EDPR had 1,573 MW under construction, all of them coming from the US, and out of which 40 MW are related to the first capacity of storage of the company to start constructions. Finally, EDPR also had 126 MW of capacity under construction in APAC.

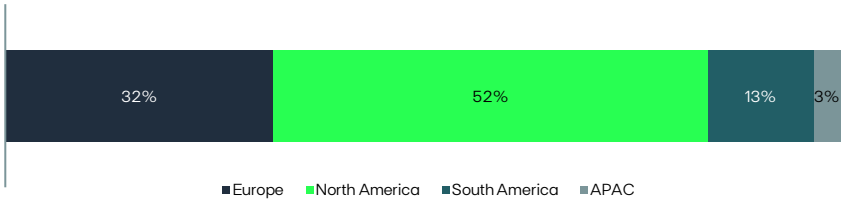
In terms of wind offshore, EDPR had, through Ocean Winds, 431 MW under construction at equity level coming from the Moray West project in the United Kingdom, which translates to 912 MW gross capacity.

EDPR has a young portfolio with 9 years of average operating age, with an estimate of over 21 years of useful life remaining to be captured.

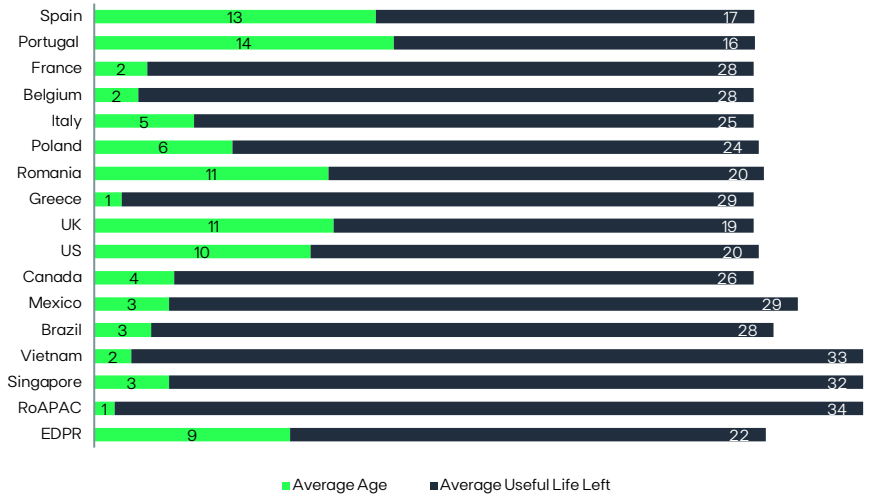
Capacity Under Construction by Technology (%)



Capacity Under Construction by Region (%)



Assets Average Life (years)



3.1.2. Financial performance

Income Statement

Revenues reached €2.4 billion and EBITDA summed €2.2 billion.



Revenues totaled €2,371 million (+35% increase vs 2021) on the back of additional installed capacity (+€251 million vs 2021), higher average selling price excluding Asset rotation (+€138 million vs 2021), Asset rotation effect (+€38 million vs 2021), better wind resource (+€43 million vs 2021), forex translation and others (+€145 million vs 2021).

Other operating income amounted to €526 million (-17% vs 2021), largely driven by €424 million related to capital gains from Asset rotation transactions closed during the year in Europe, US and Brazil.

Since 2021, macro environment has rapidly changed worldwide with supply chain unbalances and inflationary pressure leading into higher costs. EDPR continued to grow despite such circumstances. In this context Operating Costs (Opex) totalled €920 million (+36% vs 2021), given upfront costs to support expected growth over the coming years. In comparable terms, adjusted by offshore costs (mainly cross charged to projects' SPV), Sell-down assets deconsolidated, one-offs, service fees and forex, Core Opex (defined as Supplies and Services and Personnel Costs) per average MW was up 16% year on year.

In 2022, EBITDA summed €2,157 million (vs €1,760 million in 2021) and EBIT amounted to €1,412 million (vs €1,151 million in 2021). Net Financial Expenses increased to €449 million (vs €249 million in 2021) with comparison impacted by forex and higher average debt.

At the bottom line, Net Profit summed €616 million (vs 655 million in 2021). Evolution was impacted by higher financial expenses and impairments of PP&E in South America, that if excluded lead to a Recurring Net Profit of €671m (+2% vs 2021).

Non-controlling interests in the period totalled €201 million (vs €154 million in 2021), as a result of better overall performance.

CONSOLIDATED INCOME STATEMENT	2022	2021	Δ% YoY
Revenues	2,371	1,758	35%
Other Operating Income	526	636	-17%
Operating Costs	-920	-675	36%
Supplies and Services	-439	-336	31%
Personnel Costs	-241	-174	38%
Other Operating Costs	-240	-165	46%
Share of Profit of Associates	179	41	-
EBITDA	2,157	1,760	23%
EBITDA/Revenues	*91%*	*100%*	*-9pp*
Provisions	6	-2	-
Depreciation and Amortisation	-771	-623	24%
Amortisation Government Grants	20	16	23%
EBIT	1,412	1,151	23%
Financial Income/ (Expense)	-449	-249	81%
Pre-tax Profit	962	903	7%
Income Taxes	-145	-93	56%
Profit of the Period	817	810	1%
Non-controlling Interests	-201	-154	30%
NET PROFIT	616	655	-6%
Recurring Net Profit	671	655	2%

Balance sheet

In 2022 total equity increased by €396 million.

Total Equity of €10.6 billion increased by €396 million in 2022, of which €2,007 million are attributable to reserves and retained earnings. Equity attributable to EDPR shareholders increase is mainly explained by the +€616 million from Net profit in the period, along with +€30 million of the exchange rate effects, -€256 million from variation in fair value cash flow hedges and -€86 million from dividend distributions to EDPR shareholders.

Total Liabilities increased €5,066 million year on year to €16.9 billion, explained by the increase in financial debt (+€2,119 million), rents due from lease contracts (+€341 million), deferred tax liabilities (+€184 million), deferred revenues from Institutional partnerships (+€67 million), and other liabilities (+€2,524 million), despite the decrease in provisions (-€54 million) and in Institutional partnerships (-€115 million). Debt-to-equity ratio stood at 160% by the end of 2022. Liabilities were mainly composed of financial debt (36%; vs 34% in 2021), liabilities related to institutional partnerships in the US (8%; vs 13% in 2021) and other liabilities (39% vs 34% in 2021).

Liabilities to tax equity partnerships in the United States decreased by €48 million to €2,212 million. Deferred revenues related to institutional partnerships primarily represent the non-economic liability associated to the tax credits already realised by the institutional investor, arising from accelerated tax depreciation, and yet to be recognised as income by EDPR throughout the remaining useful lifetime of the respective assets. Deferred tax liabilities reflect the liabilities arising from temporary differences between the accounting and the tax basis of assets and liabilities. Accounts payables include trade suppliers, PP&E suppliers, deferred income related to investment grants received and derivative financial instruments.

As total assets summed €27.5 billion in December 2022, the equity ratio of EDPR reached 38%. Assets were 65% composed of net PP&E - property, plant and equipment representing €17.9 billion (+€3,329 million vs 2021). In detail it included +€3.4 billion of capex, -€0.6 billion of depreciation charges along with positive exchange differences of +€0.5 billion.

Net intangible assets of €3.0 billion mainly include €2.3 billion from goodwill registered in the books, for the most part related to the acquisitions made in the period.

STATEMENT OF FINANCIAL POSITION	2022	2021	Δ YoY
Property, Plant and Equipment, net	17,891	14,562	3,329
Intangible Assets and Goodwill, net	2,883	1,584	1,299
Financial Investments, net	1,201	1,003	197
Deferred Tax Assets	625	332	294
Inventories	80	62	18
Accounts Receivable - Trade, net	606	498	107
Accounts Receivable - Other, net	1,987	1,772	216
Right-of-use asset	988	669	320
Collateral Deposits	50	49	1
Cash and Cash Equivalents	1,172	1,004	168
Assets Held for Sale	9	496	-487
TOTAL ASSETS	27,493	22,032	5,461
Share Capital + Share Premium	6,402	6,402	-
Reserves and Retained Earnings	2,007	1,710	298
Net Profit (Equity Holders of EDPR)	616	655	-39
Non-controlling Interests	1,545	1,408	137
Total Equity	10,571	10,175	396
Financial Debt	6,160	4,041	2,119
Institutional Partnerships	1,423	1,537	-115
Rents due from lease contracts	1,040	699	341
Provisions	270	324	-54
Deferred Tax Liabilities	638	455	184
Deferred Revenues from Institutional Partnerships	790	723	67
Other Liabilities	6,602	4,079	2,524
Total Liabilities	16,922	11,857	5,066
TOTAL EQUITY & LIABILITIES	27,493	22,032	5,461

Cash flow statement and Investment activity

Operating cash flow impacted by top line performance

In 2022, EDPR generated Operating cash flow of €1,049 million (+29% vs 2021), due to a better top line performance. Operating cash flow is nothing more than the EBITDA net of income tax, income from institutional partnerships in the US, changes in working capital, and non-cash items that include the €424 million of capital gains from Asset Rotation transactions.

Cash flow evolution was mainly impacted by Gross Investments of €5,147 million (+80% vs 2021), driven by the higher levels of Capex at €3,446 million (+37% vs 2021) mainly in APAC and South America, fostering geographical diversification of the portfolio, and Financial Investments that reached €1,701 million coming mainly from the acquisition of two solar portfolios in APAC and Europe that are programmed to help EDPR diversify its portfolio technology wise.

All in all, Net Debt increased €2,003 million during the year.

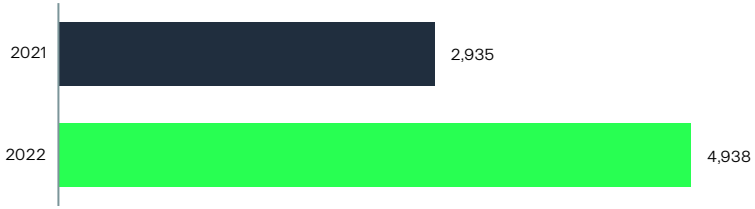
CASH FLOW	2022	2021	△% YoY
EBITDA	2,157	1,760	23%
Current Income Tax	-54	-41	33%
Income from institutional partnerships	-234	-177	32%
Non-cash items adjustments	-572	-534	7%
Changes in working capital	-249	-194	28%
Operating Cash Flow	1,049	814	29%
Net interest costs	-293	-89	-
Gross Investments	-5,147	-2,852	80%
Capex	-3,446	-2,522	37%
Financial Investments	-1,701	-330	-
AR proceeds	1,967	1,144	72%
Dividends to EDPR Shareholders	-88	-77	13%
Forex & Other	509	1,568	-68%
DECREASE/(INCREASE) IN NET DEBT	-2,003	508	-

Net debt

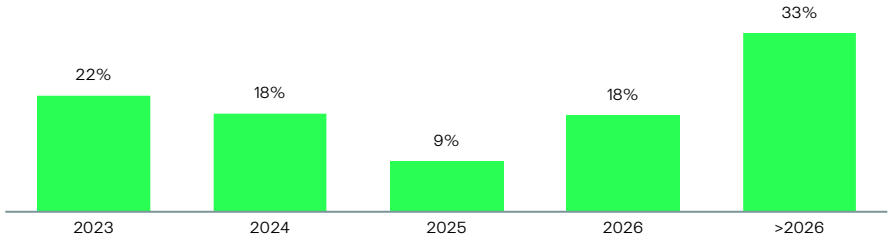
Supporting the investments that are behind the growth plan

As of December 2022, Net Debt totalled €4,938 million (vs €2,935 million in 2021) reflecting the investments made in the period, to support the company's growth targets, the negative forex translation and higher cost of debt that offset the better top-line performance and stronger operational cash flow that is supported among other things by the value generation coming from the Asset rotation deals concluded in the year.

Net Debt (€m)



Debt Maturity (%)



Income statement by region

Europe

In 2022, Europe increased its revenues to €1,279 million (+38% vs 2021) due to higher production at 11.8 TWh (+4% vs 2021) and higher prices, mainly in Spain (+52% vs 2021). Net Operating costs (Operating costs net of other operating income), increased to €80 million, primarily explained by the higher capital gains in the previous year. All in all, EBITDA in Europe totalled €1,248 million (+31% vs 2021), reflecting an EBITDA margin of 98%.

North America

In North America, revenues increased to €952 million in 2021 (+25% vs 2021) on the back of higher capacity and resource in period, with the previous year impacted by the one-off ERCOT event in the US during the first quarter of 2021. Net Operating costs increased to €332 million, reflecting mainly the higher number of Asset rotations concluded in the previous period. Operating costs increased +40% vs 2021. As a consequence, North America EBITDA totalled €655 million (vs €747 million in 2021), reflecting an EBITDA margin of 69%.

INCOME STATEMENT	Europe			North America		
	2022	2021	Δ% YoY	2022	2021	Δ% YoY
Revenues	1,279	926	38%	952	762	25%
Other Operating Income	308	350	-12%	89	270	-67%
Operating Costs	-389	-335	16%	-421	-300	40%
Supplies and Services	-205	-189	8%	-202	-157	29%
Personnel Costs	-54	-45	19%	-124	-89	39%
Other Operating Costs	-130	-101	28%	-94	-54	74%
Share of Profit of Associates	49	9	-	35	15	-
EBITDA	1,248	950	31%	655	747	-12%
EBITDA/Revenues	*98%*	*103%*	*-5pp*	*69%*	*98%*	*-29pp*
Provisions	6	-1	-	0.1	-1	-110%
Depreciation and Amortisation	-247	-252	-2%	-417	-351	19%
Amortisation Government Grants	0.9	0.6	50%	17	15	13%
EBIT	1,008	698	45%	256	411	-38%

South America

In South America, revenues increased to €89 million (+31% vs 2021) on the back of higher renewable resource and electricity generation (+39% vs 2021) in Brazil. Net Operating costs decreased to -€89 million, due to the €122 million of other operation income registered in 2022 mainly explained by the gains generated from the Asset rotation of a 260 MW wind portfolio in Brazil. All in all, EBITDA in South America totalled €177 million, (vs €49 million in 2021) reflecting an EBITDA margin of 200%.

APAC

2022 marked the integration of Sunseap in EDPR, during the first quarter of the year. In 2021, EDPR consolidated a single 28 MW solar project, which explains the comparison not being like-for-like. It should be noted that in APAC, the company registered revenues of €85 million and an EBITDA of €35 million, that translates into an EBITDA margin of 41%.

INCOME STATEMENT	South America			APAC		
	2022	2021	Δ% YoY	2022	2021	Δ% YoY
Revenues	89	68	31%	85	1	-
Other Operating Income	122	1	-	3	-	n.a
Operating Costs	-33	-20	71%	-52	-2	-
Supplies and Services	-23	-13	77%	-30	-2	-
Personnel Costs	-4	-2	79%	-21	-0.2	-
Other Operating Costs	-6	-4	49%	-1	-	n.a
Share of Profit of Associates	-	-	n.a	-0.4	-	n.a
EBITDA	177	49	-	35	-1	-
EBITDA/Revenues	*200%*	*72%*	*+128pp*	*41%*	-	*n.a*
Provisions	-	0.02	-100%	-	-	n.a
Depreciation and Amortisation	-19	-11	70%	-23	-0.4	-
Amortisation Government Grants	-	-	n.a	1	-	n.a
EBIT	159	38	-	13	-2	-

Note: Income statements only take into consideration countries with operating capacity

Other reporting topics

Subsequent events

EDPR informs about clawback taxes in Romania and Poland renewables generation

Madrid, January 9th 2023: EDP Renováveis, S.A. ("EDPR" or "company") informs to the market about regulatory developments in Romania and Poland where it operates 521 MW and 697 MW of renewables capacity respectively.

According to the European Union Council Regulation 2022/1854 of October 6th 2022 (Regulation), on an emergency intervention to address high energy prices, emergency cap mechanisms should apply on realized market revenues only, including hedging operations against fluctuations in the wholesale electricity market. This is necessary to avoid harming producers who do not actually benefit from the current high electricity prices due to having hedged their revenues against fluctuations in the wholesale electricity market.

In this context, governments in Romania and Poland have recently introduced emergency clawback mechanisms to restrict the revenues earned by renewable energy producers and other market participants. In Romania a 100% tax is applied on revenues over 450 RON/MWh as well as a withholding tax on behalf of offtakers. In Poland a clawback mechanism is applicable to non-CfD energy with 100% tax on revenues above 345 PLN/MWh for wind projects under Green Certificate (GC) scheme and the corresponding strike price for projects under CfD scheme.

EDPR considers that these new legislations in Romania and Poland do not follow the European Union Council principle of clawing back only realized market revenues as both ignore financial hedges in place within EDPR. These financial hedges follow the company's low risk strategy to secure long term revenues and to remove electricity prices volatility on the company's earnings. Ultimately, these new taxes may result in the cancelation of the effects of the existing risk management strategies legitimately implemented by renewables producers resulting in taxation of unrealized profits, clearly against the Regulation principles.

These developments in Romania and Poland have a direct impact on EDPR, that will have to pay the taxes as if it was benefiting from current high electricity market prices, without consideration of costs incurred with the associated financial hedges in energy markets. This non consideration of financial hedges can result in unreasonable payments and potential costs estimated at €0.3 Bn in 2023, depending on the evolution of electricity wholesale prices, final interpretation/implementation of the recently published legislations and their compatibility with international agreements in force.

EDPR will pursue all legal actions to contribute to the return to a fair rule of law that may support the much-needed investments in renewables in these countries and within the European Union.

Blackrock notifies acquisition of a qualified shareholding in EDPR

Madrid, January 23rd 2023: EDP Renováveis, S.A. ("EDPR") is providing the following information to the market:

Blackrock Inc. ("Blackrock") has notified EDPR that, in accordance with article 23 of Royal Decree 1362/2007 and as a result of transactions executed on January 20th 2023, it has crossed the 3% minimum threshold for qualified shareholding positions.

Following such transactions, Blackrock is attributed with 28,069,268 voting rights in EDPR, corresponding to 2.922% of the aggregate voting rights in the company.

EDPR completes Asset Rotation deal of a 260 MW operating wind portfolio in Brazil

Madrid, January 30th 2023: Following the information released to the market on October 6th 2022, EDP Renováveis, S.A. ("EDPR") is pleased to announce the completion to Sale and Purchase Agreement with Companhia Paranaense de Energia ("COPEL") to sell a 100% equity stake in 2 operating wind projects that total 260 MW of capacity, situated in the state of Rio Grande do Norte, Brazil, for an estimated Enterprise Value of BRL1.8bn as of December 31st 2021 (€0.3 billion @5.51 EUR/BRL rate).

With this transaction, EDPR has already secured €3.4bn of Asset rotation proceeds within the context of the €8bn Asset rotation program for 2021-25 announced in EDPR Capital Markets Day in February 2021, allowing EDPR to accelerate value creation while recycling capital to reinvest in accretive growth.

EDPR secures its first PPA in Greece

Madrid, February 14th 2023: EDP Renováveis, S.A. ("EDPR") is pleased to announce that it has secured a long-term Power Purchase Agreement ("PPA") with MYTILINEOS – Energy &

Metals, one of the largest industrial and energy companies in Greece, to sell the green energy produced by a 78 MW wind portfolio.

This deal marks EDPR's first PPA in Greece and it will be covered by a portfolio that consists of 3 wind projects that are expected to enter into operation between the end of 2024 and 2025, more precisely:

- 2 projects, with 23 MW and 35 MW respectively, located in Voiotia, Greece;
- 1 project with 21 MW located in Achaia, Greece.

With this new portfolio, EDPR has now 11.2 GW secured out of the 20 GW target additions for 2021-25 announced in EDPR Capital Markets Day in February 2021. Additionally, this transaction enables EDPR to achieve more than 3.6 GW of the 6.7 GW target for renewable capacity additions in Europe during 2021-25.

EDPR's success in securing new PPAs reinforces its low-risk profile and growth strategy based on the development of competitive projects with long-term visibility, fostering the acceleration of the energy transition and the decarbonization of the economy.

Information on average payment terms to suppliers

In 2022, total number of invoices paid by Spanish companies within the legal payment period amounted to 10,212 invoices, 97% of total invoices, while the payments made within the legal payment period amounted to €54,931 thousand, which represents 88% of total payments. The average supplier payment period was of 28 days, below the payment period stipulated by law of 60 days.

Own shares

As of December 2022, EDPR did not hold own shares and no transactions were made during the year.

3.2. Human capital

Key Data



2022 highlights

During 2022, EDPR was consolidated as a human-centred company under its new vision of one company, one culture, and one purpose, where "Our energy and heart drive a better tomorrow".

To become future-proof and evolve as a global, agile, and efficient organisation, EDPR needs empowered people that help the Company become prepared for its future challenges, ignited by a human-centred approach and a holistic development, which requires a common DNA and purpose that fulfil its business and people needs.

To bring this DNA and purpose to life, which was driven by the global development mindset rollout worldwide, a human skillset is a crucial piece of this transformational puzzle, helping EDPR translate who it is, how its delivers and what impact it wants to have in the world.

This skillset is composed by 3 axes:

- The first one is **Energy**: portrays EDPR's stamina and path until now, track record, ability to execute, and deliver results in an efficient way.
- Because EDPR is human-centred, its **Heart** highlights its people and their key role in delivering the Company's commitment to its clients, partners, and communities.
- And finally, EDPR's **Drive** reflects its ambition and leadership in making change happen, being bold to anticipate and embrace it.

In fact, the Company's increasingly global scope in business and geographies, made it revisit the purpose and skills needed to reinforce a one global company culture, mobilising it towards its goals and ensuring a common and engaging employee experience. In that way, EDPR has moved to a hybrid working model worldwide, looking for encouraging a culture of flexibility and well-being.

In addition to the significant organic growth seen in the countries in which EDPR was already present, 2022 was marked by an inorganic increase through two acquisitions. With the acquisition of Sunseap, the Company incorporated more than 500 employees present in 9 different countries in APAC. Sunseap will provide EDPR with local talent and knowledge in Asia-Pacific region and experience in distributed solar business. Additionally, in 2022 EDPR reached an agreement to acquire a 70% stake in Kronos, a solar developer company based in Germany. This acquisition allowed EDPR to enter in Germany and the Netherlands.

Employee journey

EDPR is aware that people are its most important asset, and that is why it is devoted to support the employee experience and life within the Company as a key factor in achieving the objectives of the 2021-25 Business Plan. A customised Employee Value Proposal is offered to employees throughout their journey in EDPR, which allows them to join a multinational team and grow along with it. EDPR believes that motivated workforce aligned with the Company's strategy is one of the key drivers behind the ability to deliver positive results.

In this sense, EDPR has a People & Organisational Development (P&OD) strategy defined by five key pillars: Empowered Organisation, Human-Centred Experience, People Management Lift, Capabilities for the Future, and Smart & Digital Ecosystem. Much has been done to advance each of these pillars during 2022, considering an active listening of the employees, and the Company will continue to make progress in each of them in the coming years.

During 2022, the Climate Survey was launched, in which 94% of the employees participated in all EDPR and a result of 86% Engagement was obtained.

EDPR continuously works to provide excellent conditions for its employees, to grow and develop talent at all levels, and to optimise its policies and practices. As a result, EDPR has been recognised again by the Top Employers Institute as one of the best companies to work for in Europe in 2022 and, at a local level, in Spain, France, Italy, Portugal, Poland, Romania and for first time in Brazil. The Company was also recognised as a 2022 Top Workplace in the United States. These certifications endorse EDPR as one of the best companies to work at worldwide thanks to the journey it offers its employees.



Attract

EDPR is facing a very challenging context, as growing its business requires attracting and retaining talented and empowered people.

Attracting talent

EDPR is leading energy transition process in the renewable energy sector and is aware that its team is key to achieve this. Therefore, the Company is continuously striving to attract talent, bringing in the right skills and profiles to address current and future business challenges, and retain professionals who seek to excel in their work.

In EDPR, non-discrimination and equal opportunities are guaranteed during all the selection processes. This is reflected in its Code of Ethics and Recruitment Manual of EDPR, which contains specific clauses on non-discrimination and equal opportunities, in line with the Company's culture of diversity, equity, and inclusion (DEI) and the respect for human and labour rights.

During 2022, EDPR implemented different talent attraction initiatives to strengthen its image as a leading employer:

- **Job fairs:** One of the basis of EDPR's philosophy in terms of attracting talent is to work on the pillars of the labour market, serving and attracting future professionals in the sector. In 2022, EDPR focused on both professional and field technician job fairs. This not only allowed the Company to connect with students and professionals, but also to achieve a higher brand awareness in the US, and to grow EDPR's early career bench with the upcoming talent of the future. Throughout the year, the Company attended 62 job fairs from the most relevant Universities and Business Schools worldwide, with an assistance of more than 30,000 students. In addition, EDPR revamped its employer branding initiatives with new approaches to attract talent, such as the open days.
- **Recruitment sources:** The most important recruitment source for EDPR, aligned with its P&OD strategy and philosophy, is its own team. In 2022, more than 15% of the planned positions were filled internally with EDPR employees, offering opportunities for growth and development. Nonetheless, EDPR's main source of recruitment is LinkedIn, covering up to 50% of the positions hired in 2022. LinkedIn historically is one of the best professional networks to recruit professional, young, and experienced talent, but due to the competitiveness in the market, EDPR had to be more creative in its recruitment approach. In this sense, different strategies have been defined to attract talent that include EDPR company profiles in new professional networks (such as XING for Germany and Handshake in the US), and a brand communication plan which includes initiatives associated with universities, entities recognised in the sector, and additional measures in the digital sphere that will strengthen EDPR's employer brand. This talent search also includes involvement of the hiring managers messaging talent in order to entice the connection with the Company.
- **EHUB:** EDPR NA and EDPR EU&LATAM platforms have worked together in close collaboration to build a specific unit of professional employees, focused on technical areas who support the North American areas who live in Porto, Portugal, and Madrid, Spain. This program started with 8-10 positions and now currently has 21 employees and growing, having little to no turnover within the group. The program provides a true global experience for the employee and hiring manager. Although the intent was not to move employees to the NA platform as the program grows, there are opportunities for the employees in Porto to move to the US.

Integrating the team

During 2022, EDPR welcomed 1,217 new hires (+87% than in 2021 mainly due to the integration of Sunseap and Kronos), of whom 31% are women. There were over 30 nationalities among the new hires, and their average age was 34 years old. 91% of the new employees correspond to levels of Specialists and Technicians, and 99% of the hires were allocated in permanent positions. In addition, 189 internships were carried out during 2022 in EDPR (+35% than in 2021).

The onboarding of the new team members plays a critical role in their success and builds relationships that are important in integration process, increasing motivation and performance. Aware of this, EDPR has an Onboarding Policy for new hires which details the process and measures to follow when integrating a new employee into the Company.

Some of the measures detailed in EDPR's Onboarding Policy are, apart from the administrative tasks associated with registration, establishing contact between the new employee and their future manager prior to incorporation, organising their first day of work, coordinating with IT, delivering the equipment required, and meeting with an HR buddy.

The onboarding approach in EDPR is not only about being close to the new hire during their first days, but providing support to clarify all the questions that may arise, monitoring closely their performance during their first 6 months at the Company, and completing a process of 6 milestones, all these in addition to frequent and direct contact from the Talent Attraction team to guarantee the correct integration of the new employee, which encourages engagement and shorten adaptation period.

A new measure introduced in North America for 2022 is a Digital Onboarding Assistant, which sends new hires key information on specific days following the date of hire, along with a dedicated internal site, which hosts a range of key information to help the employee onboard into both the Company and the department they work in.

In addition, EDPR shares a monthly newsletter to its employees where all the new hires' names, occupation and country of work are included, fostering their integration.

Experience

EDPR strives every day to create an environment of trust and professionalism among its team. To this end, it regularly implements activities, measures and campaigns that are important for the professional and personal development of employees, by offering an individualised Employee Value Proposition (EVP) with working conditions that allow employees to grow and thrive, helping their well-being and that of their families, supporting volunteer activities and promoting diversity, equity, and inclusion.

Individualisation

Part of EDPR's EVP is a competitive remuneration package aligned with the best practices in the market. EDPR's Compensation Package includes (i) an Annual Base Salary, (ii) a Variable Pay depending on the achievements of the Area, Company KPIs, and an Individual Global Assessment of the employee, and (iii) an above market practices, vital benefits package such as Health Insurance, Life Insurance or Pension Plan, besides the well-being benefits package. The remuneration package is not static, which means that it evolves at the same pace as the business and employees' needs and concerns.

Well-being and Flexibility

Both physical and mental health were once again a global priority. Accordingly, EDPR implements several initiatives focused on family, time, and health, offering its team a wide range of benefits that reinforce the Company's position as a flexible workplace with work-life balance policies; it also encourages an efficient use of time in employees' daily tasks to reconcile their professional and personal life while still achieving excellent results. As an outcome, EDPR's work-life balance practices have earned it the EFR Certification (Empresa Familiarmente Responsable) for ten years, awarded by the Spanish *Fundación MásFamilia*. In 2022, EDPR maintained the level of excellence in this certification obtained in 2021, which recognises the Company's efforts to reconcile professional and personal life, excellence, and flexibility. To achieve this continuously, EDPR is committed to constantly improve the initiatives implemented, which will enable it to provide the most progressive and appropriate benefits to employees.

During 2022, the Hybrid Model of work was established in the Company, in which employees can work remotely 2 days a week, where feasible, as EDPR believes that remote work is crucial to improve flexibility, work-life balance and the overall well-being of its team while remaining productive. The *Flex Fridays* initiative was implemented globally, which implies having Fridays' afternoon off through an intensive working schedule. In the EU&LATAM platform specifically, different initiatives to foster networking, communication, and relationship among employees in physical areas were put in place, such as the *Juice UP your morning* breakfasts which aim to foster moments that allow employees to interact in a relaxed atmosphere.

In addition, the Company has a wellness platform to further develop a culture of wellness and encourage healthy habits. The aim of the programs promoted by the platform is to create a culture where employees choose to voluntarily adopt healthy habits by sharing their experiences, form support networks to facilitate the process and motivate each other. To raise awareness on mental health, EDPR launched once again the *Mind Your Mind* campaign in October, which promoted educational talks with specialists, employees, and other key stakeholders on how to approach the topic, especially in the current social context.

Furthermore, EDPR has a volunteer program addressed to its employees in order to promote social responsibility, giving them the opportunity to grow not only at work but also personally while also contributing to the society.

Diversity, Equity, and Inclusion

As it looks forward, EDPR continues to evolve its organisation and is dedicated to fostering a culture of human equality and valuing the strengths of our differences, as it builds a more inclusive, sustainable environment for future generations. The Company wants to lead by example to create an equal, sustainable future. EDPR's goal is to contribute to improving the quality of life of its employees, removing professional barriers, and promoting gender equality, to ensure a transparent workplace environment where mutual respect and equal opportunities prevail. In accordance, there is a Diversity, Equity, and Inclusion Committee at EDP Group level to promote its commitment to these fundamental principles. The main objectives of the Committee are to reflect the Group's strategy on diversity, equity, and inclusion, including the definition and development of initiatives that contribute to a global action plan and local action plans, and to foster the exchange of knowledge and best practices. However, as a responsible company, the EDPR's goal is to actively promote these values in its team.

In this context, EDPR celebrated different milestones in terms of diversity like Women Month in March, Diversity Week in May and Disability Day in December, during which different trainings, initiatives and talks were carried out to raise awareness among employees on these important topics. The Company believes that with the right tools and knowledge, we will be able to have a truly inclusive culture and a more sustainable future.

In addition, EDPR is part of the "Empowering Women's Talent" program for the development of female talent promoted by *Equipos & Talento*. The program helps companies to learn, share, communicate and inspire about gender diversity, with the aim of promoting female empowerment and leadership.

At local level, EDPR organised multiple initiatives in Europe & Latin America during the year to promote diversity, inclusion and equity in different groups such as different generations, genders, abilities, and cultures. To this end, internal meetings focused on these topics have been held to promote activities and raise awareness in each of them and in all geographies within the region. These encounters, called *Waves*, were organised with different periodicity in each country, and interesting initiatives have arisen from them such as WomEng, aiming for the promotion of scientific-technological vocation among girls, based on awareness-raising and guidance actions, delivered by EDPR professionals in the world of engineering. Group mentoring is used to encourage girls' and primary school students' interest in STEM (Science, Technology, Engineering and Maths).

In North America, the Company made an investment to charter a corporate Toastmasters program with a DEI focus and the development of the team's underrepresented talent. This is a learn-by-doing program that focuses on effective communication and leadership skills. EDPR also had three of its employees participating in a book to promote women in STEM. The book is titled "Everyday Superheros". This multi-cultural children's book shares the colourful stories and energy careers of 26 diverse women powering our planet. Additionally, in September EDPR launched *Women Who Rise*, a specialised developmental program through a book club for women to advance their careers.

Not only does EDPR look within the organisation to institute change in its own DE&I, but the Company also participates in volunteer committees to support its local communities and create partnerships with non-profit organisations. One of these organisations is Black Girls Do Engineering, which focuses on STEM education of young black girls in middle and high school. Another organisation EDPR partnera with is Easter Seals, which provides resources for veterans and individuals with disabilities, and Dress for Success that helps to provide business attire and development tools to help women thrive in work and life.

As a result of its commitment and practices, EDPR was recognised again in the Bloomberg Gender-Equality Index (GEI) in 2022, a benchmark index that selects the listed companies most involved in the development of gender equality in the world. EDPR's inclusion as part of this index highlights the Company's work to promote equal opportunities for women through development, representation, and transparency policies.

In addition, during 2022, the Company was honoured with two Culture Excellence Awards in the US for its diversity, equity, and inclusion practices and for being a woman-led company.

EDPR is dedicated to continuously fostering a culture founded on human equality and the strength in diversity and will continue to lead by example. The Company upholds its commitment to Diversity, Equity & Inclusion not only through words, but through actions that truly make a positive impact on people.

Global Development Mindset

To address the needs for reinforcing a one company mindset, EDPR must foster an impactful development environment that translates into a holistic assessment that integrates individual's past (performance), present (skills), and future (agility), addressing business and people needs. A new global development mindset that also includes development conversations, a key tool and moment to foster an impactful experience. This ongoing cycle is supported by a new learning experience and culture that is flexible and led by everyone, according to their needs.

In this sense, EDPR is committed to the development of its employees, offering them an attractive professional career, and aligning their capabilities and skills with the current and future needs of the company. The growth and development of the Company's business leads EDPR to invest in the employees by discovering, improving, and emphasising the potential of each mainly through internal mobility, training, and development actions.

Holistic assessment

For an impactful and comprehensive development experience, EDPR strives to have a whole perspective of the employee, by learning how they perform, what skills they have, and their agility to evolve under new or unexpected conditions. To better develop its team, the Company must consider the infinite connection between past, present, and future. This connection gives EDPR different ingredients and insights that it should consider while assessing its people, in order to bring out their best self.

- **Performance (past):** Performance monitoring is quite essential for EDPR, from an individual perspective and for the organisation, since it:
  - Enables people to perform to the best of their abilities and produce the highest-quality work;
  - Provides feedback and support on their progress about what is expected from them according to each function/level, while allowing accountability;
  - Promotes greater differentiation between employees, fostering a fair and transparent consequent management.
- **Skills (present):** It is essential to realise that the skills that EDPR's employees have are, by consequence, also the Company' s competencies. Therefore, EDPR benefits from mapping the skills it has in house in order to fulfil skills gaps, and guide and tailor its development initiates considering its business and people needs.
- **Agility (future):** EDPR is committed to lead the energy transition and has an ambitious Business Plan accordingly. The best way for the Company to be prepared for this future and quickly adapt to market changes is by being flexible, creative, and resilient. To do this, EDPR fosters development also considering future needs, preparing the team for upcoming challenges and ensuring business continuity.

Learning

EDPR offers job-specific ongoing learning opportunities to contribute to the self-development of employees according to the new learning model as part of the Global Development Mindset. Regular and continuous Development Conversations with the Manager contribute to identify learning needs along the year in close relationship with strategic goals and the main business challenges, so they are anticipated and prioritised.

This approach implies a fluid learning process that happens in the pace of work, anytime, anywhere, anyhow.

A mature Learning culture requires a proper environment that stimulates curiosity, autonomy and share of learning among employees, not only through formal but also through informal ways. The offer has evolved to a more on-demand approach where employees have online learning contents and resources to personalise the learning experience. The Udemy's portfolio with over 11,000 online courses, Campus Online open contents, workshops and global talks or shared contents in EDPR's Global Communities online are part of this diversified learning experience.

The annual Training Plan also includes business specific programs (technical, management, behavioural), digital training focused on the digital upskill roadmap, mandatory topics addressed (safety, ethics, compliance, cybersecurity) aligned with the Company's challenges and new markets or technologies to ensure the sustainability of EDPR's business.

During 2022, EDPR delivered a total of 87,187 training hours throughout 4,828 sessions that included 44,551 participants. This translates into an average of 32 hours of training per employee and results in 96% of EDPR's team receiving training. With lessons learnt after COVID-19 pandemic, EDPR has consolidated different learning methodologies and selected

the best option who matches the requirements from both the contents and the participants: live online, e-learning, virtual remote formats and in-classroom training are part of the learning ecosystem in EDPR (a total of 74% of training hours or 94% of the attendances were delivered in online methodologies). Therefore, EDPR keeps on Digitalisation as one of the main training drivers that helped to accelerate and consolidate during 2022 because of the methodologies and by contents increasingly delivered on topics such as Collaborative Tools (Microsoft 365 suite), Agile or Design Thinking methodologies, Data Analyse tools, Digital Transformation, Cybersecurity, SMART business, IoT, Cloud or Artificial Intelligence.

Knowledge management

EDPR is aware of the importance of Knowledge as a valuable asset within the business and in employees' development. Thus, EDPR is boosting LINK as a knowledge platform, increasing the number of areas, domains and curated documents with valuable content captured and shared across the organisation encouraging the access to recommended documents. During 2022, EDPR organised a total of 3 sessions of *40fiveminutes*, an online initiative to easily share main business insights in a friendly and informal way to those employees who voluntarily register to the sessions.

Implementing a Global Development Mindset culture implies a strong knowledge sharing mindset, so EDPR strives to improve the use of knowledge by regularly distributing customised relevant documents or events, fostering the participation in Communities, offering regular talks, webinars, or clinics, working to adapt to new ways of learning reaching to all the generations present in the Company, and by establishing a hybrid work model.

Development Programs

To support the Company's growth and to align the current and future needs of the organisation with the skills of employees, as well as boost their professional growth, EDPR has included in the new global development mindset approach an holistic assessment (past, present, and future), development conversations and "anytime, anywhere" development tools, as long as different development programs that allow employees acquire the right tools to take on new responsibilities and adapt to new challenges:

- The **Lead Now Program** aims to support middle managers in their role as team leaders. As a result, participants have the possibility to self-assess their management style, improve the skills they need, and get to know the role they play in the different HR processes at EDPR, as well as the IT, internal tools and H&S systems that can help them develop their role. Through online sessions, two editions were delivered to 24 employees in 2022 in Europe and Latin America, and other five in North America in which 72 employees participated.
- The **Leader Coaching Program** in North America supports current and new leaders with focused leadership coaching via certified leadership coaches who provide Leadership Coaching, Transition Coaching for first-time managers, or Group Coaching for groups of leaders on leadership topics that align to current business environment. In 2022, 82 North America leaders attended Leader Coaching programs.
- The **Executive Development Program** is an advanced training with a similar philosophy of an MBA in which the main objective is to develop the vision, skills and management capabilities required to meet the many and diverse challenges that EDPR professionals must face. In January 2022, the edition launched in May 2021 ended with 30 participants. It was focused on different topics, such as Economic Outlook, Strategic Vision, Operational Excellence, Financial Management, Communication and Leadership, among others.

Mobility

EDPR considers both functional and geographical mobility as a tool that contributes to the organisational development by stimulating employees' motivation, skills, productivity, personal fulfilment and fostering the share of best practices. The mobility processes within EDPR aim to respond to the different challenges and needs of the Company, considering the characteristics of the different geographies. In 2022 there were 90 mobility processes, 40 of them functional, 34 geographical and 16 both functional and geographical. Entering in new geographies such as APAC has meant that new mobility opportunities have arisen. The different types of mobilities that we consider within the company are the indicated below:

- **Short-term assignments:** Applies to short-term international relocation (up to 1 year), not renewable, initiated by the Company, whose purpose is the development of projects or the development of the professional career of employees involved.
- **Expatriation:** This regulation applies exclusively to expatriation up to 3 years, renewable, (international assignment for the execution of management or mandate functions in the destination country or critical functions that may have been identified).
- **Commuting:** Applies to employees that perform simultaneously management and mandate functions in two companies located in different geographical regions or countries, one of them being the base location.
- **Local plus:** For employees going on long-term relocations (more than 1 year), through cessation of the work contract at the home company.

3.3. Supply chain capital

EDPR's market leadership, based in value creation capacity, innovation and relationship with its stakeholders, is much influenced by the performance of its suppliers. The Company's materiality matrix identifies the supply chain and its management as one of the most relevant aspects for EDPR, based on its importance for society and for the Company's own business.

Suppliers are a key stakeholder for the Company, and also a main partner to achieve its installed capacity growth targets and sustainability goals. Technical excellence, execution performance, economic competitiveness, together with sustainability are the basis of EDPR relationship with suppliers. This results in close collaboration, joint capacity to innovate, but also strengthen the sustainability practices and improve the quality of the Company's operations.

Key Data



EDPR's supply chain

EDPR has a strong interaction, and a permanent dialogue and engagement process with its supply chain, in particular with the suppliers of the critical equipment and services, understood as WTG (Wind Turbine Generator) & Solar Panels, Inverters, Structures/Trackers, Batteries, Balance of Plant (BOP) and Operation and Maintenance (O&M) contractors. These suppliers contribute in a meaningful and visible way to the value of EDPR core activities. This close relationship allows EDPR to benefit from all the new technical solutions and innovations available on the market to maximise the value creation in the projects worldwide. This partnership approach also helps EDPR to anticipate and mitigate Supply Chain disruption and to minimize impacts during the projects' execution.

High quality and sustainable procurement

EDPR's Procurement Policy establishes the framework under which the Company's procurement process is developed. This process extends to direct and indirect suppliers and allows EDPR to establish practices and procedures that ensure a high-quality relationship with its suppliers and sustainability practices through the entire supply chain. Some of these practices and procedures are: development of activities that promote the sharing of the best sustainability practices in EDPR purchases; contribution to the growth and profitability of the business through the promotion of initiatives for the progress and continuous improvement of the supply chain; systematic monitoring of suppliers' performance and risk profile; dissemination and implementation of EDPR's ESG policies (Environmental, H&S and Human and Labour Rights policies and Code of Ethics) in the acquisition of goods and services; and involvement and empowerment of all actors in the supply chain. Many of these practices are possible through continuous dialogue and engagement with suppliers where the main priorities of both parties are shared at the technical, implementation and ESG levels.

Implementation of the Procurement Policy leads to a better control in the suppliers' management process, assuring EDPR values are respected, high quality standards and minimization of the risks.

[1] EDPR defines spending in local suppliers at a country level as purchases to suppliers in countries where EDPR is present divided by the total invoiced volume in 2022; [2] Weight of each region on the total invoiced volume in 2022.

EDPR has in place requirements related to ESG, Quality and Risk management that have to be met by its suppliers throughout the main procurement phases: Registration and Qualification, Requests for Proposals and Contracting and, lastly, the Monitoring and Evaluation of the suppliers.

Registration and Qualification phase

The registration process is mandatory requirement for any company who intends to become a supplier or apply for a qualification process issued by EDPR. The Corporate System of Supplier Registration of the Company works as the support to search and select suppliers by providing detailed information, validated and updated by credible sources, in order to guarantee their accreditation through financial, technical quality and ESG criteria. EDPR has also its own Supplier Qualification Process in place since 2020 focusing in additional aspects specific to EDPR business. It aims to provide an analysis on critical issues and establishes minimum requirements to ensure that the suppliers EDPR works with are qualified: Technical capabilities & Quality Management, Financial & Risk, Compliance & Integrity, Health & Safety and Environmental Management criteria. The Company regularly reviews and reassesses the Qualification System criteria to ensure that they reflect the main market trends and regulations and that a high level of quality of the information available from suppliers is maintained.

In addition, during the Qualification Process, the Company shares for suppliers' knowledge: EDPR Code of Ethics, EDPR Integrity Policy and EDP Supplier Code of Conduct.

The qualified suppliers are then included in a Qualified Suppliers List who then are able to participate in the EDPR bidding and contracting process, during the qualification validity period. Only those suppliers who have been qualified and are included in a Suppliers Qualification List will be able to receive a subsequent award.

Request for Proposals (RFP) and Contracting phase

The incorporation of adequate criteria in the contracting processes of the Company is essential to ensure in-depth management, mitigation, and avoidance of operational and ESG risks in the supply chain.

Request for Proposals (RFP) from suppliers

In 2022, EDPR has included an additional analysis on 5 ESG priorities in its turbine and module tenders (RFPs): Decarbonisation, Circular Economy, Human Rights, Health and Safety, and Transparency and Reporting. EDPR analyses corporate policies, targets, strategies, statements, roadmaps and other corporate documents or procedures that show suppliers' commitment to EDPR's ESG priorities. This analysis also helps the Company to avoid and mitigate potential ESG risks.

Adequate compliance by all EDPR suppliers with applicable H&S and environmental requirements is essential to guarantee the correct performance of the contracted services and works. Aiming to ensure that suppliers comply with these requirements, the Company has established a disciplinary and sanctioning regime, which is included in all RFPs, contracts, and purchase orders so any provider will be always informed about the consequences of not complying with EDPR H&S and environmental requirements.

Moreover, EDPR has a Third-Party Integrity Due Diligence Procedure which was approved with the goal to reinforce the mechanisms for identifying and preventing possible integrity or corruption risks for EDPR in the relationship with third parties. In this sense, during 2022, 385 Compliance analysis of suppliers were performed (closed Integrity Due Diligence Analysis). In addition, an internal tool has been developed to facilitate the management of the Integrity Due Diligence analyses. In cases with high risk, it is necessary the approval of the Management Team, and the inclusion of robust clauses related to corruption in the corresponding agreements is recommended. These IDD allows the Company to verify public sanction lists, Political Exposed Persons lists (PEPs) and adverse media, in order to avoid any integrity risk.

Supplier Contracting and Awarding

In addition, during the contracting and awarding phase, the Company also establishes a fluent dialogue and shared of information with strategic suppliers through the traceability information requests and meetings. Technical components, including serial number and manufacturing origin must be provided by suppliers during this phase, ensuring traceability and enabling post-contracting manufacturing audits. This traceability information on the origin of the components allows the company to assess and avoid potential ESG risks.

In parallel, financial capacity of the suppliers and their insurance policy are evaluated according to the EDPR's Credit-in procedure that defines the requirements to ensure the compliance with EDPR's Counterparty Risk Policy and the proper follow-up of active

guarantees. EDPR Counterparty Risk Policy sets the methodology and process to measure counterparty risk of new contracts, monitor counterparty risk of existing contracts, define in which moments and situations it should be used and establish guidelines and mitigation instruments to reduce counterparty risk when they exceed established limits.

Monitoring and Evaluation phase

In order to guarantee that the suppliers comply with the previously mentioned requirements, EDPR monitors strategic suppliers during their services delivery and activity in EDPR's facilities.

EDPR has two mechanisms to ensure that suppliers comply with its contractual obligations: passive mechanism and active mechanism.

- The **passive mechanisms** are those related to suppliers' disclosure when they identify any situation, infringement, or circumstance that may affect the agreement.
- The **active mechanisms** consist in:
    - Physical audits of the manufacturing process and the right from EDPR to audit/request information to the supplier. EDPR could audit those factories where its components are manufactured and produced.
    - Inspections that EDPR performs during the construction and operation phases, to monitor the suppliers' and contractors' performance regarding environmental and H&S aspects and to identify potential risks. In 2022, EDPR performed 2,277 inspections (+31% than in 2021) to 274 suppliers (+1% YoY) regarding EHS procedures. These inspections and audits are performed by EDPR to ensure best practices among contractors and to guarantee that these services are performed in a rigorous and standardized manner. As a result of these inspections, the Company identifies corrective actions needed and establishes an action plan for continuous improvement.
    - EDPR hires an external party for additional supervision in these areas. These processes are reinforced by the integrated Health and Safety and Environmental Management System, which was developed and externally certified according to international standards ISO 45001 and ISO 14001.
    - In Europe & Latin America, EDPR has a Suppliers Sustainability Guide in place for both construction and O&M operations, providing an overview of the sustainability requirements EDPR expects its suppliers to meet, including H&S, environmental and ethical requirements.
    - In addition, in Europe & Latin America, EDPR classifies suppliers according to their HSE score and risk. This performance evaluation allows to classify suppliers and then implement an action plan according to other procurement processes, since adequate compliance by all EDPR suppliers with applicable H&S and environmental requirement is essential to guarantee the correct performance of the contracted services and works.

EDPR's scope 3 and supply chain decarbonization

EDPR's activity inherently contributes to the achievement of global climate goals. Despite this, scope 3 has become a priority for the Company, as most of the Company's emissions are directly related to the supply chain.

Therefore, EDPR has implemented during 2022 a methodology for measuring upstream emissions from the supply chain, for which it has been essential to engage with suppliers to know the emissions linked to their activity with EDPR. As with other aspects, EDPR has established as a priority to continue improving the assessment and disclosure of its supply chain emissions. Please refer to chapter 4. GRI Reporting for more information on EDPR's scope 3 emissions.

3.4. Social capital

At EDPR, there's a commitment to integrate the social aspects in planning and decision-making and to guarantee responsible operations throughout the whole lifecycle of its business. As a result, EDPR undertakes to respect and foster due respect for these practices within the Company and in its supply chain.

Specifically, EDPR believes it is indispensable to contribute to the development of the society respecting both human and labour rights and creating value in different ways, for different people. With this in mind, the Company is guided by three key social responsibility principles: guarantee the highest health and safety standards, respect human and labour rights in the whole value chain and, lastly, support communities.

3.4.1. Guarantee the highest health & safety standards

The health and safety of those who contribute to EDPR's activities is a key value and a priority for its success. Consequently, the Company aims to promote and build on a positive safety culture in which every employee, service provider and supplier is engaged. According to its Code of Ethics, EDPR undertakes to give priority to the employees and suppliers' safety, health and wellbeing and to ensure the development of appropriate occupational health and safety management systems. The commitment to guarantee the welfare of employees and contractors is further supported by EDPR's Occupational Health and Safety Policy.

EDPR's integrated Health & Safety and Environmental Management System was developed and certified according to international standards ISO 45001 and ISO 14001 for a more global and efficient approach, simplifying processes and managing the potential risks of its activity. The HSEMS, where synergies play a fundamental role, was implemented and jointly certified by an independent certifying organisation. The implementation of this integrated system allows for better management and prevention of accidents, with the objective of zero accidents overall. The commitment to health & safety is further supported through the ISO 45001 certification, which covers c.100%[1] of EDPR's installed capacity by the end of 2022.

Key data

During 2022, EDPR registered 39 work-related injuries that resulted in lost workdays for employees and contractors (+3% YoY). One of these injuries was fatal and EDPR has defined an action plan with corrective measures to further mitigate these incidents, which was revised and approved by the Company's Management Team.

In 2022, the injury and the lost day rate were 2.5 work injuries per million hours worked (+22% YoY) and 166 days lost due to work accident per million hours worked (+26 YoY), respectively. The interannual variations of these ratios are mostly impacted by a decrease in worked hours (-16% YoY) mainly in Brazil due to the conclusion of construction works carried out during 2021, as the country had 580 MW under construction by the end of 2021 and none by the end of 2022.

2022 highlights

EDPR continuously works to improve its health & safety indicators and to bring awareness to the best practices, having implemented several initiatives throughout the year in this sense.

EDP Group launched *PlayItSafe*, a global safety program transversal to the entire Group which focuses on the continuous improvement of the Company and its procedures, with a special focus on accident prevention. This initiative seeks to sensitise all employees to the importance of adopting safe behaviours and will last for four years.

The underlying work and this program will be done around six priority axes, essential to achieve the objectives of accident reduction. They are:

- The commitment and involvement of our leaders in Prevention and Safety;
- The promotion of safe behaviour and learning from mistakes;
- Digitisation of processes and operations;
- Strengthening skills in the area of Prevention and Safety;
- Communication and involvement with Prevention and Safety;
- Management of the contracting chain.

Within the framework of these axes, in 2022 the Group mainly invested in closer and more transparent communication, trying to reach all employees and strengthen its safety culture.

[1] Calculation based on 2021YE installed capacity (EBITDA MWs). EDPR certifies the facilities the year after the COD (commercial operating date). Thus, the facilities that have entered into operation in 2022 will be certified in 2023.

Specifically, a global and monthly campaign was developed to talk about the main risks that employees are subject to in their professional context, and the fatal accident was communicated through an email from the CEO to all employees for the first time. This was also the year in which the Group focused on investing in training its team leaders and managers, reinforcing the conviction of leading by example.

In addition, in 2022 the Hybrid Model of work was established in the Company, in which employees can work remotely 2 days a week, where feasible, as EDPR believes that remote work is crucial to improve flexibility, work-life balance and the overall well-being of its team while remaining productive. Also, the *Flex Fridays* initiative was implemented globally, which implies having Fridays' afternoon off through an intensive working schedule.

Lastly, as both physical and mental health were once again a global priority in 2022, EDPR also implemented several initiatives focusing on employees' general health and well-being. In this context, the Company has a wellness platform to further develop a culture of wellness and encourage healthy habits. The aim of the programs promoted by the platform is to create a culture where employees choose to voluntarily adopt healthy habits by sharing their experiences, form support networks to facilitate the process and motivate each other. To raise awareness on mental health, EDPR launched once again the *Mind Your Mind* campaign in October, which promoted educational talks with specialists, employees, and other key stakeholders on how to approach the topic, especially in the current social context.

3.4.2. Respect human and labour rights

For the Company, it is a top priority to promote human rights and fair labour practices across the entire value chain. EDPR respects and undertakes to promote Human and Labour Rights internally, in its suppliers, customers and the communities where it operates, namely in indigenous communities. This commitment has been reflected in EDPR's Code of Ethics since 2009. However, given the increasing relevance of this topic, EDPR's first Human and Labour Rights Policy was approved in 2022.

This Policy applies to all EDPR Group companies and employees, business relationship and activities, in all its geographic locations, regardless of the local practices or level of social and economic development. In addition, it is articulated with the Code of Ethics, the Stakeholder Relationship Policy, and the Supplier's Code of Conduct, and identifies the references, norms, and international conventions to which it is submitted, establishing the principles and procedures that ensure compliance with them.

As stated in its Human and Labour Rights Policy, EDPR is committed to respecting and enforcing all internationally recognised human and labour rights, which translates into:

- Supporting the International Bill of Human Rights, subscribing to and implementing the Principles of the United Nations Global Compact and the instruments to protect vulnerable people and groups;
- Applying the ILO Declaration on Fundamental Principles and Rights at Work and related conventions and the Tripartite Declaration of Principles concerning Multinational Enterprises and Social Policy;
- Operating a human and labour rights management system that is active and present in all its activities, implementing the United Nations Guiding Principles on Business and Human Rights, the OECD Due Diligence Guidance for Responsible Business Conduct, and the Directive of the European Parliament and of the Council on Corporate Due Diligence and Corporate Accountability.

These commitments are also reflected in EDPR's Code of Ethics, which contains specific clauses regarding non-discrimination and equal opportunities in line with the Company's culture of diversity and respect for human and labour rights. The commitments in this Code are equally applicable to EDPR business partners, representatives and suppliers who are, in any way, entitle to act on behalf of EDPR.

EDPR also requires its suppliers and service providers to comply with its ethical standards. In this way, the alignment with the spirit of EDPR's Code of Ethics is required. Moreover, the Sustainable Procurement Policy references the promotion of respect for dignity and human rights, and the rejection of any form of forced labour or child labour, harassment, discrimination, abuse, or other types of physical or psychological violence.

In addition, as stated in its Code of Ethics, EDPR promotes a culture free from any sort of harassment, understanding this to be systematically undesired behaviour of a moral or sexual nature, in a verbal, non-verbal or physical form, which has the goal or effect of disturbing or embarrassing another person, or affecting their dignity or creating an intimidating, hostile, degrading, humiliating or destabilizing environment. Harassing forms of behaviour in a business context violate the victims' labour rights, and may affect their value as people and workers, causing harm that can have an impact on their self-esteem, physical and mental health, life project and family relationships. Therefore, in addition to the legal obligations to which EDPR is subject to, the Code of Ethics also states that it is the duty of all employees to prevent, confront and report all behaviour that may preclude a situation of harassment.

In this regard, EDPR's Speak Up Channel is accessible to all employees, customers, suppliers and other stakeholders that may be adversely impacted by the Company or, irrespective of this, that wish to complain, denounce, clarify or expose any situation of ethical nature, including those related to human and labour rights.

The Ethics Ombudsperson, an independent third party that is behind the Speak Up channel, receives the complaints and doubts submitted through this channel and investigates and documents the procedure for each of them. A preliminary report is then submitted to the Ethics Committee, whose main goal is to ensure compliance with the Code of Ethics within EDPR.

3.4.3. Support communities

The Company believes that besides excelling in the way it performs, there must be a main factor weighing in every action or activity EDPR does – people. The Company considers that in order to have a positive impact on society, it is vital to work for the common good by promoting and supporting social investment activities.

EDPR's strategy for social investment reinforces two major topics - Fair Energy Transition, and Culture - having defined concrete objectives for the allocation of social investment to each of these themes.

- The **Fair Energy Transition** theme, which englobes social investment activities such as Closer2You, Keep it Local, Wind Experts and Your Energy, aims to promote energy efficiency, renewable energy and decarbonization through increased awareness, supporting education on renewable energy for all. This thematic focus is greatly aligned with EDPR's business and therefore also promotes a more efficient use of the Company's skills, thus contributing to supporting communities in a more efficient manner.
- The **Culture** theme, which englobes EDPR's Powering Culture initiative, contributes to the protection and promotion of cultural heritage, local traditions and access to culture and art, contributing to a more vibrant and creative society.

In parallel and recognising the need to continue supporting projects that respond to other social needs of the communities where EDPR is present, the Company will maintain its investment in various topics such as health, social inclusion and response to emergency situations, among others.

In this context, and as an integral part of the communities where it operates, EDPR undertakes to maintain a relationship of proximity with the local communities engaging in regular and open dialogue, seeking to know their needs, respecting their cultural integrity and looking to contribute to improve the living conditions of local population, taking measures to consider and respect the community interests. Therefore, in line with its social investment strategy and the communities' needs and expectations, EDPR has defined a Catalogue of Activities that works as a tool for defining the social investment made in local communities. Nevertheless, in addition to the development of social activities, EDPR provides long-lasting economic benefits to the surrounding areas that include, but are not limited to, infrastructure investments, tax payments, landowners' royalty payments and job creation.

However, as a responsible company, EDPR works to promote the wellbeing and development of not only the communities where it operates but also of society in general, focusing on the people who contribute to the success of the Company's business and how society may benefit from it. In this context, and following the humanitarian crisis in Ukraine, EDPR made a €500 thousand donation to help support Ukrainian refugees in Poland. Specifically, the funds were used to distribute food to those in need in close partnership with NGOs that are very engaged in emergency support to the people fleeing the war to Poland. The donation adds up to the Group mobilising resources and equipment in affected communities as a response package for the humanitarian crisis. Aid was also sent to organisations working with victims on the front line – such as the Red Cross and Doctors of the World – in the form of the donation of essential goods and direct economic assistance.

Due to EDPR's presence in Poland, Romania and Hungary, there is regular contact with local authorities, to whom aid was also provided as required to support those communities on the border with Ukraine. In addition to this emergency response package, in-house action launched by volunteers of the Group was also carried out in the form of more local initiatives, helping refugees in Portugal and other countries.

Globally, during 2022, EDPR invested a total of €2.4 million in supporting communities, as a result of several activities such as internally developed and collaborative initiatives, donations to charitable organisations and volunteering activities. 23% of EDPR employees participated in volunteering initiatives, contributing with more than 2,500 hours of their time to the development and wellbeing of the society.

All in all, the Company believes that this support powerfully contributes to make EDPR's vision of a sustainable, safe, and healthy world a reality.

3.5. Natural Capital

Wind and solar power are two of the most environmentally friendly ways to produce energy, while contributing to achieving global climate goals and decarbonizing the economy. Despite the positive impact of EDPR's activities on the environment, the Company continues to implement processes and measures to manage ESG issues, and works on a daily basis to protect the natural capital and ecosystems in which it operates. As a result of this commitment, EDPR integrates ESG aspects into the Company's decisionmaking, with sustainability playing a key role within the EDPR's Business Plan 21-25. Specifically, environmental issues are two of the specific ESG targets included in the BP.

EDPR's Environmental Policy establishes the Company's specific commitments to contribute to the mitigation of climate change, the promotion of the circular economy and the protection of biodiversity. The Policy reflects EDPR's approach to complement the Company's strategy through responsible and proactive management of environmental aspects along its entire value chain. EDPR implements measures to prevent, correct and compensate any potential impact on the environment, establishing a series of commitments to ensure the proper implementation and maintenance of an effective Environmental Management System at its facilities.

The integrated Health & Safety and Environmental Management System, developed and certified according to international standards ISO 45001 and ISO 14001, enables EDPR to adopt a global environmental and safety efficient approach, standardizing processes and allowing the Company to manage the potential risks of its activity. This management system is implemented and then certified by an independent certification organization. By the end of 2022, ISO 14001 certification covers c. 100%[1] of EDPR's installed capacity.



With an expected life span of 30 years, EDPR's wind farms will pay back their life-cycle energy consumption in less than one year[2], meaning that for the remaining 29 years of their life cycle they will be producing clean energy.

[1] Calculation based on 2021YE installed capacity EBITDA. EDPR certifies the facilites the year after the COD (commercial operating date). Thus, the facilites that have entered into operation in 2022 will be certified in 2023;

[2] According to the life cycle assessments of our main turbine suppliers.

2021-25 Business Plan Targets		1. Development	2. Construction
20 GW Gross additions	Climate Change	EDPR promotes the development of new renewable energy projects that contribute to achieving global decarbonization goals and fight against climate change. During the development phase, the Company's highly experienced and qualified EDPR promotion teams locate the best sites for renewable energy generation, based on the necessary resources (wind and sun) and with nearby transmission lines.	EDPR aims to be a reference in the industry for building the most cost competitive, safe and efficient wind farms and solar plants in order to generate clean energy and help protect the climate. The Procurement, Engineering and Construction teams from EDPR are well equipped to select the best wind turbines and solar panel systems based on each project's specifics. The Company also uses in-house expertise to design the best sites, and assure top-class engineering and construction standards.
85% Recovery rate for waste generated in the whole value chain	Circular Economy	During the development phase, EDPR takes into account circular opportunities when designing the facilities. The search for circular solutions in this phase allows the Company to design facilities that are as circular as possible, taking advantage of rainfall resources and taking into consideration future waste treatment and collection. EDPR, through its sustainability guides and its engagement with suppliers during the RFPs, shares with them the recyclability of materials as one of the Company's priorities.	The construction phase is essential to the circularity of the Company and its operations by promoting the efficient use of natural resources and maximizing the recovery of waste and resources, as well as their reintroduction into the economy as by-products. An example of this is the Company's use of earthworks to backfill and level the facilities. In addition, the environmental monitoring and surveillance of the construction works ensures a sustainable use of resources, as well as the correct management of the waste generated.
100% Facilities with high biodiversity risk with action plans defined	Biodiversity	EDPR conducts environmental viability studies to identify environmental constraints and ensure the best location for projects. In addition, through Environmental Impact Assessments (EIAs) and other studies, the environmental impacts of projects are assessed in detail. All these studies, carried out by external professionals, allow the Company to take into account and manage potential impacts on the surrounding flora and fauna, as well as to implement preventive measures to avoid them. During 2022, EDPR invested 6.6 million euros in environmental impact studies (EIAs and other monitoring and environmental impact studies) for its projects.	The construction phase is closely supervised by EDPR to minimise potential impacts or disturbances and to ensure adequate restoration of the land once the works are completed. In this regard, the Company has ensured the restoration of 100% of the areas affected by non-permanent infrastructure. During 2022, in a solar project in Spain, EDPR has achieved more than 100% restoration rates, revegetating the area between the solar panels and around the plant, generating a positive impact on the beekeeping panels in the area. In addition, the environmental monitoring of the construction works is the key process to ensure that the risk to biodiversity is adequately managed, to avoid potential impacts and to implement the necessary corrective measures.

2021-25 Business Plan Targets		3. Operation	4. Dismantling / Repowering
20 GW Gross additions	Climate Change	EDPR produces renewable energy, which inherently involves contribution to the fight against climate change and the reduction of GHG emissions. Both wind and solar energy are emission-free and do not produce harmful SOx, NOx or mercury emissions, thus protecting air and water resources. During 2022, EDPR's operations allowed the Company to avoid the emission of 20 million tons of CO_2. In addition, CO_2 emissions related to EDPR's activities (including its upstream emissions) represent only 14% of total emissions avoided.	The efficiency of wind turbines and solar panels, as well as their end of life, are evaluated by the Company for their replacement or dismantling. The repowering of wind farms has been one of the solutions applied by EDPR, which consists of reducing the number of wind turbines and replacing them with more efficient models. The new modern models allow the Company to increase installed capacity, CO_2 avoided and clean energy generated ,while reducing the land area per MW.
85% Recovery rate for waste generated in the whole value chain	Circular Economy	EDPR promotes a sustainable and rational use of the resources it needs, as well as a reuse of components whenever possible. In this regard, the Company encourages the recovery and recycling of waste. In 2022, EDPR recovered 74% of the total waste generated in its operations, and 90% of the hazardous waste. Most of this waste is related to the necessary maintenance of the assets during their operational phase, with the remaining part coming from the offices. For the time being, the activity carried out by EDPR does not involve material water consumption. However, the Company continuously analyses this variable for its correct management.	In the case of wind turbines, the recycling rate is between 80-90%[2], as the remaining percentage is related to turbine blades, which are composed and manufactured with complex materials that make them difficult to recycle. As the Company's solar energy capacity grows, EDPR integrates circularity criteria into its operations and decision-making process. EDPR is committed to supporting processes and initiatives to recover blades and promote the circular economy. In addition, EDPR integrates circularity criteria in upcoming dismantling projects and takes them into account when working with suppliers at this stage.
100% Facilities with high biodiversity risk with action plans defined	Biodiversity	In order to ensure that suppliers comply with environmental requirements during the operation and maintenance phase, EDPR has an environmental monitoring plan implemented by an external party. In this regard, EDPR conducts internal inspections to monitor the environmental performance of contractors, in order to ensure proper monitoring of operations and the implementation of measures and initiatives to protect biodiversity. In 2022, EDPR performed 1,425 inspections to 214 contractors on their environmental procedures during the construction and operation of the Company's projects.	The Company is committed to cleaning and rehabilitating the land to return it to its initial state, as well as minimizing any potential impact generated. To this end, EDPR has been working on an environmental management guide for the dismantling phase, with the aim of serving as a framework for all the measures to be applied in the process, including biodiversity criteria.

3.6. Digital Capital

The digital journey is a never-ending transformation given the rapid evolution of Technology and its big impact on the Business and the People.

Accordingly, digital transformation is one of EDPR's strategic pillars for the coming years, as we must continue to improve our digital capabilities to stay competitive with our peers as we continue to grow, focusing also on sustainability. EDPR's digital strategy involves not just the use of new technologies, but also a digital mindset awareness and engagement within the organisation, along with a clear definition of the processes that will change from physical to digital.

Since 2021, Digital Transformation Committee, was formally created to sponsor and enable digital transformation as a competitive advantage for EDPR. The Committee is sponsored directly by the Management Team and the 3 main areas that were designated Boosters (People, Process, Technology).

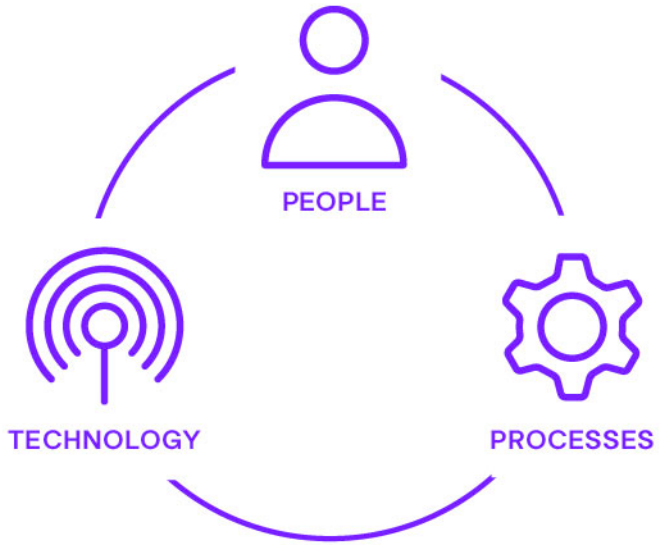
In this context, "digitalise" is one of the action verbs of EDPR, that includes a very significant number of innovative projects with the same purpose: "Business transformation" and "Business culture".

During 2022, different initiatives have been deployed towards having a holistic approach to digital within EDPR. In order to speed up the transformation needed at a complex and fast-growing organisation, a Digital & Technological Transformation Program was launched after an initial assessment that identified opportunities on data usage, digital development, systems duplication, cybersecurity governance and technology orchestration.

In late 2022, EDP Group launched a new digital maturity assessment globally with 3 goals:

- Get a fresh understanding of the Group's digital maturity based on benchmarks of its peers and focusing on potential gaps and untapped value pools.
- Consolidate a Group-wide and cross-Platform digital narrative and value story.
- Define a set of recommendations to accelerate value-focused digitalisation across Platforms and DGU (Digital Global Unit), adding to current digital roadmaps or building new ones.

Throughout the year, EDPR invested €6 million (CAPEX) Digital projects and obtained a score of 4.31 on a scale of 1 to 5 in the "IDC Digital Maturity Index" (compared to 4.05 accomplished last year). EDPR reinforce the path as a Digital Transformer achieved in 2021. The "Digital Maturity Index" is an external evaluation that fosters the continuous improvement mindset in EDPR. In 2022, the followed model was established by IDC & Universidade Catolica, and similarly to last year it was based in five pillars: 1) Leadership; 2) Omni-Experience; 3) Work source; 4) Operating Model; 5) Information.



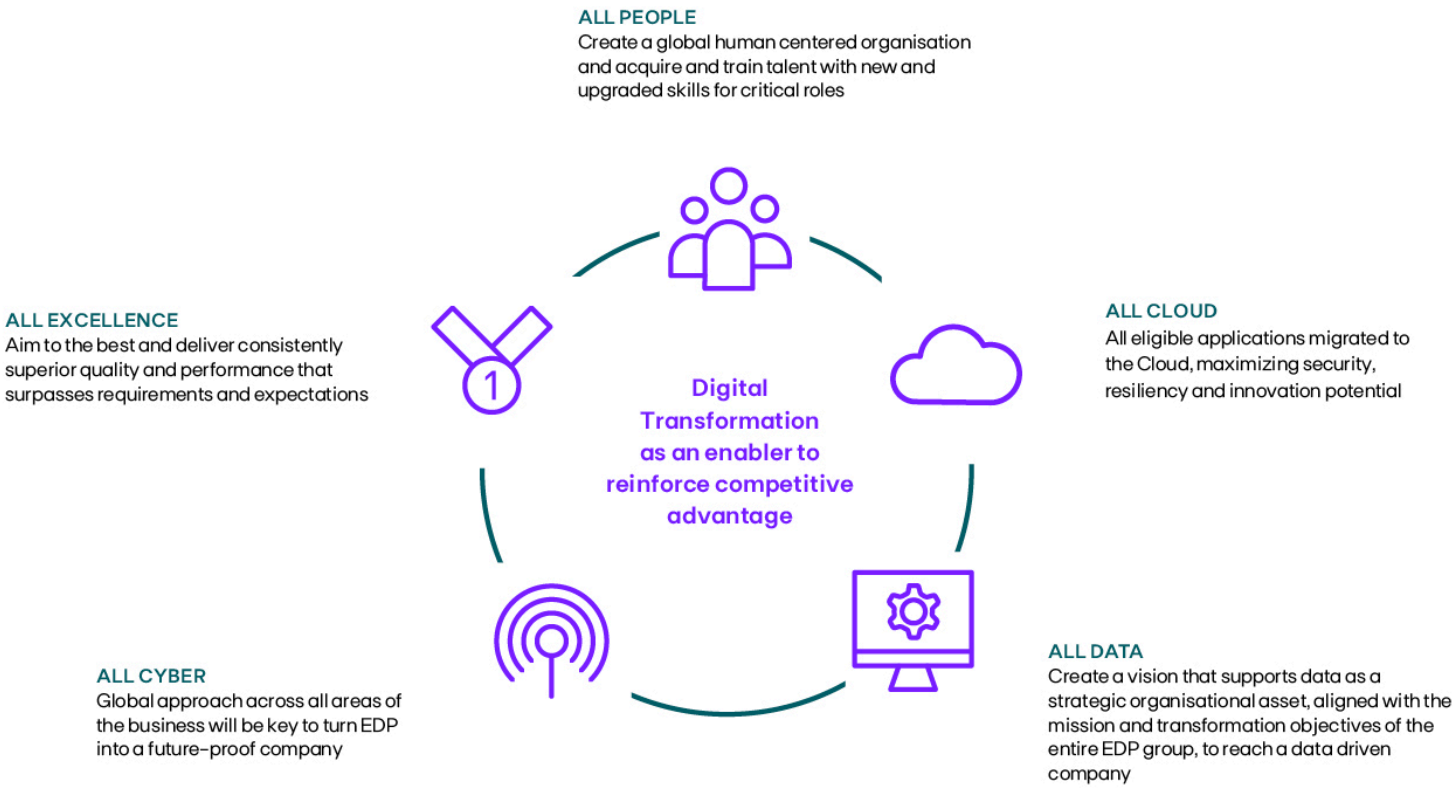
Technology

During 2021 and 2022 the focus was not only on digitalisation by itself but all the surrounding ecosystem that supports, enhances, and drives from it.

The Digital & Technological Transformation Program focuses in 5 areas:

- Leverage on the **Data & Analytics** platform to accelerate data architecture readiness (e.g., BDAS), promote a business seamless data usage and develop analytics and visualisation tools;
- Accelerate EDPR's **Digital** deployment creating an integrated digital hub with the required capabilities (e.g., people, tools, budget) aligned with DGU digital hub;
- Converge and standardise **Systems Architecture** across platforms to maximise synergies, speed up time to market of new products and applications and ensure scalability;
- Establish an aligned and integrated **Cybersecurity** approach across geographies and at group level to reduce risk exposure and incident response time;
- Promote orchestration and alignment of **IT/OT Management** to improve efficiency and resources optimisation of technology projects delivery.

DIGITAL TRANSFORMATION PROGRAM



A total of 15 initiatives had progressed during 2022 and around 30% were completed by the end of the year. The remaining ones are following according with their plan and the program is intended to be finished by the end of 2023.

In addition, during 2022, the Agile methodology started to be sprinkled not only for IT teams, but within business areas that can leverage the usage by introducing new ways of working and planning.

Moreover, Cybersecurity is one of the main points for the operational business and strategic information definition of the Company. The BitSight rating is focused on the organisation's cybersecurity risk, with less elasticity. By the end of 2022, EDPR maintained the rating of "Advanced" with 780 points, exceeding the Group KPI of 740.

Processes

EDPR is continuously improving its Lean framework and as these programs evolve, digital tools are helping us more effectively connect, collaborate, and optimise the way we work.

The Lean programs are targeted to create a strong culture of wholistic, impact-oriented thinking and a scientific approach to problem solving. The programs focus on the project lifecycle, from Development to Operation and the strategic workplan consists of the following three pillars:

- **Culture:** To achieve a Lean Culture, we must invest in our people, have leaders who demonstrate humility, and foster trust within the organisation. We work towards these goals through Lean training and knowledge exchange forums such as the Lean Day. In 2022, EDPR held two Lean Days, one in North America and one in Europe, where teams from across the company were invited to share their improvement projects and perspectives. In addition, more than 500 employees participated in training offerings: joining either the Lean introduction course or the Lean leadership course.
- **Alignment:** To optimise outcomes, we need to align our processes, technology, and people with EDP's mission, purpose, and goals. To do this, achieve this, we enable systems thinking and support development of standard processes. This pillar includes programs such as Daily Lean, which focuses on day-to-day best practices at our operating sites and OKRs which focuses on quarterly goal setting across teams. In 2022 the team leveraged multiple digital productivity tools to more effectively communicate and enable accelerated implementation of new programs.
- **Continuous improvement:** The team's primary focus areas within the pillar of continuous improvement includes our LeanIn program which is designed to bring value to the organisation through collaboratively solving problems and equipping program participants for repeated success. In 2022, the LeanIn program generated 28 new Lean projects involving over 360 employees. In addition, EDPR has implemented programs such as Lessons Learned to ensure that we reflect on past projects and avoid repeating mistakes. The latter resulted in the creation of a new digital Lessons Learned repository and a structured process for capturing and disseminating lessons learned.

In 2022, EDPR began to implement the digital priorities identified in the "Digital Start" exercise performed in 2021 to boost digitalisation of processes across the company. In parallel, the team continued with existing programs to fast-track digital transformation at EDPR. Digitalisation has also been a key factor in streamlining the integration of new companies such as Sunseap and Kronos.

Digital Start

3 new digital processes were introduced in the Accounting department: a fully digitalised urgent payment process, payment inquiries, and simple way to view invoice status. In 2022, the Accounting team processed more than 30,000 invoices and responded to more than 2,000 inquiries.

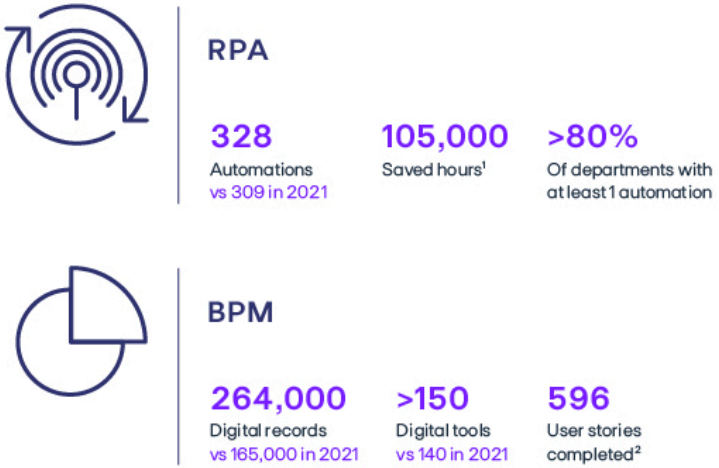
Our new onboarding assistant, Terra, allows teams to create customised communications and tasks for new hires. In 2022, Terra sent more than 6,600 onboarding events to new employees. These tools demonstrate the power of combining BPM and RPA technology.

BPM

Over the past decade, Business Process Management (BPM) technology has been instrumental in accelerating the digitalisation and streamlining of processes at EDPR. In 2022, EDPR teams created approximately 264,000 digital records in our 150+ BPM tools, and the Business Process Excellence team implemented almost 600 suggestions for new tools or improvements to existing tools. Some of these improvements include features to support core business functions such as the pricing process.

RPA

In 2022, Robotic Process Automation (RPA) technology was used to automate tasks in more than 80% of departments across EDPR. With intelligent use of RPA technology, teams are able to increase efficiency and support profitable growth by automating.



[1] In 2022, we updated our methodology for calculating time savings produced by automations. We removed a factor that was designed to account for the time that humans take when switching between different tasks. As a result, the total saved hours are lower but provide a more accurate representation of the time that humans would take to perform the specific tasks that have been automated.
[2] User stories completed for new tools or improvements to existing tools (+47% vs 2021 considering an update on the reporting process).

People

Both the fast track of the energy sector worldwide and the workforce demands are setting the digitalisation pace in EDPR. This digital transformation directly impacts on the culture and digital capabilities, requiring a digital high-level roadmap focused on people with proper skills and mindset. Aligned with Technology and Process boosters, EDPR is convinced that People has a strong contribution to accelerate the digital transformation by empowering people with learning initiatives, helping to spread out the digital know-how with on-the-job experiences and fostering the digital culture throughout the work environment. Different initiatives have been coordinated with the other Boosters in the Digital Transformation Committee, with the objective of maximising the digital capabilities adoption, accelerating the learning curve to be efficient and preparing the company to cope with future challenges and business plan goals.

During 2022, EDPR delivered 13,488 training hours in digital topics (18% of the total training hours delivered) with 14,911 attendances (33.5% of the total). Among others, we want to highlight relevant digital topics or best-in-class programs such as the OT Cybersecurity Program (implementing first two levels Basic I and Basic II), Collaborative tools and MS 365 suite, Data Management and also initiatives involving methodologies like Design Thinking or Agile (with specific webinar offered to all employees to create an Agile Mindset awareness). Advanced programs addressed to Top Management or Leaders were launched during the year, like *Digital 2 Managers* or *Artificial Intelligence for Leaders*.

The new EDPR Human Skills embrace digital behaviours that need learning supports such as Problem Solving, Curious Learning, Collaboration, Open-mindedness, Forward Thinking or Embracing Change. Learning resources offered include a big amount of contents to develop these Human Skills at different levels and segments including specific digital roles with deeper needs on digital capabilities.

In addition, the new Global Development Mindset establishes a new continuous learning experience based on the self-development ownership of every single employee with digital development options to fulfil individual needs. Online learning resources (in Campus Online or the UDEMY portfolio of over 11,000 online courses available) increase the learning offer and allow people to personalised learning paths. Other contents/experiences are shared to all members of Global Communities to stay up to date with current and future digital trends. At the end of 2022, 75% of the employees received training in digitalisation during the year. When talking about methodologies, eLearning contents or live-online sessions and webinars have a relevant presence: during 2022, 74% of the total training hours delivered were in online methodologies vs in-person.

During 2022, EDPR set the pillars for becoming a digitally enabled company with the Digital First Mindset program as the answer to transform the Digital Workforce mindset during the journey. The first stage was launched in December preparing the *Design* phase of the EDPR headcount with a global definition of strategy: behaviours, roles/targets and practices that will allow to go deep with the assessment phase during 2023 to identify digital gaps and both reskilling and upskilling digital opportunities.

The Digital Transformation approach not only impacts on engaging current workforce with digital growth opportunities, but also helps to attract digital talent to meet future needs in our business plan, having a digital branding in the talent market.

3.7. Innovation capital

Technical innovation is one of the hallmarks of EDPR. The Company's history is built on the continuous searching of new trends and solutions in energy production to meet its stakeholders' expectations. Accordingly, EDPR develops projects within the framework of its two main strategic pillars for Innovation: Cleaner Energy focused on sustainable power generation, and Energy Storage & Flexibility to ensure a smoother transition to an energy mix system.

EDPR's commitment to innovation and new technologies has made it a leader in the renewable energy sector. Currently, the Company continues to take advantage of all expertise obtained since the start of its inception to ensure more efficient solutions, more attractive returns, and a more sustainable future. As a result, EDPR engages in projects that englobe wind energy, solar energy, energy storage plants, floating offshore wind farms, green hydrogen, and hybrid power plants.

In addition, EDPR is developing core key-tech enablers initiatives to unblock innovation capabilities, using digitalisation is a powerful innovation enabler. Business Information Modelling (BIM) together with Geographical Information System (GIS) are game changers for design, control and render of the assets, which opens windows for further innovations.

Digital environment is moving forward in the operations area as well, focused on all activities which provide accuracy in operations as Statistical applications based on R and Machine learning for components failure rate and failure modes estimation, Reliability with Robot field activities as blade repairing in wind turbines, and efficiency as blade inspection through A.I. image processing.

Cleaner energy

Construction

BIM + GIS

BIM allows to define and implement a collaborative working methodology to generate a digital asset from the engineering phase until operations, centralising all its information in a digital information model generated by all its agents.

BIM is currently at a medium level of implementation in the construction sector, and low in the renewable one, so its implementation is an innovation in itself as it is a disruptive change, a cultural change that involves multiple processes of design, quality, communication, and whole management. EDPR has successfully achieved BIM implementation in several projects of wind and solar, in different regions across Europe, with high focus on development and engineering stages.

The degree of innovation is directly related to the layers of information or BIM uses that can be implemented in the virtual construction models, being in the case of EDPR multiple uses applied, including elements of calculations (CapEx), simulations (road traffic, hydrological, etc.) and automations (connection with ProjectWise and GIS).

The connection of BIM with GIS also represents a high degree of development, and the increase of interoperability between systems.

Construction digital controlling

Vyntelligence, winner of 2020 Free Electrons program, delivers augmented intelligence with the purpose of simplifying workflow processes, while it increases operational efficiency, reduces costs, and creates invaluable business intelligence. Their Remote Audit solution makes it easier to remotely audit work in the field with Video intelligence, by combining AI with a more human way of capturing data in the field, using a short, guided video from the mobile.

This solution approach is able to improve quality and operational efficiency on EDPR's projects thanks to remote supervision specifically at construction stage.

Vyntelligence will provide a platform that allows an acceleration of workflows, helping in digitalization of processes. Remote supervision of Meteorological Mast assembly and start-up on one hand and Substation switchyard electromechanical assembly and commissioning on the other hand are the objectives of a pilot that will last until October 2023.

This initiative will open the door to check the fit of augmented reality among Construction Control digitalisation.

Operations

Wind farms

Blade inspection and repair

During 2022, several demonstrations of blade inspection were performed with different approaches (auto-flight drones, live streaming drones, non-stop inspection) to understand their advantages, disadvantages, maturity and future of each technology. In addition, the ROMAIN project for blade maintenance was kicked-off. A collaboration project led by EDP that aims to design a compact robot capable of carrying and deploying the newly developed inspection and repair kit along the blade.

Virtual reality

The Telepresence and Virtual Dispatcher initiative tries to provide the O&M team a remote and collaborative inspection tool for wind farms implementing a Virtual Reality based approach. A first concept test was built for Carondio wind farm in Spain, and the goal is to deploy the technology for all the WTG in a wind farm during 2023.

Solar plants

PV module technologies benchmark @SUNLAB (in Santarém, Portugal)

New PV module testbed showcasing the most promising technologies of this decade. The structure consists of a fixed-tilt rack with front and rear side irradiance monitoring, on which five module technologies will be installed.

Automated Guided Vehicles (AGV) for services in PV plants

In 2022, EDPR supported a local manufacturer with an agreement for manufacturing an autonomous robot for cleaning the panels of a PV power plant. The prototype will be able to perform the cleaning without any human intervention. It consists of an outdoor electric AGV provided with a brush and fast change water tank and battery pack. This prototype is scheduled to be tested in Acampo Arval PV plant in the second half of 2023. In addition, the VASD project was also launched in 2022, aiming to develop an autonomous robot for vegetation mowing and collecting the leftover. The system will be able to face rough and dense vegetation.

Hybrid plants

Hybrid power plants combine different sources of energy production and storage to leverage the strengths and address the challenges of each specific production method with the aim of generating energy that is more affordable, reliable, and sustainable.

The hybridisation of pre-existing assets via the adaptation of wind, solar and water technologies is one of the main pathways for growth within the renewable energy sector, offering several benefits such as the increased efficiency of projects, the use and co-opting of existing electrical infrastructure, increased cost stability and a reduced impact on the environment. At the end of 2022, EDPR had over 1,600 MW worth of hybrid projects for these technologies in Spain and Portugal which are either in the study or development phase. Whilst in varying phases of maturity, these are expected to be commissioned over the course of the next several years. EDPR intends to carry on focusing on similar projects in all regions of the world where it is present, with hybrid plants development already under way in North and South America in addition to other European countries including Poland, Italy, and Greece.

Energy storage & flexibility

Battery storage

EDPR works on different projects to improve battery life, improving and maximising battery life to obtain the highest possible efficiency, allowing to get more potential out of them.

EDPR's Technology team is working on the development of software and hardware tools to enable better analysis of the State of Health (SOH) of lithium-ion batteries. SOH is a key parameter that determines the remaining capacity (Ah) of a battery cell as a function of the degradation experienced by both cyclic degradation and lifetime. Thus, through an accurate characterisation of the SOH, optimisation of the complete lifetime of a Battery Energy Storage System (BESS) project, from design/sizing to operations/maintenance, can be achieved.

As a complementary activity, modelling is also extended to the other components of a BESS, mainly the Power Conversion System (PCS). The PCS acts as the connecting element between the DC component and the AC interface. The PCS is of vital importance to extract the full potential of a BESS as a provider of key and novel applications for the grid (RES integration, grid formation, etc.). Different power conversion system topologies for grid integration of lithium-ion batteries are analysed and modelled in order to assess their capabilities with respect to each of these applications.

3.8. Sustainable Development Goals

EDPR supplies affordable & clean energy while mitigating the climate change...

EDPR is a global leader in the sector of renewable energy and one of the world's largest wind energy producer, ending the year with 14.7 GW of installed capacity. In 2022, the company generated 33.4 TWh of clean energy, a cost-effective way to fight climate change.

Wind and solar power are two of the most environmentally friendly ways of producing energy. EDPR's business inherently implies the reduction of GHG emissions and therefore has a positive impact on the environment. In 2022, EDPR's activities avoided the emission of 20 million tons of CO_2.

...impacting positively on communities & fostering innovative infrastructures & circular economy...

EDPR works to promote the well-being and development of the society. In 2022, EDPR invested €2.4 million in supporting communities as a result of activities such as internally developed and collaborative initiatives, donations to charitable organisations and volunteering activities.

Innovation is part of EDPR's day-to-day reality. The company is focused on the more disruptive technologies of the industry and is committed to foster innovative solutions throughout its entire value chain. In 2022, EDPR centred on promoting digital skills and 75% of its employees participated in digitalisation trainings.

Even though EDPR is in the renewable energy business, it goes beyond its commitment with sustainability by fostering a culture of responsible operations and circular economy. In 2022, EDPR recovered 74% of total waste generated and 90% of hazardous waste generated.

...ensuring decent work, gender equality & preservation of the environment.

EDPR continuously works to provide excellent conditions for its employees, grow and develop talent at all levels and optimise its employment policies and labour practises. As a result, EDPR has been recognised as a Top Employer in Europe for the fourth consecutive year and in Brazil for the first time, and as a Top Workplace in the US.

In 2022, EDPR was featured for the third consecutive year in the Bloomberg Gender-Equality Index. The Company's inclusion in this index highlights EDPR's work to promote equal opportunities for women through development, representation and transparency policies

EDPR's business is its best contribution to reduce biodiversity loss. Nevertheless, the Company's commitment to contribute to the protection of biodiversity leads to an active role in the conservation of wildlife surrounding its facilities. In this sense, in 2022 EDPR restored 100% of the hectares that were vegetally affected after construction works in Europe.

Our global vision



GRI Reporting

4

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4.1. Materiality assessment

Background and objectives

The macro-economic context, where the challenges of sustainability are increasing, summing up with the diversity of EDPR's stakeholders, results in a large and complex list of important issues, which must be prioritised according to its relevance and significance.

In this context, EDPR's material issues were identified, and the results achieved supported the preparation of this Annual Report, as reflected in the Company's management strategy and, in particular, in its agenda for sustainability.

An issue is considered material when it influences the decision, the action and the performance of an organisation and its stakeholders.

Methodology

The methodology adopted is based on the Accountability Standards and the information is collected corporately and within each business units as well.

Materiality is acquired by the interception of the issues identified by stakeholders with the importance given internally by the business. The topics identified by the Company are prioritised according to the frequency with which they appear in the different categories analysed.

Relevance for society

The relevance for society is determined by the importance/impact of a specific theme from an external perspective to the Company, designated as society perspective. Therefore, the society vision reflects the vision idea/concept of the several stakeholder groups that have influence on or are influenced by EDPR's activities. This vision must be achieved through sources that ensure independence from the Company to collect, on most cases, external data.

In parallel, the establishment of a society perspective is also supported by documents, analysis and international/national specific studies that allow a broad outlook on the emerging trends in the sustainability area. Consequently, the Company considers that the vision of the several stakeholders reflects the vision of society, thus allowing the assessment of the expectations outside EDPR.

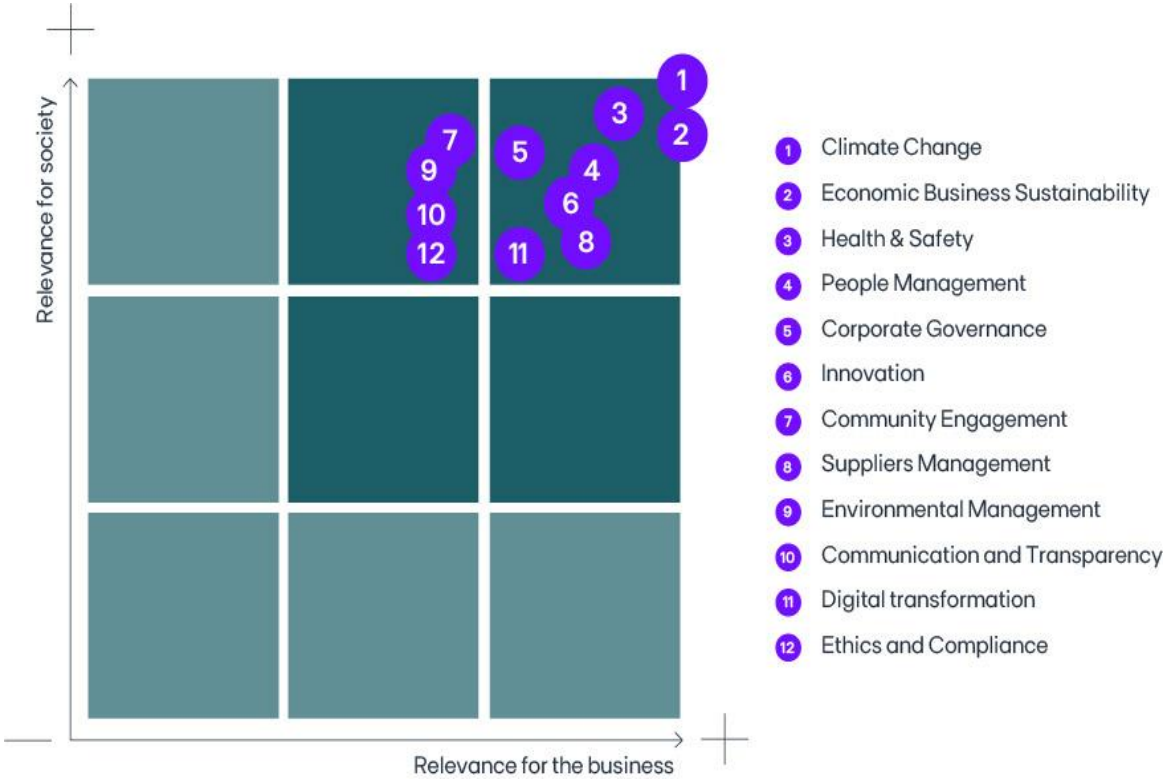
Relevance for business

The vision of the business is obtained through the evaluation of the importance/impact of a specific theme from an internal perspective to the Company. This vision is originated from the analysis of the defined business strategic goals as these depict the current positioning and concerns of EDPR and reflect the future vision of the business. In 2019, EDPR defined a new strategic plan until 2022 and, thus, the material issues for the Company in which this assessment was based were updated accordingly.

Results

The materiality matrix describes visually and promptly the most sensitive and impacting themes by comparing the relevance to society with the relevance to the business. The critical and sensitive themes for EDPR, obtained from the analysis of the materiality matrix, allows the Company to drive the strategy and support the decision-making process as well as to focus the report of information based on shared interests between EDPR and stakeholders, facilitating the relationship between them.

Materiality matrix



Note 1: Environmental management includes biodiversity, waste management and spills.
Note 2: EDPR reports environmental indicators from EBITDA sites the year after their inclusion in operational data. Thus, the environmental indicators of sites that have started operation in 2022 will be included in the 2023 report.

EDPR did not identify the following topics as material:

- Water: Generation from wind energy does not consume water in its operational processes. The water is consumed mainly for human use.
- Light pollution: EDPR activities do not have a material impact in light pollution.
- Raw materials: EDPR core business does not consume raw materials.
- Food waste: EDPR activities do not have a material impact in food waste.

4.2. Climate change

For information regarding GRI 3-3 – Management of material topics, please refer to section Growth of the chapter Strategy and to section Operational Performance of the chapter Performance.

GRI EU1 – Installed capacity, broken down by primary energy source and by regulatory regime

INSTALLED CAPACITY	UN	2022	2021	Δ YoY
Europe	MW	5,656	5,727	(71)
Spain	MW	2,322	2,349	(28)
Portugal	MW	1,199	1,162	+37
Rest of Europe	MW	2,135	2,216	(81)
North America	MW	7,242	7,030	+212
US	MW	6,617	6,500	+116
Canada	MW	130	130	-
Mexico	MW	496	400	+96
South America	MW	1,114	795	+319
Brazil	MW	1,114	795	+319
APAC	MW	726	28	+698
Vietnam	MW	405	28	+377
Singapore	MW	230	0	+230
Rest of APAC	MW	92	0	+92
TOTAL	MW	14,738	13,580	+1,159

Note: The reported data includes EBITDA and Equity MWs.

With a top-quality portfolio, EDPR has a strong track record and proven capability to execute superior projects and deliver on targets. The installed asset base of 14.7 GW is not only young, on average 9 years, it is also mostly certified in terms of environmental and health and safety standards. As of 2022, EDPR had 5,656 MW installed in Europe, 7,242 MW in North America, 1,114 MW in South America and 726 MW in APAC. In terms of technology, EDPR continued its effort to diversify its portfolio, which translates into 12,724 MW of wind onshore, 322 MW of wind offshore and 1,691 MW of solar technology, that includes both solar PV utility-scale and solar DG.

During 2022, EDPR added a total of 2,121 MW, including the successful expansion in APAC through the acquisition of Sunseap, that now represents 5% of EDPR's portfolio. More specifically, EDPR added 1,053 MW of wind onshore, corresponding to 378 MW in Europe, namely 145 MW in Spain, 100 MW in Poland, 83 MW in Italy, 32 MW in France, and 18 MW in Portugal. In North America, 96 MW were installed coming from a project in Mexico. Lastly, in South America, EDPR added 580 MW of wind onshore in Brazil. In terms of solar capacity, 377 MW were added in Vietnam, 316 MW in the US, 230 MW in Singapore, 92 MW in the rest of APAC, 36 MW in Poland, 9 MW in Spain, and 8 MW in Portugal.

Pursuing its Asset rotation strategy, EDPR successfully concluded several Asset rotation deals that amounted to c.1 GW of capacity. In detail, EDPR sold a 100% stake in a 149 MW wind portfolio in Poland, a 181 MW wind portfolio in Spain, a 172 MW wind portfolio in Italy, a 260 MW wind portfolio in Brazil and in a 200 MWac solar project in the US, the latest under a Build & Transfer agreement. All in all, in 2022, EDPR consolidated portfolio net variation was of +1.2 GW.

GRI EU2 – Net energy output broken down by primary energy source and by regulatory regime

ELECTRICITY GENERATED	UN	2022	2021	Δ% YoY
Europe	GWh	11,778	11,357	+4%
Spain	GWh	4,885	4,979	(2%)
Portugal	GWh	2,715	3,049	(11%)
Rest of Europe	GWh	4,178	3,329	+25%
North America	GWh	18,362	17,057	+8%
US	GWh	17,029	15,814	+8%
Canada	GWh	360	255	+41%
Mexico	GWh	973	987	(1%)
South America	GWh	2,625	1,888	+39%
Brazil	GWh	2,625	1,888	+39%
APAC	GWh	636	23	-
Vietnam	GWh	393	23	-
Singapore	GWh	184	0	-
Rest of APAC	GWh	59	0	-
TOTAL	GWh	33,401	30,324	+10%

EDPR produced 33.4 TWh (+10% YoY) of clean energy in 2022. The YoY evolution comes in line with a higher installed capacity in the period and a better renewable resource YoY. In 2022, EDPR achieved a 30% load factor (vs 29% in 2021) reflecting 98% of P50 long term average GCF, following a recovery of the renewable resource, especially in the first half of the year, mainly driven by North America. EDPR achieved a 95% technical availability in 2022, with the company continuing to leverage on its competitive advantages to maximise the projects' output and also on its diversified portfolio across different geographies to minimise the renewable resource volatility risk.

GRI 201-2 – Financial implications and other risks and opportunities for the organisation's activities due to climate change

The Earth's climate has changed throughout history. Scientists attribute the current global warming trend observed since the mid-20th century to the human expansion of the "greenhouse effect" – warming that results when the atmosphere traps heat radiating from Earth toward space. Over the last century, the burning of fossil fuels like coal and oil has increased the concentration of atmospheric carbon dioxide (CO_2).

EDPR is a clear example of how fighting against climate change creates business opportunities. The Company's core business, to deliver clean energy by developing, building and operating top quality wind farms and solar plants, inherently implies the reduction of greenhouse gas emissions, contributing to the world's fight against climate change and its impacts.

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 as a leading company in the renewable energy industry. As reflected in its 2021-25 Business Plan, EDPR plans to add 20 GW in the 2021-2025 period, of which 11.2 GW are already secured. In the coming future, EDPR will continue diversifying its portfolio at geographical and technology levels, developing more wind onshore, solar, wind offshore, green hydrogen and storage technology projects along with the entrance in new markets.

During 2022, EDPR added a total of 2,121 MW, including the successful expansion in APAC through the acquisition of Sunseap, that now represents 5% of EDPR's portfolio. The Company has successfully generated 33.4 TWh of renewable energy, avoiding the emissions of 20 million tons of CO_2[1], +9% YoY due to increase in production (+10% YoY), impacted by higher net installed capacity (+1.2 GW YoY). Capital expenditures and financial investments with capacity additions, ongoing construction and development works during the year totalled €3,446 million.

[1] According to the calculation methodology described in GRI 305-5.

However, EDPR faces climate change not only as a business opportunity, but also as an opportunity to innovate. EDPR's commitment to innovation and new technologies has made it a leader in the renewable energy sector. Currently, the Company continues to take advantage of all expertise obtained since the start of its inception to ensure more efficient solutions, more attractive returns and a more sustainable future. As a result, EDPR engages in projects that englobe wind energy, solar energy, energy storage plants, floating offshore wind farms, green hydrogen and hybrid power plants.

Nevertheless, on the risk side, meteorological changes may pose a risk for EDPR's activities and results since they are carried out in areas of the planet that are being affected by climate change. In addition, future estimations of wind and solar production are based on analysis of historical measurements for more than 20 years and they are considered representative of the future. However, relevant unexpected meteorological changes could lead to a lower production than the one expected from historical data. Thus, when evaluating a new investment, EDPR considers potential changes in the production forecasted but, even so, the size of the potential deviation in the case of relevant meteorological changes is uncertain. Moreover, renewable plants in construction and in operation are exposed to weather hazards, natural disasters, etc., which depend on the location of assets. At EDPR, all plants are insured from the physical damage during construction and operation. During operation, any natural disaster, weather hazard or accident will also be partially insured to revenue losses due to the event. Thus, no material impacts are identified in the EDPR's consolidated financial statements as a consequence of climate change.

As a sector leader, EDPR is aware of the urgency to fight climate change and even though its business inherently implies a positive impact on the environment, the Company continues to work on a daily basis to hold itself to a higher standard and to incorporate innovation in its value chain in order to further contribute to the protection of the climate.

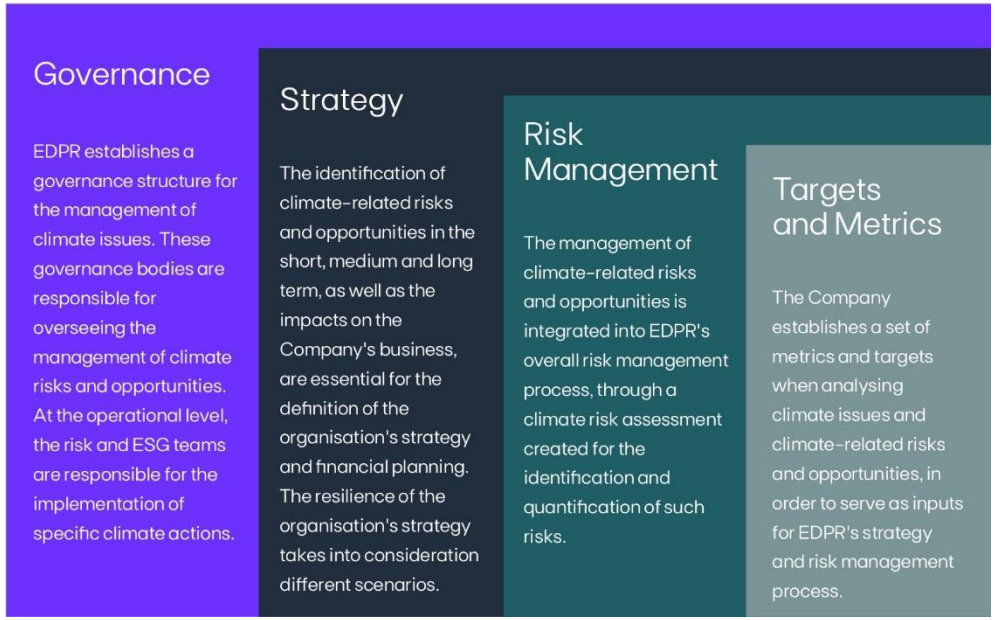
Given the relevance of climate-related risks and opportunities for the resilience of companies, EDPR has taken a step forward in 2022 to manage these aspects and integrate them into its decision-making process.

EDPR's TCFD Alignment

EDPR reports for the first year its approach to TCFD recommendations. The measures implemented by the Company to integrate climate-related risks and opportunities are summarised below, as well as in Annex I - TCFD Alignment.

The image bellow summarises TCFD's main areas and how EDPR integrates the recommendations into its risk management and decision-making processes.

EDPR's TCFD alignment



See Annex I – TCFD Alignment for more information on the EDPR TCFD framework, in relation to the different areas of recommendations.

GRI 302-1 – Energy consumption within the organisation

Wind turbines and solar panels require a small amount of electricity to operate. This energy consumption is generally self-consumed. Given the intermittency of wind generation, sometimes it is needed to consume electricity from the grid.

ENERGY CONSUMPTION	UN	2022	2021	Δ% YoY
Wind farms and solar plants	GJ	329,839	323,462	+2%
Electricity consumption	GJ	329,839	323,462	+2%
Offices	GJ	19,543	13,205	+48%
Electricity consumption	GJ	16,467	9,586	+72%
Gas	GJ	3,076	3,619	(15%)
Fleet	GJ	30,834	33,018	(7%)
Petrol consumption	GJ	26,921	27,441	(2%)
Diesel consumption	GJ	3,804	5,469	(30%)
Bioethanol consumption	GJ	108	108	+0.3%
TOTAL	GJ	380,216	369,686	+3%

Note 1: Gas conversion factor according to Agência Portuguesa de Ambiente.
Note 2: Fleet energy consumption refers to O&M fleet.
Note 3: Please note that variation in energy consumption in offices is mainly impacted by data in 2021 only including 4Q21 (due to the remote work model implemented the rest of the year), except for O&M offices in NA.

GRI 302-4 – Reduction of energy consumption

EDPR's activity is based on clean energy generation, and it produces about 316 times the energy consumed by itself. Nonetheless, the Company is conscious about promoting a culture of rational use of resources and promotes many internal campaigns to encourage sustainable behaviours. In this context, EDPR is promoting the transition of its fleet to electric and hybrid vehicles. As of December 2022, 37% of EDPR's service fleet is hybrid or electric (+4pp YoY).

GRI 305-1 – Direct (scope 1) GHG emissions

EDPR's Scope 1 emissions represent 2,399 tons of CO_2 equivalent, -8% vs 2021. 1,910 tons are emitted by transportation related to the sites' operation, 174 tons by gas consumption in the Company's offices and the rest of it is related to SF_6.

Part of the equipment used for electricity generation purposes contains SF_6 gasses and during 2022, EDPR registered emissions of 14 kg of this gas, which is equivalent to 316 tons of CO_2 eq.

Note 1: Emissions were estimated according to GHG protocol (including official sources such as IPCC or the US department of energy).
Note 2: Data from offices in 2021 refers to 4Q21 data (due to the remote work model implemented the rest of the year), except for O&M offices in NA.

GRI 305-2 – Energy indirect (scope 2) greenhouse gas (GHG) emissions

EDPR's CO_2 indirect emissions (scope 2) represent 29,956 tons, +10% vs 2021. Of the 2022 scope 2 emissions, 28,431 tons are driven by electricity consumption by the wind farms and solar plants and 1,525 tons by electricity consumption in the offices.

EDPR offsets 100% of its Scope 2 CO_2 emissions since 2018 through Certifications of Origin in Spain and Renewable Energy Certifications (RECs) for the remaining geographies (sourced in the US), obtained from renewable energy generation.

Note 1: The emission factors used are based on the following sources: Portugal – EDP, Turbogás, Tejo energia, Rede Eléctrica Nacional (REN), and Entidade reguladora dos serviços energéticos (ERSE); Spain – Red Eléctrica de España (REE); Brazil – Ministry of Science and Technology – SIN (national interconnected system); Other European countries and Canada – IHS Markit.
Note 2: Electricity consumption emissions were calculated with the global emission factors of each country and state within the US.
Note 3: Data from offices in 2021 refers to 4Q21 data (due to the remote work model implemented the rest of the year), except for O&M offices in NA).
Note 4: 2021 data was restated.

GRI 305-3 – Other indirect (scope 3) greenhouse gas (GHG) emissions

EDPR's CO_2 indirect emissions (scope 3) in 2022 are 2,736,347 tons, which represent c.99% of the Company's global emissions. EDPR's scope 3 is divided into those related to the activity of its employees and those related to the supply chain and its activity linked to the Company.

Scope 3 emissions from employees' activity

EDPR's work requires employees to travel and commute. Based on the estimates, employees' business travels (GHG Protocol Category 6) accounted for a total of 3,367 tons of CO_2 emissions, +186% vs 2021 due to travel restrictions due to the pandemic. In relation to employees' commuting (GHG Protocol Category 7), the emissions generated in 2022 are 2,163 tons of CO_2, +454% YoY mainly due to the fact that the Company only reported the emissions generated in the last quarter of 2021, due to the remote work model implemented the rest of the year.

Note 1: Emissions were estimated according to GHG protocol, by following the Defra standard.
Note 2: Employee commuting emissions were calculated from data collected in a survey to all employees, and in 2021 only corresponds to 4Q21 data (due to the remote work model implemented the rest of the year).
Note 3: When calculating employees transportation by air, the radioactive factor is not considered.

Scope 3 emissions from EDPR's supply chain

EDPR's biggest contribution to decarbonisation is its core business, since it inherently implies the reduction of GHG emissions, contributing to the world's fight against climate change and its impacts. Even though, the Company is conscious about its practices regarding emissions and the importance of aligning its supply chain with the Company's climate ambition. As a 100% renewable company, EDPR has identified the supply chain (scope 3) and its climate performance as the main area of action to reduce its global emissions.

EDPR has been working in 2022 on a methodology to account and disclose its upstream emissions. Following the GHG Protocol, the Company has assessed its suppliers' emissions when providing the Company with services, modules, turbines and other components and materials for the construction of its wind farms and solar plants. EDPR includes information on the major sources of emissions generated in the development of the main materials for its facilities, including information from manufacturing to the construction of its wind farms, as well as emissions generated by the transportation of components and materials.

Emissions from the supply chain correspond to the following GHG Protocol categories:

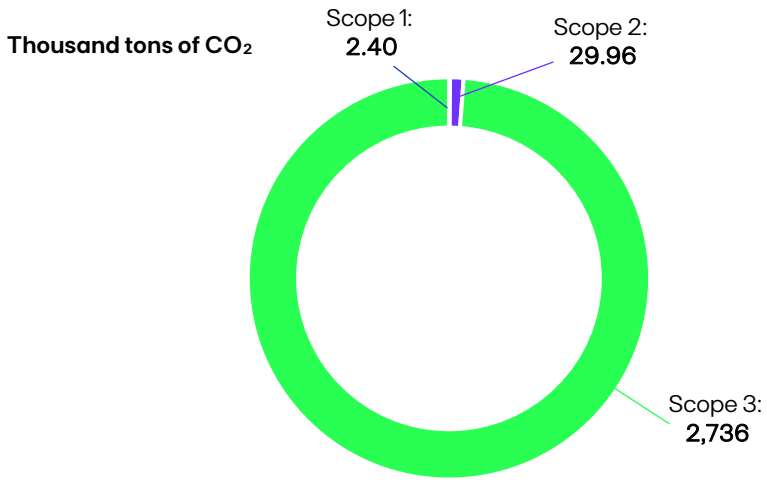
- **Category 1. Purchased Goods and Services:** This category includes all emissions linked to purchases classified as operational expenditure (Opex) and all emissions generated by suppliers during the operation and maintenance phase of wind farms and solar plants.
- **Category 2. Capital Assets:** This category includes all emissions linked to purchases classified as capital expenditure (Capex) and those from the main components of the Company's wind farms and solar plants (modules and turbines). For this exercise, EDPR has carried out an engagement with suppliers in order to have information on the emissions generated upstream for each of the models (LCAs, EPDs and other environmental declarations).
- **Category 5. Waste Generated in operations:** This category includes emissions generated by non-recovered waste from the Company's operating phase.
- **Other emissions** from the transportation and logistics of materials required for the construction of its wind farms and solar plants are also included in this scope 3 disclosure.

Note 1: Emissions have been calculated based on the specific emission factors of the turbine and module models. For the rest of the materials and purchases, publicly available sources of information have been used: DEFRA, EPA or NREL.
Note 2: Scope 3 emissions related to the supply chain include all emissions generated up to the construction of the facilities.
Note 3: The Company includes a large part of the emissions generated in the transport of materials and components, although the information from different models and suppliers is not always homogeneous.

Total emissions generated by EDPR's supply chain are 2,730,817 tons of CO_2. EDPR is aware of the importance of its supply chain to achieve its climate objectives and therefore engages with them in order to communicate its priorities in this regard.

Total 2022 CO_2 emissions

EDPR's total emissions are 2,768,702 tons of CO_2. Given its activity, scopes 1 and 2 emissions represent a low percentage with compared to the emissions generated indirectly in the Company's value chain. Within scope 3 emissions, the supply chain and emissions generated in the upstream component manufacturing and construction processes are the most relevant, accounting around 99% of the Company's total emissions.



GRI 305-5 — Reduction of greenhouse gas (GHG emissions)

EDPR's core business activity inherently implies the reduction GHG emissions. Wind and solar energy have zero carbon emissions, contributing to the world's fight against climate change and does not produce harmful SOx, NOx, or mercury emissions, protecting valuable air and water resources. It is estimated that the Company's activities during 2022 avoided the emission of 20 million tons of CO_2.

The Company's emissions -including all the scopes- represent 14% of the total amount of emissions avoided, and c.99% of the total emissions are from our supply chain. Even though EDPR's activity is based on the clean energy generation, it is conscious about promoting a culture of rational use of resources and, in this context, the Company is promoting the transition of its fleet to electric and hybrid vehicles. As of December 2022, 37% of EDPR's service fleet is hybrid or electric (+4pp YoY).

Nevertheless, even though EDPR activity inherently implies the reduction GHG emissions, the Company goes one-step forward by compensating 100% of the scope 2 emissions. In 2022, 100% of the emissions related to electricity consumption in windfarms and offices in all EDPR countries have been compensated through Certifications of Origin in Spain and Renewable Energy Certifications (RECs) for the remaining geographies (sourced in the US), obtained from renewable energy generation.

Note 1: To calculate the emissions avoidance, the energy generation has been multiplied by the CO_2 eq. emission factors of each country and state within the US. EDPR considers the emission factor of just fossil fuel energy, as it is considered that by increasing the generation of renewable energy, there is a displacing of these technologies, while other renewable technologies and nuclear plants will continue with its quota of generation.
Note 2: The emission factors used are based on the following sources: Portugal - EDP, Turbogás, Tejo Energia, Rede Eléctrica Nacional (REN), and Entidade reguladora dos serviços energéticos (ERSE); Spain - Red Eléctrica de España (REE); Brazil - Ministry of Science and Technology — SIN (national interconnected system); USA - emissions & generation resource integrated database (EGRID) for each state emission factor; other European countries, Mexico and Canada - IHS Markit.

Internal carbon pricing

At Group level, a carbon price is used company-wide to assess the impact of current and future carbon regulation and carbon taxes on energy prices, energy volumes, and existing assets' value, as well as to evaluate capital investments in building or acquiring new electricity generation assets across the globe. Meaningful carbon prices strongly benefit EDP's business strategy, fully align with the Paris Agreement, and contribute decisively to its commitment to be carbon neutral by 2040.

GHG-related regulation considered the European Union Emissions Trading System (EU-ETS), which applies to our thermal power generation assets in Europe (Portugal and Spain), as well as in possible future markets in the only other geography where we currently own thermal power plants (Brazil).

4.3. Economic business sustainability

For information regarding GRI 3-3 – Management of material topics, please refer to section Financial Performance of the chapter Performance.

GRI 201-1 – Direct economic value generated and distributed

ECONOMIC VALUE GENERATED AND DISTRIBUTED	UN	2022	2021
Economic value generated	€m	3,757	2,487
Revenues	€m	2,138	1,526
Other Income	€m	760	813
Share of profit in associates	€m	179	41
Financial Income	€m	681	107
Economic value distributed	€m	2,438	1,170
Supplies and services	€m	439	325
Other costs	€m	240	164
Personnel costs	€m	241	175
Financial expenses	€m	1,130	347
Current tax	€m	234	45
Dividends	€m	155	114
ECONOMIC VALUE ACCUMULATED	€m	1,320	1,317

PROFIT BEFORE INCOME TAX	UN	2022	2021
Spain	€m	237	9
Portugal	€m	139	420
France & Belgium	€m	-5	-7
Poland	€m	122	65
Romania	€m	67	77
Italy	€m	322	66
Greece	€m	-5	-10
UK	€m	-7	-2
Brazil	€m	126	27
Colombia	€m	-107	-12
Chile	€m	-4	-2
US	€m	76	252
Canada	€m	5	3
Mexico	€m	21	20
Others	€m	-25	-4
TOTAL	€m	962	903

Value creation

In a context in which climate change is one of the great challenges that society faces, and under the implementation of an integrated risk model, EDPR promotes clean energy through the development, construction and operation of wind farms and solar plants. Throughout its business model, EDPR transforms its industrial, financial, human, social, natural and intellectual capital, generating a competitive return for its shareholders, generating quality employment, promoting the development of the communities where it operates, having a positive impact on the environment and generating business and innovation together with the supply chain.

All the components of value creation are included in different chapters throughout the Annual Report:

- **Context** – Challenges and Opportunities: Chapter 2. Strategic approach (General context)
- **Risks**: Chapter 2. Strategic approach (Risk management)
- **Business Model**: Chapter 1. The company (Business description)
- **Capitals**: Chapter 3. Performance (Financial Capital, including Industrial Capital in the section Operational Performance; Human Capital; Social Capital, in the subchapters Social Capital and Supply Chain Capital; Natural Capital; and Intellectual Capital in the Innovation Capital and Digital Capital subchapters).
- **Key stakeholders return**: Chapter 3. Performance (Financial Capital, Human Capital, Social Capital, Natural Capital and Supply Chain Capital).

EU Taxonomy Regulation

The European Commission's Sustainable Finance Taxonomy Regulation has been considered as one of the main elements to move capital flows towards a more sustainable economy. It is a key classification system to promote climate neutrality by identifying those activities considered as environmentally sustainable.

In accordance with the EU taxonomy and what it establishes, EDPR has reported since 2021 on the 3 KPIs requested: the proportion of its turnover, capital expenditure (Capex), and operational expenditure (Opex). In 2021, EPDR disclosed its eligible economic activities associated to one of the environmental objectives, the climate change mitigation. EDPR determines the Taxonomy eligible and aligned KPIs in accordance with the legal requirements.

Considering that its core business is the planning, construction, operation and maintenance of electricity generating power stations using renewable energy sources (mainly wind and solar), EDPR assigned the Taxonomy-eligible economic activities to the electricity generation from wind and solar power utility scale (economic activities 4.1 and 4.3) and as a novelty in 2022, in order to report its distributed solar activity, it includes the economic activity of installation, maintenance and repair of renewable energy technologies (7.6) – in accordance with Annex I of the Climate Delegated Act (EU 2021/2139). The economic activities in this category could be associated mainly with NACE codes D35.11 and F42.22, in accordance with the statistical classification of economic activities established by Regulation (EC) No 1893/2006.

The different EDPR technologies and the economic activity identified by the taxonomy are the following ones: Solar Utility Scale Energy (Solar PV) as "*Electricity generation using solar photovoltaic technology (4.1)*"; Wind Energy as "*Electricity generation from wind power (4.3)*"; and Solar Distributed Solar Energy (DG) as *"Installation, maintenance and repair of renewable energy technologies (7.6)"*. In order to disaggregate, under Article 8 of the EU Taxonomy Regulation (EU) 2021/2178 of 6 July 2021, the Turnover, Capex and Opex volume for each of the economic activity mentioned above (4.1, 4.3 and 7.6), EDPR has used the proportion of each technology on generation, capacity under construction and EBITDA capacity respectively. Taking this into account, there is no risk of double counting the reported indicators in the numerator.

Eligible and Aligned Turnover in 2022

TAXONOMY-ELIGIBLE ACTIVITIES	TOTAL ELIGIBLE TURNOVER (€m)	PROPORTION OF TAXONOMY ELIGIBLE TURNOVER (%)	PROPORTION OF TAXONOMY ALIGNED TURNOVER (%)
Electricity generation using solar photovoltaic technology (4.1)	€ 87	3.62%	3.62%
Electricity generation from wind power (4.3)	€ 2,262	94.63%	94.63%
Installation, maintenance and repair of renewable energy technologies (7.6)	€ 29	1.23%	1.23%
TOTAL	€ 2,378	99.5%	99.5%

Note: Refer to Annex II for more information related to taxonomy and how EDPR meets alignment requirements.

Definition

The proportion of Taxonomy-eligible and aligned turnover was calculated as the portion of the turnover derived from products and services associated with electricity generation from wind and solar in the reporting period and those related to sales such as RECs and renewable energy guarantees of origin (numerator) divided by the total turnover in the reporting period (denominator).

The numerator of the KPI is defined as the net turnover derived from electricity sales, from advisory and management services provided to third parties, from other goods and materials sales such as guarantees of origin and RECs and financial guarantees of subsidiaries for the development of their activity. The third parties include entities to whom EDPR sold assets in the context of its Asset Rotation strategy, and partners in EDPR controlled entities.

The denominator of the turnover KPI is based on the Company's consolidated revenues in accordance with IAS 1.82(a).

Reconciliation

There is no direct reconciliation in the Consolidated Financial Statements. For the calculation of this KPI, the Company has taken into account the total turnover and not only the disclosed revenues and gross profit. Compared to EDPR revenues disclosed, the turnover also includes the costs of raw materials and consumables. Please refer to page 3 of EDPR's 2022 Consolidated Financial Statements (line "*Revenue*") for the gross profit information.

Eligible and Aligned Capex in 2022

TAXONOMY-ELIGIBLE ACTIVITIES	TOTAL ELIGIBLE CAPEX (€m)	PROPORTION OF TAXONOMY ELIGIBLE CAPEX (%)	PROPORTION OF TAXONOMY ALIGNED CAPEX (%)
Electricity generation using solar photovoltaic technology (4.1)	€ 2,112	61.28%	61.28%
Electricity generation from wind power (4.3)	€ 1,153	33.44%	33.44%
Installation, maintenance and repair of renewable energy technologies (7.6)	€ 164	4.76%	4.76%
TOTAL	€ 3,429	99.5%	99.5%

Note: Refer to Annex II for more information related to taxonomy and how EDPR meets alignment requirements.

Definition

The proportion of Taxonomy-eligible and aligned Capex was calculated as the portion of the total Capex derived from products and services associated with electricity generation from wind and solar power in the reporting period (numerator) divided by the total Capex in the reporting period (denominator).

The numerator consists of the Capex related to assets or processes associated with electricity generation from wind and solar power (considered as components necessary to execute the activity). Consequently, all Capex invested into planning, construction, operation and maintenance of wind farms and solar plants are considered in the numerator of the Capex KPI.

Total Capex consists of additions to tangible and intangible fixed assets during the financial year, before depreciation, amortisation and any re-measurements, including those resulting from revaluations and impairments, as well as excluding changes in fair value. It includes acquisitions of tangible fixed assets (IAS 16), intangible fixed assets (IAS 38), right-of-use assets (IFRS 16) and investment properties (IAS 40). Additions resulting from business combinations are also included. Goodwill is not included in Capex, as it is not defined as an intangible asset in accordance with IAS 38.

Reconciliation

There is no direct reconciliation in the Consolidated Financial Statements. For the calculation of this KPI, the Company has taken into account the total non-current assets. This Capex includes the Property, plant and equipment and the Intangible assets of EDPR in 2022. Pease refer to notes 16 (*Property, plant and equipment)* and 18 (*Intangible assets*) for further information.

Eligible and Aligned Opex in 2022

TAXONOMY-ELIGIBLE ACTIVITIES	TOTAL ELIGIBLE OPEX (€m)	PROPORTION OF TAXONOMY ELIGIBLE OPEX (%)	PROPORTION OF TAXONOMY ALIGNED OPEX (%)
Electricity generation using solar photovoltaic technology (4.1)	€ 18	7.02%	7.02%
Electricity generation from wind power (4.3)	€ 224	87.37%	87.37%
Installation, maintenance and repair of renewable energy technologies (7.6)	€ 10	3.76%	3.76%
TOTAL	€ 252	98.2%	98.2%

Note: Refer to Annex II for more information related to taxonomy and how EDPR meets alignment requirements.

Definition

The proportion of Taxonomy-eligible and aligned Opex is defined as the Opex considered sustainable in the reporting period (numerator) divided by the Company's total Opex (denominator).

The numerator consists of the Opex related to maintenance of assets or processes associated with electricity generation from wind and solar power (considered as components necessary to execute the activity). This Opex also include non-capitalised costs related to leases and rents activities. Consequently, all Opex related to the maintenance of wind farms and solar plants are considered in the numerator of the Opex KPI.

The denominator, total Opex, consists of direct non-capitalised costs that relate to leases and rents, and maintenance and repairs, and any other direct expenditures relating to the day-to-day servicing of assets of property, plant and equipment. This value cannot be reconciled to Company's consolidated financial statements, as it includes:

The volume of non-capitalised leases, which excludes expenses for short-term leases.
Maintenance and repair and other direct expenditures relating to the day-to-day servicing of assets of property, plant and equipment were determined based on the maintenance and repair costs allocated to the Company's internal cost centres. The related cost items can be found in various line items in EDPR's income statement, including production costs (maintenance in operations), sales and distribution cost (maintenance logistics) and administration cost (such as maintenance of IT-systems).

EU taxonomy eligibility & alignment

During this 2022 exercise, all activity reported by EDPR as eligible in all three indicators of the taxonomy (Turnover, Capex and Opex) has met the alignment criteria. Compared to the 2021 eligibility exercise, there have been no significant changes: both turnover (+0.9pp YoY) and Capex (+0.2pp YoY) have increased in eligibility, while Opex slightly decreases (-0.2pp YoY).

Please refer to Annex II for more information on the EDPR EU taxonomy alignment process and its compliance with the requirements related to Do No Significant Harm and Minimum Safeguards.

4.4. Health & safety

For information regarding GRI 3-3 – Management of material topics, please refer to section Health & Safety of the chapter Performance.

GRI 403-1 – Occupational health and safety management system

The management of all issues related to health and safety is collected and described in the integrated Health & Safety and Environment Management System (HSEMS), which covers all employees and operations of the Company. The processes and procedures regulated in the management system are developed to comply with the legal requirements of each country, the ISO 45001 standard, and the requirements that have been considered appropriate by EDPR to carry out a correct management of the related issues with the H&S of all workers.

GRI 403-2 – Hazard identification, risk assessment and incident investigation

The process to identify hazards and assess the H&S risks arising from the Company's activity and facilities is developed according to the Hazards Identification and Risks Assessment procedure of the HSEMS, in which responsibilities and methodologies are defined to ensure risks are reduced and, if possible, avoided. The Risk Assessment of each job position is reviewed and updated as applicable, pursuant to the Company's commitment to continuous improvement. The preparation of these risk assessments is carried out by senior H&S technicians. The risk assessments, as well as the risk assessment procedure itself, are audited every year with an internal audit and the external audit of ISO 45001 certification. All the findings, conclusions, and recommendations that emerge from the audits, monitoring and other reviews are managed according to the Findings Management procedure of the HSEMS, and an action plan is drawn. The results of this action plan are reviewed in subsequent audits.

In addition, the Communication, Consultation & Participation procedure of the HSEMS includes information on hazards communication management. The process of risks communication is an effective tool to establish an active information channel, fast and effective among employees, managers and the top management, to act in the fastest way possible and avoid risks that may arise. To promote the participation and commitment of the entire Company, any employee may report anomalies or detected risks on H&S and environmental issues. When an unsafe act or condition is detected, the employee may report it in an internal tool, specifying whether an immediate action is required. EDPR's commitment not to retaliate against any worker who expresses a concern about safety issues or who has intervened in any incident is included in the Company's Health & Safety Policy. The Policy also indicates that workers should remove themselves from work situations that they believe could cause injury or ill health, as no situation can justify endangering someone's life.

To know how to report, investigate and follow-up on an incident, the Incidents Management procedure is available in the HSEMS. The purpose of this procedure is to define the process to identify, respond, report, analyse and investigate incidents and respond to emergency situations, as well as to take the necessary actions to prevent and/or mitigate them.

GRI 403-3 – Occupational health services

EDPR ensures that medical examinations are provided to the employees according to the legal requirements of each country, to determine whether employees are medically fit to carry out their specific duties. EDPR has external medical services for all employees[2] for the medical follow-up, whose management is carried out directly by the medical service of the joint prevention service of the EDP Spain company. The detailed results of the medical examinations are confidential but shared with the employee, as EDPR receives only the conclusion of the examination: apt, not apt or apt with restrictions, indicating the restrictions.

GRI 403-4 – Worker participation, consultation, and communication on occupational health and safety

A significant part of the Company plays a fundamental role in the implementation of its Health & Safety Policy. In this context, EDPR created health and safety committees that collect information from different operational levels.

In addition, the H&S Policy, Management System and its procedures, as well as other H&S aspects are communicated to employees using a multi-tier approach. The Policy is published on EDPR's website and intranet, and is also printed and posted at each facility, as the HSEMS and its documented procedures are automatically available in every employee's computer desktop for easy access. Moreover, the Company shares monthly H&S reports with its employees.

[2] Except for employees working from the Oviedo office

GRI 403-5 – Worker training on occupational health and safety

The Company's commitment to ensure high safety standards for employees and contractors make EDPR an increasingly safe place to work, prioritising the safety and wellbeing of all stakeholders with the objective of zero accidents overall. In order to achieve this goal, EDPR provides training to both its employees and its contractors regarding both generic occupational health & safety aspects as well as training on specific work-related hazards.

In 2022, EDPR provided more than 19,500 hours of training on H&S topics to its employees, which corresponds to over 7 hours of training per employee on average.

GRI 403-6 – Promotion of worker health

During 2022, both physical and mental health were once again a global priority. In this context, EDPR has several initiatives focusing on employees' health and wellbeing to ensure the continuity of care, providing employees with different tools and services such as access to online medical consultations, TelePharmacy, physiotherapy and psychological therapy sessions.

To raise awareness on mental health in particular, EDPR launched the *Mind Your Mind* campaign in October, which promoted educational talks with specialists, employees and other key stakeholders on how to approach the topic, especially in the current social context. In addition, the Company has a wellness platform to further develop a culture of wellness and encourage healthy habits. The aim of the programs promoted by the platform is to create a culture where employees choose to voluntarily adopt healthy habits by sharing their experiences, form support networks to facilitate the process and motivate each other.

GRI 403-7 – Prevention and mitigation of occupational health and safety impacts directly linked by business relationships

To guarantee that the suppliers comply with EDPR's requirements regarding sustainability in the supply chain, EDPR monitors strategic suppliers during their services delivery. EDPR performs internal inspections during the construction and operation phases to monitor the suppliers' performance regarding environmental and H&S aspects and to identify and consequently mitigate potential risks. In 2022, EDPR performed 2,196 inspections (+31% than in 2021) to 255 suppliers (-2% YoY) regarding health and safety procedures. As a result of these inspections, the Company identifies corrective actions needed and establishes an action plan for continuous improvement.

Moreover, to prevent possible H&S risks to workers from other companies, EDPR provides a risk guide for the facility to all contractors before starting their work on the facility. In addition, the Company requires that the contractors participate in drills that are carried out at the facilities, so that everyone knows how to act in the event of an emergency. EDPR also has established, through the HSEMS's Safety Alerts Management technical instruction, the communication to contractors of any safety alert that may be applicable to the facility or the contractors.

GRI 403-9 – Work-related injuries

RECORDABLE WORK-RELATED INJURIES	UN	2022			2021		
		EMPLOYEES	CONTRACTORS	TOTAL	EMPLOYEES	CONTRACTORS	TOTAL
Fatal work-related injuries	**#**	**0**	**1**	**1**	**0**	**1**	**1**
Europe	#	0	0	0	0	1	1
North America	#	0	0	0	0	0	0
South America	#	0	1	1	0	0	0
APAC	#	0	0	0	0	0	0
High-consequence work-related injuries[1]	**#**	**0**	**2**	**2**	**1**	**2**	**3**
Europe	#	0	2	2	0	1	1
North America	#	0	0	0	1	0	1
South America	#	0	0	0	0	1	1
APAC	#	0	0	0	0	0	0
Work-related injuries with lost workdays [2]	**#**	**9**	**27**	**36**	**4**	**30**	**34**
Europe	#	1	17	18	2	16	18
North America	#	0	0	0	2	6	8
South America	#	1	10	11	0	8	8
APAC	#	7	0	7	0	0	0
Work-related injuries that result in fatalities and lost workdays	#	9	30	39	5	33	38
Europe	#	1	19	20	2	18	20
North America	#	0	0	0	3	6	9
South America	#	1	11	12	0	9	9
APAC	#	7	0	7	0	0	0

RECORDABLE WORK-RELATED INJURIES	UN	2022			2021		
		EMPLOYEES	CONTRACTORS	TOTAL	EMPLOYEES	CONTRACTORS	TOTAL
Recordable work-related injuries without lost workdays [3]	#	8	15	23	3	25	28
Europe	#	1	6	7	0	8	8
North America	#	7	9	16	3	8	11
South America	#	0	0	0	0	9	9
APAC	#	0	0	0	0	0	0
TOTAL RECORDABLE WORK-RELATED INJURIES [4]	#	17	45	62	8	58	66
Europe	#	2	25	27	2	26	28
North America	#	7	9	16	6	14	20
South America	#	1	11	12	0	18	18
APAC	#	7	0	7	0	0	0

[1] Excludes fatalities. Refers to work-related injuries that result in more than 6 months of lost workdays. [2] Excludes high-consequence injuries. [3] Includes injuries that result in restricted work or transfer to another job, minor first aid injuries, and injuries that required medical treatment beyond first aid, or loss of consciousness; or significant injury or ill health diagnosed by a physician or other licensed healthcare professional. [4] Sum of recordable work-related injuries without lost workdays, and work-related injuries that result in fatalities and lost workdays. Commuting incidents are not included (5 commuting accidents in 2022 of EDPR employees, of which 3 resulted in lost workdays).

Note: From the 9 employees impacted by work-related injuries with lost workdays, 8 are male and 1 is female. Even though EDPR does not register H&S indicators by gender for contractors, normally the majority of contractors working on EDPR sites are men.

WORKED HOURS	UN	2022			2021		
		EMPLOYEES	CONTRACTORS	TOTAL	EMPLOYEES	CONTRACTORS	TOTAL
Europe	#	2,154,302	2,389,723	4,544,025	1,885,408	3,167,493	5,052,902
North America	#	1,744,415	2,933,039	4,677,454	1,732,120	4,128,270	5,860,389
South America	#	311,301	3,687,020	3,998,321	251,616	7,028,048	7,279,664
APAC	#	1,455,986	619,556	2,075,542	9,224	49,542	58,766
TOTAL	#	5,666,004	9,629,338	15,295,342	3,878,368	14,373,353	18,251,721

LOST WORKDAYS DUE TO WORK-RELATED INJURIES	UN	2022			2021		
		EMPLOYEES	CONTRACTORS	TOTAL	EMPLOYEES	CONTRACTORS	TOTAL
Europe	#	1	1,254	1,255	6	905	911
North America	#	210	0	210	356	605	961
South America	#	7	1,003	1,010	0	532	532
APAC	#	69	0	69	0	0	0
TOTAL	#	287	2,257	2,544	362	2,042	2,404

Note: The number of lost days is calculated as the number of calendar days starting the day after the accident.

FREQUENCY RATE OF WORK-RELATED INJURIES	UN	2022			2021		
		EMPLOYEES	CONTRACTORS	TOTAL	EMPLOYEES	CONTRACTORS	TOTAL
Rate of fatal work-related injuries	**x**	**0.0**	**0.1**	**0.1**	**0.0**	**0.1**	**0.1**
Europe	x	0.0	0.0	0.0	0.0	0.3	0.2
North America	x	0.0	0.0	0.0	0.0	0.0	0.0
South America	x	0.0	0.3	0.3	0.0	0.0	0.0
APAC	x	0.0	0.0	0.0	0.0	0.0	0.0
Rate of high-consequence work-related injuries [1]	**x**	**0.0**	**0.2**	**0.1**	**0.3**	**0.1**	**0.2**
Europe	x	0.0	0.8	0.4	0.0	0.3	0.2
North America	x	0.0	0.0	0.0	0.6	0.0	0.2
South America	x	0.0	0.0	0.0	0.0	0.1	0.1
APAC	x	0.0	0.0	0.0	0.0	0.0	0.0
Rate of work-related injuries with lost workdays [2]	**x**	**1.6**	**2.8**	**2.4**	**1.0**	**2.1**	**1.9**
Europe	x	0.5	7.1	4.0	1.1	5.1	3.6
North America	x	0.0	0.0	0.0	1.2	1.5	1.4
South America	x	3.2	2.7	2.8	0.0	1.1	1.1
APAC	x	4.8	0.0	3.4	0.0	0.0	0.0

FREQUENCY RATE OF WORK-RELATED INJURIES	UN	2022			2021		
		EMPLOYEES	CONTRACTORS	TOTAL	EMPLOYEES	CONTRACTORS	TOTAL
Rate of work-related injuries that result in fatalities and lost workdays	x	1.6	3.1	2.5	1.3	2.3	2.1
Europe	x	0.5	8.0	4.4	1.1	5.7	4.0
North America	x	0.0	0.0	0.0	1.7	1.5	1.5
South America	x	3.2	3.0	3.0	0.0	1.3	1.2
APAC	x	4.8	0.0	3.4	0.0	0.0	0.0
Rate of recordable work-related injuries without lost workdays [3]	x	1.4	1.6	1.5	0.8	1.7	1.5
Europe	x	0.5	2.5	1.5	0.0	2.5	1.6
North America	x	4.0	3.1	3.4	1.7	1.9	1.9
South America	x	0.0	0.0	0	0.0	1.3	1.2
APAC	x	0.0	0.0	0	0.0	0.0	0.0
RATE OF TOTAL RECORDABLE WORK-RELATED [4]	x	3.0	4.7	4.1	2.1	3.9	3.5
Europe	x	0.9	10.5	5.9	1.1	7.6	5.1
North America	x	4.0	3.1	3.4	3.5	3.4	3.4
South America	x	3.2	3.0	3.0	0.0	2.6	2.5
APAC	x	4.8	0.0	3.4	0.0	0.0	0.0

[1] Excludes fatalities. Refers to work-related injuries that result in more than 6 months of lost workdays. [2] Excludes high-consequence injuries. [3] Includes injuries that result in restricted work or transfer to another job, minor first aid injuries, and injuries that required medical treatment beyond first aid, or loss of consciousness; or significant injury or ill health diagnosed by a physician or other licensed healthcare professional. [4] Corresponds to the sum of recordable work-related injuries without lost workdays, and work-related injuries that result in fatalities and lost workdays. Commuting incidents are not included (there were 5 commuting accidents in 2022 related to EDPR employees, of which 3 resulted in lost workdays).

Note: Frequency rate calculated as [# of work-related injuries/Hours worked * 1,000,000].

SEVERITY RATE OF WORK-RELATED INJURIES	UN	2022			2021		
		EMPLOYEES	CONTRACTORS	TOTAL	EMPLOYEES	CONTRACTORS	TOTAL
Europe	x	0	525	276	3	286	180
North America	x	120	0	45	206	147	164
South America	x	22	272	253	0	76	73
APAC	x	47	0	33	0	0	0
TOTAL	x	51	234	166	93	142	132

Note 1: Severity rate calculated as [# of Lost workdays/Hours worked*1,000,000].
Note 2: Fatal accidents are not included in the severity rates since each fatal accident is methodologically associated with a total of 6,000 lost days, which would misrepresent the reported data. If these were included in 2021, the Total Severity Rate for EDPR would be 461 and the Total Severity Rate for contractors in Europe would be 2,180. In 2022, Total Severity Rate for EDPR would be 559 and the Total Severity Rate for contractors in South America would be 1,899.

During 2022, EDPR registered 39 work-related injuries that resulted in lost workdays for employees and contractors (+3% YoY). One of these injuries was fatal and EDPR has defined an action plan with corrective measures to further mitigate these incidents, which was revised and approved by the Company's Management Team.

In 2022, the injury and the lost day rate were 2.5 work injuries per million hours worked (+22% YoY) and 166 days lost due to work accident per million hours worked (+26 YoY), respectively. The interannual variations of these ratios are mostly impacted by a decrease in worked hours (-16% YoY) mainly in Brazil due to the conclusion of construction works carried out during 2021, as the country had 580 MW under construction by the end of 2021 and none by the end of 2022.

However, EDPR continuously works to improve these ratios and to bring awareness to the best H&S practices. This is reinforced by the integrated Health & Safety and Environmental Management System, developed and certified according to international standards ISO 45001 and ISO 14001 for a more global and efficient approach, simplifying processes and managing the potential risks of its activity. The HSEMS, where synergies play a fundamental role, was implemented and jointly certified by an independent certifying organisation. The implementation of this integrated system allows for better management and prevention of accidents, with the objective of zero accidents overall. The commitment to health & safety is further supported through the ISO 45001 certification, which covers c.100%[1] of EDPR's installed capacity by the end of 2022.

[1] Calculation based on 2021YE installed capacity (EBITDA MWs). EDPR certifies the facilities the year after the COD (commercial operating date). Thus, the facilities that have entered into operation in 2022 will be certified in 2023.

GRI 403-10 — Work-related ill-health

EDPR has no knowledge of any cases of occupational diseases in the company. EDPR is working to systematise the registration of this type of diseases, if detected.

GRI EU17 — Days worked by contractor and subcontractor employees involved in construction, operation and maintenance activities

Contractors involved in construction, operation and maintenance activities worked an average of 1,203,667 days during 2022, which represents a decrease of 33% when compared to the previous year.

GRI EU25 — Number of injuries and fatalities to the public involving company assets, including legal judgments, settlements and pending legal cases of diseases

EDPR has no knowledge of any legal judgments, settlements and pending legal cases of diseases in 2022, neither in 2021.

Note: For the information reported in this indicator, EDPR considers passive contingencies associated with litigation qualified as probable in 2022 recorded in the contingencies reporting system.

Absenteeism

ABSENTEEISM BY COUNTRY	2022	2021
	HOURS (#)	HOURS (#)
Europe	19,357	75,759
Spain	13,853	67,817
Portugal	759	2,880
France & Belgium	1,062	119
Italy	756	1,023
Poland	2,528	1,984
Romania	376	1,936
Greece	0	0
Hungary	24	0
United Kingdom	0	-
North America	28,563	28,740
North America	28,563	28,740
South America	1,094	1,327
Brazil	568	687
Colombia	288	640
Chile	238	0
APAC	26,308	-
Singapore	26,308	-
TOTAL	75,322	105,826

Note 1: EDPR defines absenteeism as total of non-worked hours in workable periods. including absence hours due to accidents, absence hours due to diseases and absence hours due to other not justified motives.
Note 2: Excludes employees from Rest of APAC.
Note 3: The YoY variation is mainly due to the fact that the methodology for calculating the data in the 2022 financial year has improved.

4.5. People management

For information regarding GRI 3-3 – Management of material topics, please refer to section Human Capital of the chapter Performance. Moreover, please find other people management related topics at the end of this section.

GRI 2-7 –Employees

EDPR had 3,086 employees in 2022, +44% vs 2021 mainly due to the acquisition of Sunseap, a renewable energy company in the APAC region.

In the table below, the number of full-time / part-time employees in 2022 is disclosed by age group, gender and professional category.

By the end of 2022, 99% of EDPR's employees worked full-time (vs 98% in 2021).

FULL-TIME / PART-TIME EMPLOYEES	UN	UNDER 30 YEARS OLD		BETWEEN 30 AND 50 YEARS OLD		OVER 50 YEARS OLD		TOTAL
		FEMALE	MALE	FEMALE	MALE	FEMALE	MALE	
Full-time	#	259	494	622	1,343	90	238	3,046
Senior managers	#	1	3	75	210	15	73	377
Managers	#	10	21	83	158	10	30	312
Specialists	#	220	274	415	758	47	121	1,835
Technicians	#	28	196	49	217	18	14	522
Part-time	#	1	0	29	2	6	2	40
Senior managers	#	0	0	2	0	1	1	4
Managers	#	0	0	2	0	0	0	2
Specialists	#	1	0	21	2	5	0	29
Technicians	#	0	0	4	0	0	1	5
TOTAL	#	260	494	651	1,345	96	240	3,086

Note: The number of part-time employees includes employees with reduced working day due to maternity/paternity, which represent 73% of the part-time employees.

In the table below, the number of full-time / part-time employees in 2021 is disclosed by age group, gender and professional category.

FULL-TIME / PART-TIME EMPLOYEES	UN	UNDER 30 YEARS OLD		BETWEEN 30 AND 50 YEARS OLD		OVER 50 YEARS OLD		TOTAL
		FEMALE	MALE	FEMALE	MALE	FEMALE	MALE	
Full-time	#	173	291	424	1,006	65	155	2,114
Senior managers	#	0	3	61	155	9	55	283
Managers	#	5	10	47	127	5	13	207
Specialists	#	155	194	281	626	35	77	1,368
Technicians	#	13	84	35	98	16	10	256
Part-time	#	0	0	30	2	4	0	36
Senior managers	#	0	0	2	0	1	0	3
Managers	#	0	0	1	0	0	0	1
Specialists	#	0	0	23	2	3	0	28
Technicians	#	0	0	4	0	0	0	4
TOTAL	#	173	291	454	1,008	69	155	2,150

EDPR fosters quality employment with 98% (vs 99.7 in 2021) of permanent contracts throughout the year (based on the proportion of permanent and temporary contracts at the end of each month). Temporary employees represent 2% of EDPR's team along the year, and therefore the Company does not report the average contracts.

In the table below, the number of permanent / temporary employees in 2022 is disclosed by age group, gender and professional category.

PERMANENT / TEMPORARY EMPLOYEES	UN	UNDER 30 YEARS OLD		BETWEEN 30 AND 50 YEARS OLD		OVER 50 YEARS OLD		TOTAL
		FEMALE	MALE	FEMALE	MALE	FEMALE	MALE	
Permanent	#	252	486	639	1,329	89	216	3,011
Senior managers	#	1	3	77	210	16	74	381
Managers	#	10	21	85	158	10	29	313
Specialists	#	219	267	431	744	52	99	1,812
Technicians	#	22	195	46	217	11	14	505
Temporary	#	8	8	12	16	7	24	75
Senior managers	#	0	0	0	0	0	0	0
Managers	#	0	0	0	0	0	1	1
Specialists	#	2	7	5	16	0	22	52
Technicians	#	6	1	7	0	7	1	22
TOTAL	#	260	494	651	1,345	96	240	3,086

Note 1: EDPR keeps a constant number of employees throughout the year, which makes the difference between the final number of employees and the average not significant. In 2022, this difference (13%) is slightly higher than previous years due to the incorporation of Sunseap.
Note 2: 92% of the temporary employees are located in North America, 7% in Europe and 1% in Asia-Pacific.

The average number of contractors' workers during 2022 was 1,209 in Europe, 1,484 in North America, 1,924 in South America and 355 in APAC.

In the table below, the number of permanent / temporary employees in 2021 is disclosed by age group, gender and professional category.

PERMANENT / TEMPORARY EMPLOYEES	UN	UNDER 30 YEARS OLD		BETWEEN 30 AND 50 YEARS OLD		OVER 50 YEARS OLD		TOTAL
		FEMALE	MALE	FEMALE	MALE	FEMALE	MALE	
Permanent	#	172	290	454	1,004	69	154	2,143
Senior managers	#	0	3	63	155	10	55	286
Managers	#	5	10	48	127	5	13	208
Specialists	#	154	193	304	624	38	76	1,389
Technicians	#	13	84	39	98	16	10	260
Temporary	#	1	1	0	4	0	1	7
Senior managers	#	0	0	0	0	0	0	0
Managers	#	0	0	0	0	0	0	0
Specialists	#	1	1	0	4	0	1	7
Technicians	#	0	0	0	0	0	0	0
TOTAL	#	173	291	454	1,008	69	155	2,150

Note 1: EDPR keeps a constant number of employees throughout the year, which makes the difference between the final number of employees and the average not significant (9% in 2021).
Note 2: All temporary employees in 2021 were located in Europe.

In the table below, the number of employees in 2022 is disclosed by age group, gender, region and professional category.

EMPLOYEES BY REGION	UN	UNDER 30 YEARS OLD		BETWEEN 30 AND 50 YEARS OLD		OVER 50 YEARS OLD		TOTAL
		FEMALE	MALE	FEMALE	MALE	FEMALE	MALE	
Spain	#	74	89	204	304	23	65	759
Senior managers	#	1	1	34	55	6	31	128
Managers	#	1	4	23	35	2	4	69
Specialists	#	71	83	143	212	14	30	553
Technicians	#	1	1	4	2	1	0	9
Portugal	#	9	13	20	84	4	21	151
Senior managers	#	0	0	2	11	0	8	21
Managers	#	0	0	0	7	0	2	9
Specialists	#	9	13	17	66	3	11	119
Technicians	#	0	0	1	0	1	0	2
Rest of Europe	#	33	51	91	181	7	18	381
Senior managers	#	0	0	7	20	1	5	33
Managers	#	1	5	8	22	3	3	42
Specialists	#	28	38	72	136	2	10	286
Technicians	#	4	8	4	3	1	0	20
USA	#	92	209	187	426	53	99	1,066
Senior managers	#	0	2	28	90	7	26	153
Managers	#	6	9	21	45	3	13	97
Specialists	#	71	96	100	206	28	47	548
Technicians	#	15	102	38	85	15	13	268

EMPLOYEES BY REGION	UN	UNDER 30 YEARS OLD		BETWEEN 30 AND 50 YEARS OLD		OVER 50 YEARS OLD		TOTAL
		FEMALE	MALE	FEMALE	MALE	FEMALE	MALE	
Rest of North America	#	3	2	2	16	0	5	28
Senior managers	#	0	0	0	4	0	0	4
Managers	#	0	0	0	1	0	2	3
Specialists	#	2	2	0	10	0	3	17
Technicians	#	1	0	2	1	0	0	4
South America	#	15	8	45	85	5	5	163
Senior managers	#	0	0	1	10	1	2	14
Managers	#	0	0	8	10	1	0	19
Specialists	#	15	8	36	65	3	3	130
Technicians	#	0	0	0	0	0	0	0
Singapore	#	28	114	66	213	4	22	447
Senior managers	#	0	0	5	15	1	2	23
Managers	#	1	2	17	30	1	3	54
Specialists	#	23	27	43	45	2	15	155
Technicians	#	4	85	1	123	0	2	215
Rest of APAC	#	6	8	36	36	0	5	91
Senior managers	#	0	0	0	5	0	0	5
Managers	#	1	1	8	8	0	3	21
Specialists	#	2	7	25	20	0	2	56
Technicians	#	3	0	3	3	0	0	9
TOTAL	#	260	494	651	1,345	96	240	3,086

In the table below, the number of employees in 2021 is disclosed by age group, gender, region and professional category.

EMPLOYEES BY REGION	UN	UNDER 30 YEARS OLD		BETWEEN 30 AND 50 YEARS OLD		OVER 50 YEARS OLD		TOTAL
		FEMALE	MALE	FEMALE	MALE	FEMALE	MALE	
Spain	#	54	76	176	302	23	53	684
Senior managers	#	0	1	32	49	5	24	111
Managers	#	2	4	20	42	2	4	74
Specialists	#	50	70	119	210	14	25	488
Technicians	#	2	1	5	1	2	0	11
Portugal	#	6	9	15	74	2	18	124
Senior managers	#	0	0	2	10	0	7	19
Managers	#	0	0	0	5	0	2	7
Specialists	#	6	9	12	59	1	9	96
Technicians	#	0	0	1	0	1	0	2
Rest of Europe	#	31	28	74	144	3	14	294
Senior managers	#	0	0	5	20	0	4	29
Managers	#	1	0	6	17	2	1	27
Specialists	#	29	28	61	107	1	9	235
Technicians	#	1	0	2	0	0	0	3
USA	#	66	162	154	401	39	65	887
Senior managers	#	0	2	24	65	5	18	114
Managers	#	2	6	17	50	0	6	81
Specialists	#	54	71	85	189	21	31	451
Technicians	#	10	83	28	97	13	10	241

EMPLOYEES BY REGION	UN	UNDER 30 YEARS OLD		BETWEEN 30 AND 50 YEARS OLD		OVER 50 YEARS OLD		TOTAL
		FEMALE	MALE	FEMALE	MALE	FEMALE	MALE	
Rest of North America	#	1	4	3	14	0	0	22
Senior managers	#	0	0	0	3	0	0	3
Managers	#	0	0	0	4	0	0	4
Specialists	#	1	4	0	7	0	0	12
Technicians	#	0	0	3	0	0	0	3
South America	#	15	11	29	65	2	5	127
Senior managers	#	0	0	0	8	0	2	10
Managers	#	0	0	5	9	1	0	15
Specialists	#	15	11	24	48	1	3	102
Technicians	#	0	0	0	0	0	0	0
APAC	#	0	1	3	8	0	0	12
Senior managers	#	0	0	0	0	0	0	0
Managers	#	0	0	0	0	0	0	0
Specialists	#	0	1	3	8	0	0	12
Technicians	#	0	0	0	0	0	0	0
TOTAL	#	173	291	454	1,008	69	155	2,150

GRI 2-30 – Collective bargaining agreements

According to its Code of Ethics, EDPR undertakes to respect freedom of trade union association and recognise the right to collective bargaining.

At EDPR, from 3,086 employees, 12% were covered by collective bargaining agreements in 2022. Collective bargaining agreements include different topics such as career development, mobility, salaries, health & safety etc. and apply to all employees working under an employment relationship with some companies of EDPR group, regardless of the type of contract, the professional group into which they are classified, their occupation or job. However, matters relating to the corporate organisation itself, the laws of each country or even usage and custom in each country result in certain groups being expressly excluded from the scope of collective bargaining agreements.

The collective bargaining agreements that are applied at EDPR are usually negotiated at state level or regional level, and EDPR may be just one of the players among other leading sectorial companies in the negotiation with employees' representatives, and in some cases, governmental representatives. In Portugal and Brazil, EDP negotiates its own agreements with employees, and those apply to any employee working for companies of the Group, including EDPR.

During the last years, EDPR has performed different benchmark analysis of the benefits stated at the different collective bargaining agreements that apply to its employees, comparing them against the benefits offered by the Company and, in general terms, the Company offers a more competitive benefits package compared to what is stated in the collective bargaining agreement.

EMPLOYEES COVERED BY COLLECTIVE BARGAINING AGREEMENTS	UN	2022	2021	UN	2022	2021
Europe	#	295	243	%	23%	22%
Spain	#	41	36	%	5%	5%
Portugal	#	135	89	%	89%	72%
Rest of Europe	#	119	118	%	31%	40%
North America	#	0	5	%	0%	1%
US	#	0	5	%	0%	1%
Rest of North America	#	0	0	%	0%	0%
South America	#	67	77	%	41%	61%
Brazil	#	66	76	%	62%	83%
Rest of South America	#	1	1	%	2%	3%
APAC	#	0	0	%	0%	0%
TOTAL	#	362	325	%	12%	15%

GRI 401-1 – New employee hires and employee turnover

Throughout the year, EDPR hired 1,217 employees, +87% vs 2021 mainly due to the incorporation of Sunseap.

NEW HIRES	UN	UNDER 30 YEARS OLD		BETWEEN 30 AND 50 YEARS OLD		OVER 50 YEARS OLD		TOTAL
		FEMALE	MALE	FEMALE	MALE	FEMALE	MALE	
Europe	#	52	75	49	108	5	8	297
North America	#	36	99	48	95	9	14	301
South America	#	7	2	18	25	2	2	56
APAC	#	37	137	104	254	6	25	563
TOTAL	#	132	313	219	482	22	49	1,217

In 2021, EDPR hired 652 employees.

NEW HIRES	UN	UNDER 30 YEARS OLD		BETWEEN 30 AND 50 YEARS OLD		OVER 50 YEARS OLD		TOTAL
		FEMALE	MALE	FEMALE	MALE	FEMALE	MALE	
Europe	#	43	61	61	101	2	6	274
North America	#	44	80	53	125	7	12	321
South America	#	9	4	8	21	0	3	45
APAC	#	0	1	3	8	0	0	12
TOTAL	#	96	146	125	255	9	21	652

During 2022, 399 employees left the Company, resulting in a turnover ratio of 13%.

TURNOVER	UN	UNDER 30 YEARS OLD		BETWEEN 30 AND 50 YEARS OLD		OVER 50 YEARS OLD		TOTAL
		FEMALE	MALE	FEMALE	MALE	FEMALE	MALE	
Europe	%	9%	14%	8%	11%	0%	3%	9%
North America	%	13%	22%	15%	23%	19%	13%	19%
South America	%	20%	38%	7%	8%	0%	40%	11%
APAC	%	15%	11%	6%	7%	50%	4%	9%
TOTAL	%	12%	17%	10%	14%	13%	8%	13%

Note: Turnover calculated as departures / 2022YE headcount.

During 2021, 277 employees left the Company, resulting in a turnover ratio of 13%.

TURNOVER	UN	UNDER 30 YEARS OLD		BETWEEN 30 AND 50 YEARS OLD		OVER 50 YEARS OLD		TOTAL
		FEMALE	MALE	FEMALE	MALE	FEMALE	MALE	
Europe	%	7%	11%	5%	7%	4%	15%	7%
North America	%	21%	22%	18%	22%	10%	17%	20%
South America	%	0%	18%	10%	12%	0%	40%	12%
TOTAL	%	12%	17%	10%	13%	7%	17%	13%

Note: Turnover calculated as departures / 2021YE headcount.

Of the 399 departures registered in 2022, 8% were dismissals.

DISMISSALS	UN	UNDER 30 YEARS OLD		BETWEEN 30 AND 50 YEARS OLD		OVER 50 YEARS OLD		TOTAL
		FEMALE	MALE	FEMALE	MALE	FEMALE	MALE	
Senior managers	#	0	0	0	0	0	0	0
Managers	#	0	0	0	0	0	0	0
Specialists	#	1	4	1	7	1	2	16
Technicians	#	1	4	0	8	1	0	14
TOTAL	#	2	8	1	15	2	2	30

Of the 277 departures registered in 2021, 7% were dismissals.

DISMISSALS	UN	UNDER 30 YEARS OLD		BETWEEN 30 AND 50 YEARS OLD		OVER 50 YEARS OLD		TOTAL
		FEMALE	MALE	FEMALE	MALE	FEMALE	MALE	
Senior managers	#	0	0	0	1	0	2	19
Managers	#	0	0	1	1	0	0	0
Specialists	#	1	1	3	3	0	1	0
Technicians	#	0	1	0	3	1	0	0
TOTAL	#	1	2	4	8	1	3	19

GRI 401-2 – Benefits provided to full-time employees that are not provided to temporary or part-time employees

As a responsible employer, a quality employment that can be balanced with personal life is a priority for EDPR. In this sense, the package of benefits provided to full-time employees does not differ from that offered to part-time employees. This benefits package, depending on the country, includes medical insurance, life insurance, pension plan and conciliation measures.

GRI 402-1– Minimum notice periods regarding operational changes

In EDPR, it is customary to communicate significant events and organisational changes to the affected groups in advance.

As an employer in the United States, EDPR complies with the Worker Adjustment and Retraining Notification (WARN) Act Guide to Advance Notice of Closings and Layoffs.

GRI 404-1 – Average hours of training per year per employee

In 2022, EDPR invested more than €2.2 million in training.

The total number of training hours increased +31% vs 2021, +23% for women employees and +34% for male employees.

AVERAGE TRAINING HOURS	UN	2022			2021		
		FEMALE	MALE	TOTAL	FEMALE	MALE	TOTAL
Senior managers	#	29	27	56	27	27	27
Managers	#	26	46	72	48	38	41
Specialists	#	24	30	54	26	33	30
Technicians	#	17	52	68	26	64	54
TOTAL	#	24	36	32	28	37	34

Note: Average training hours are calculated as total training hours / YE average headcount.

TOTAL TRAINING HOURS	UN	2022			2021		
		FEMALE	MALE	TOTAL	FEMALE	MALE	TOTAL
Europe	#	13,726	31,904	45,630	12,646	26,753	39,400
Senior managers	#	1,895	4,645	6,540	1,590	4,032	5,623
Managers	#	1,338	6,012	7,350	1,798	3,648	5,446
Specialists	#	10,215	21,087	31,303	8,612	19,017	27,630
Technicians	#	277	160	437	645	56	701
North America	#	3,750	18,701	22,451	2,474	18,034	20,508
Senior managers	#	423	1,580	2,003	151	872	1,022
Managers	#	444	1,128	1,572	186	1,336	1,523
Specialists	#	1,971	4,276	6,247	1,079	3,844	4,923
Technicians	#	912	11,717	12,629	1,058	11,982	13,041
South America	#	1,185	4,952	6,136	1,957	4,607	6,564
Senior managers	#	2	253	255	5	567	572
Managers	#	144	485	628	368	320	688
Specialists	#	1,040	4,214	5,254	1,585	3,719	5,304
Technicians	#	-	-	-	-	-	-
APAC	#	2,359	10,611	12,970	11	89	99
Senior managers	#	217	489	706	-	-	-
Managers	#	364	822	1,186	-	-	-
Specialists	#	1,596	2,016	3,613	11	89	99
Technicians	#	182	7,284	7,466	-	-	-
TOTAL	#	21,020	66,167	87,187	17,088	49,483	66,571

GRI 404-2 – Programs for upgrading employee skills and transition assistance programs

To address the needs for reinforcing a one company mindset, EDPR must foster an impactful development environment that translates into a holistic assessment that integrates individual's past (performance), present (skills), and future (agility), addressing business and people needs. A new global development mindset that also includes development conversations, a key tool and moment to foster an impactful experience. This ongoing cycle is supported by a new learning experience and culture that is flexible and led by everyone, according to their needs.

In this sense, EDPR is committed to the development of its employees, offering them an attractive professional career, and aligning their capabilities and skills with the current and future needs of the company. The growth and development of the Company's business leads EDPR to invest in the employees by discovering, improving, and emphasising the potential of each mainly through internal mobility, training, and development actions.

Holistic assessment

For an impactful and comprehensive development experience, EDPR strives to have a whole perspective of the employee, by learning how they perform, what skills they have, and their agility to evolve under new or unexpected conditions. To better develop its team, the Company must consider the infinite connection between past, present, and future. This connection gives EDPR different ingredients and insights that it should consider while assessing its people, in order to bring out their best self.

- **Performance (past)**: Performance monitoring is quite essential for EDPR, from an individual perspective and for the organisation, since it:
    - Enables people to perform to the best of their abilities and produce the highest-quality work;
    - Provides feedback and support on their progress about what is expected from them according to each function/level, while allowing accountability;
    - Promotes greater differentiation between employees, fostering a fair and transparent consequent management.

- **Skills (present):** It is essential to realise that the skills that EDPR's employees have are, by consequence, also the Company' s competencies. Therefore, EDPR benefits from mapping the skills it has in house in order to fulfil skills gaps, and guide and tailor its development initiates considering its business and people needs.
- **Agility (future):** EDPR is committed to lead the energy transition and has an ambitious Business Plan accordingly. The best way for the Company to be prepared for this future and quickly adapt to market changes is by being flexible, creative, and resilient. To do this, EDPR fosters development also considering future needs, preparing the team for upcoming challenges and ensuring business continuity.

Learning

EDPR offers job-specific ongoing learning opportunities to contribute to the self-development of employees according to the new learning model as part of the Global Development Mindset. Regular and continuous Development Conversations with the Manager contribute to identify learning needs along the year in close relationship with strategic goals and the main business challenges, so they are anticipated and prioritised. This approach implies a fluid learning process that happens in the pace of work, anytime, anywhere, anyhow.

A mature Learning culture requires a proper environment that stimulates curiosity, autonomy and share of learning among employees, not only through formal but also through informal ways. The offer has evolved to a more on-demand approach where employees have online learning contents and resources to personalise the learning experience. The Udemy's portfolio with over 11,000 online courses, Campus Online open contents, workshops and global talks or shared contents in EDPR's Global Communities online are part of this diversified learning experience.

The annual Training Plan also includes business specific programs (technical, management, behavioural), digital training focused on the digital upskill roadmap, mandatory topics addressed (safety, ethics, compliance, cybersecurity) aligned with the Company's challenges and new markets or technologies to ensure the sustainability of EDPR's business.

During 2022, EDPR delivered a total of 87,187 training hours throughout 4,828 sessions that included 44,551 participants. This translates into an average of 32 hours of training per employee and results in 96% of EDPR's team receiving training. With lessons learnt after COVID-19 pandemic, EDPR has consolidated different learning methodologies and selected the best option who matches the requirements from both the contents and the participants: live online, e-learning, virtual remote formats and in-classroom training are part of the learning ecosystem in EDPR (a total of 74% of training hours or 94% of the attendances were delivered in online methodologies). Therefore, EDPR keeps on Digitalisation as one of the main training drivers that helped to accelerate and consolidate during 2022 because of the methodologies and by contents increasingly delivered on topics such as Collaborative Tools (Microsoft 365 suite), Agile or Design Thinking methodologies, Data Analyse tools, Digital Transformation, Cybersecurity, SMART business, IoT, Cloud or Artificial Intelligence.

Knowledge management

EDPR is aware of the importance of Knowledge as a valuable asset within the business and in employees' development. Thus, EDPR is boosting LINK as a knowledge platform, increasing the number of areas, domains and curated documents with valuable content captured and shared across the organisation encouraging the access to recommended documents. During 2022, EDPR organised a total of 3 sessions of *40fiveminutes*, an online initiative to easily share main business insights in a friendly and informal way to those employees who voluntarily register to the sessions.

Implementing a Global Development Mindset culture implies a strong knowledge sharing mindset, so EDPR strives to improve the use of knowledge by regularly distributing customised

relevant documents or events, fostering the participation in Communities, offering regular talks, webinars, or clinics, working to adapt to new ways of learning reaching to all the generations present in the Company, and by establishing a hybrid work model.

Development Programs

To support the Company's growth and to align the current and future needs of the organisation with the skills of employees, as well as boost their professional growth, EDPR has included in the new global development mindset approach an holistic assessment (past, present, and future), development conversations and "anytime, anywhere" development tools, as long as different development programs that allow employees acquire the right tools to take on new responsibilities and adapt to new challenges:

- The **Lead Now Program** aims to support middle managers in their role as team leaders. As a result, participants have the possibility to self-assess their management style, improve the skills they need, and get to know the role they play in the different HR processes at EDPR, as well as the IT, internal tools and H&S systems that can help them develop their role. Through online sessions, two editions were delivered to 24 employees in 2022 in Europe and Latin America, and other five in North America in which 72 employees participated.
- The **Leader Coaching Program** in North America supports current and new leaders with focused leadership coaching via certified leadership coaches who provide Leadership Coaching, Transition Coaching for first-time managers, or Group Coaching for groups of leaders on leadership topics that align to current business environment. In 2022, 82 North America leaders attended Leader Coaching programs.
- The **Executive Development Program** is an advanced training with a similar philosophy of an MBA in which the main objective is to develop the vision, skills and management capabilities required to meet the many and diverse challenges that EDPR professionals must face. In January 2022, the edition launched in May 2021 ended with 30 participants. It was focused on different topics, such as Economic Outlook, Strategic Vision, Operational Excellence, Financial Management, Communication and Leadership, among others.

Mobility

EDPR considers both functional and geographical mobility as a tool that contributes to the organisational development by stimulating employees' motivation, skills, productivity, personal fulfilment and fostering the share of best practices. The mobility processes within EDPR aim to respond to the different challenges and needs of the Company, considering the characteristics of the different geographies. In 2022 there were 90 mobility processes, 40 of them functional, 34 geographical and 16 both functional and geographical. Entering in new geographies such as APAC has meant that new mobility opportunities have arisen. The different types of mobilities that we consider within the company are the indicated below:

- **Short-term assignments:** Applies to short-term international relocation (up to 1 year), not renewable, initiated by the Company, whose purpose is the development of projects or the development of the professional career of employees involved.
- **Expatriation:** This regulation applies exclusively to expatriation up to 3 years, renewable, (international assignment for the execution of management or mandate functions in the destination country or critical functions that may have been identified).
- **Commuting:** Applies to employees that perform simultaneously management and mandate functions in two companies located in different geographical regions or countries, one of them being the base location.
- **Local plus**: For employees going on long-term relocations (more than 1 year), through cessation of the work contract at the home company.

GRI 404-3 – Percentage of employees receiving regular performance and career development reviews

EDPR defines two assessment processes for its employees. The annual performance assessment, which covers all employees entitled to variable remuneration, and the potential assessment.

All EDPR employees, regardless of their professional category, are evaluated every two years to determine their development potential by providing the most suitable training. EDPR creates tailored development plan to address specific needs.

Moreover, EDPR offers the possibility to all employees to define an Individual Development Plan. This plan is a very effective tool that enable the Company to structure training actions for the employee aimed at widening their abilities and expertise since it requires a reflection upon the results of their skills assessment and identify the individual's strong points and

improvement areas, taking into consideration the employee's development level, as well as the teamwork and organisational strategy.

The potential assessment process is independent from performance appraisal and is based on a 360 degree evaluation model which considers feedback from oneself, peers, subordinates and the manager.

GRI 405-1 – Diversity of governance bodies and employees

In the table below, the proportion of members of the Board of Directors by the end of 2022 is disclosed by age group and gender (no variation vs 2021).

BOARD OF DIRECTORS	UN	UNDER 30 YEARS OLD	BETWEEN 30 AND 50 YEARS OLD	OVER 50 YEARS OLD	TOTAL
Female	%	0%	17%	17%	33%
Male	%	0%	17%	50%	67%
TOTAL	%	0%	33%	67%	100%

In the table below, the proportion of members of the Board of Directors by the end of 2021 is disclosed by age group and gender.

BOARD OF DIRECTORS	UN	UNDER 30 YEARS OLD	BETWEEN 30 AND 50 YEARS OLD	OVER 50 YEARS OLD	TOTAL
Female	%	0%	17%	17%	33%
Male	%	0%	17%	50%	67%
TOTAL	%	0%	33%	67%	100%

Following the best Corporate Governance practices, in 2022 EDPR analysed and reviewed the possible criteria applicable in the selection of the new members of its Governing Bodies. For these purposes, there were taken into account the market trends and the specific needs of EDPR, in order to ensure the suitability of the roles, the contribution of the new profiles to a better performance, and the aim of ensuring a balanced composition in the bodies of the Company. As a conclusion, the Appointments and Remunerations Committee agreed to consider as a reference certain standards and requirements in accordance with the following:

- Individual attributes: education, competence, integrity, availability, and experience.
- Diversity: to be considered as a wide criteria, analysed in accordance with the nature and complexity of the businesses developed, as well as according to the social and environmental context from time to time, and that will include, among others, gender, age and culture.

It was expressly stated that this list should not be considered as an exhaustive nor limiting reference, and that in any case, depending on the needs and competences required, other criteria may be taken into account.

Based on the above criteria, after the previous advice of the Appointments and Remunerations Committee, the Board of Directors submits the related proposals to the General Shareholders' Meeting (including for sake of clarity, the curriculum vitae of the candidates, and the justifying report, which shall be publicly disclosed with the other supporting documents of the meeting).

In the table below, the proportion of employees in 2022 is disclosed by age group, gender, and professional category.

EMPLOYEES	UN	UNDER 30 YEARS OLD		BETWEEN 30 AND 50 YEARS OLD		OVER 50 YEARS OLD		TOTAL
		FEMALE	MALE	FEMALE	MALE	FEMALE	MALE	
Senior managers	%	0%	0%	2%	7%	1%	2%	12%
Managers	%	0%	1%	3%	5%	0%	1%	10%
Specialists	%	7%	9%	14%	25%	2%	4%	60%
Technicians	%	1%	6%	2%	7%	1%	0%	17%
TOTAL	%	8%	16%	21%	44%	3%	8%	100%

In the table below, the proportion of employees in 2021 is disclosed by age group, gender, and professional category.

EMPLOYEES	UN	UNDER 30 YEARS OLD		BETWEEN 30 AND 50 YEARS OLD		OVER 50 YEARS OLD		TOTAL
		FEMALE	MALE	FEMALE	MALE	FEMALE	MALE	
Senior managers	%	0%	0%	3%	7%	0%	3%	13%
Managers	%	0%	0%	2%	6%	0%	1%	10%
Specialists	%	7%	9%	14%	29%	2%	4%	65%
Technicians	%	1%	4%	2%	5%	1%	0%	12%
TOTAL	%	8%	14%	21%	47%	3%	7%	100%

GRI 405-2 – Ratio of basic salary and remuneration of women to men

Note 1: The tables below refer to average remuneration. 2022 values do not include expats and mobilities, totalling 4% of the employees. 2021 values do not include expats, 2021 mobilities, new hires from December, employees from OW (the offshore JV with ENGIE) and employees from Viesgo (a company acquired at the end of 2020), totalling 5% of the employees.
Note 2: The calculations are based on the December headcount. The base salaries of the new hires are annualised but the rest of the monetary and non-monetary benefits are not annualised, which may cause deviations.
Note 3: The wage gap is calculated based on GRI methodology (female/male remuneration). The calculation considers the employees' working hours.

In the table below, the average remuneration of employees in 2022 and 2021 is disclosed by age group, gender and professional category.

REMUNERATION	UN	2022		2021		Δ% YoY	
		FEMALE	MALE	FEMALE	MALE	FEMALE	MALE
Under 30 years old							
Senior managers	€	80,683	165,281	-	109,926	-	+50%
Managers	€	105,944	104,338	75,489	89,345	+40%	+17%
Specialists	€	51,908	54,122	50,686	55,554	+2%	(3%)
Technicians	€	41,824	39,708	46,859	62,280	(11%)	(36%)
Between 30 and 50 years old							
Senior managers	€	147,688	161,043	189,009	206,568	(22%)	(22%)
Managers	€	84,142	88,739	83,856	94,436	+0%	(6%)
Specialists	€	61,163	65,603	62,798	71,329	(3%)	(8%)
Technicians	€	52,137	38,091	56,420	73,698	(8%)	(48%)
Over 50 years old							
Senior managers	€	165,004	161,903	192,051	206,038	(14%)	(21%)
Managers	€	82,381	103,801	64,508	107,968	+28%	(4%)
Specialists	€	84,537	84,780	86,066	92,987	(2%)	(9%)
Technicians	€	59,240	54,073	66,921	80,351	(11%)	(33%)

In the table below, the average total remuneration of employees in 2022 and 2021 is disclosed by region, gender and professional category. The total remuneration also includes remuneration supplements not consolidated during the year, variable remuneration and other monetary benefits.

WAGE GAP - TOTAL REMUNERATION	UN	2022			2021		
		FEMALE	MALE	F/M	FEMALE	MALE	F/M
Europe							
Senior managers	€	122,902	128,456	96%	119,874	134,156	89%
Managers	€	68,727	73,961	93%	67,246	76,154	88%
Specialists	€	47,853	49,953	96%	48,903	53,033	92%
Technicians	€	32,566	24,822	131%	34,513	25,561	135%
North America							
Senior managers	€	200,563	203,251	99%	302,801	311,568	97%
Managers	€	119,813	120,573	99%	116,502	124,660	93%
Specialists	€	97,509	100,496	97%	91,890	104,149	88%
Technicians	€	57,452	58,325	99%	62,909	69,619	90%
South America							
Senior managers	€	109,353	105,139	104%	-	98,368	-
Managers	€	51,942	51,563	101%	48,740	49,108	99%
Specialists	€	31,101	41,157	76%	30,274	38,107	79%
Technicians	€	-	-	-	-	-	-
APAC							
Senior managers	€	151,161	186,016	81%	-	-	-
Managers	€	82,789	82,490	100%	-	-	-
Specialists	€	39,970	40,102	100%	47,477	46,476	102%
Technicians	€	21,593	21,607	100%	-	-	-

GRI 2-21 – Annual total compensation ratio

The ratio presented below represents of the annual total compensation for the organisation's highest-paid individual in each country of significant operations to the median annual total compensation for all employees.

ANNUAL TOTAL COMPENSATION RATIO	UN	2022	2021	Δ% YoY
Spain	x	8.4	5.4	+54%
Portugal	x	6.6	4.7	+40%
US	x	8.7	11.2	(22%)

Note 1: Miguel Stilwell d'Andrade and Rui Teixeira did not receive any remuneration from EDPR. EDPR and EDP signed an executive management services agreement according to which EDPR paid to EDP a fee for the services rendered by these officers.
Note 2: X as unit means times.
Note 3: 2022 values do not include expats and mobilities, totalling 4% of the employees. 2021 values do not include expats, 2021 mobilities, new hires from December, employees from OW (the offshore JV with ENGIE) and employees from Viesgo (a company acquired at the end of 2020), totalling 5% of the employees.
Note 4: The calculations are based on the December headcount. The base salaries of the new hires are annualised, but the rest of the monetary and non-monetary benefits are not annualised, which may cause deviations.

Please note that the variation in the US ratio is mainly due to the inclusion of the LTIP payment in 2021.

GRI EU15 – Percentage of employees eligible to retire in the next 5 and 10 years broken down by job category and by region

EMPLOYEES ELIGIBLE TO RETIRE	UN	2022		2021	
		IN 10 YEARS	IN 5 YEARS	IN 10 YEARS	IN 5 YEARS
By employment category					
Senior managers	%	9%	6%	10%	6%
Managers	%	4%	2%	2%	0%
Specialists	%	4%	2%	4%	2%
Technicians	%	3%	3%	5%	4%
By region					
Europe	**%**	**5%**	**3%**	**5%**	**3%**
Spain	%	4%	2%	4%	2%
Portugal	%	14%	10%	15%	11%
Rest of Europe	%	2%	1%	2%	1%
North America	**%**	**6%**	**4%**	**6%**	**4%**
US	%	6%	4%	6%	4%
Rest of North America	%	7%	4%	0%	0%
South America	**%**	**1%**	**1%**	**0%**	**0%**
Brazil	%	0%	0%	0%	0%
Rest of South America	%	4%	2%	0%	0%
APAC	**%**	**3%**	**1%**	**0%**	**0%**
TOTAL	%	5%	3%	5%	4%

Note: The employees eligible to retire in the next 5 years is with 60 years reference and in the next 10 years with 57 years reference.

Other people management related topics:

Communication with employees

EDPR's global presence with employees from different regions, nationalities and generations requires the Company to listen and provide feedback on a range of ambitions, motivations, and prospects. In this regard, EDPR launches a Climate Survey every two years to support its active listening strategy and draws up an integrated action plan based on real current data.

Just as important as getting to know our people is ensuring that they have all the relevant information at their disposal, from onboarding through to the Company's business and strategy. To this end, there is a range of internal communication channels that complement each other and are reinventing themselves to meet the EDPR's needs following its exponential, multicultural growth over recent years:

- **Intranet:** The platform takes online interaction among employees to a new level by including social media-style features and advanced customisation options. It is a place to share information, work together, and learn about projects and news from EDPR and EDP Group.
- **Workplace:** The social network aims to strengthen internal communication by customising content according to the audience, bringing it closer to the company hierarchy, fostering top-down and bidirectional communication and improving teamwork.
- **EDP On Renew magazine:** The print magazine has been a mainstay of EDP Group's internal communications since 1988. The On Renew edition, specific to EDPR, shows the Company and its people through stories, interviews, and reports.
- **EDP On TV:** The TV channel broadcasts in EDPR and EDP offices and online. It includes dynamic news reports and interviews on news and events. It is the medium that truly puts a face on projects, employees and initiatives.
- **EDP On App:** T mobile app to access the Company's intranet, where corporate news can be consulted and the tools and services available to employees can be used.
- **Global newsletter:** A monthly newsletter gives a broader reach to news and information regarding the Company's projects, teams, successes, and strategies.
- **HR App:** EDPR has an app in place to offer employees news and access to recruitment processes or measures, all in a practical, simple way. This tool is particularly useful to keep traveling and geographically dispersed employees connected.

EDPR also holds regular global meetings for each platform, so employees can streamline their long-distance communication; furthermore, these meetings promote networking and proximity to leaders in order to share, first-hand, the business goals set by the management team for the near future, all with a view to meeting the overall objective of leading the energy transition.

Other global events also take place throughout the year, but in an online format, many of them hosted by our CEO to discuss and/or present relevant topics, make first-hand.

Employees with disabilities

In the companies in Spain where there is a legal obligation to have people with disabilities in the workforce to comply with the LISMI due to the number of employees, EDPR has opted for the exceptionality measures provided by the Law. The Company is able to comply with the quota that legally applies to it through contracts of goods or services with companies that promote the hiring of disabled people and also through donations. EDPR's companies under this obligation are covered with the exceptionality measures since February 2018 and for a period of three years. For the rest of EDPR countries, the approach is the same. Recently, as part of EDPR's global strategy, a Diversity and Equality Committee has been set up with the participation of the Management Team, whose objective is to integrate the commitment to this issue within the company. One of the objectives of this Committee is focused on the group of people with disabilities as one of the most important topics to be developed. Please note that by the end of the 2022, 1.7% of the Company's employees had disabilities.

Work organisation and implementation of "right to disconnect" policies

For EDPR, it is a priority to foster time efficiency of employees' daily tasks to balance their professional and personal life, while still delivering excellent results. In this context, the Company has been implementing several initiatives that contribute to achieve this, and even though currently EDPR does not have policies regarding the right of people to disconnect from work during non-work hours, messages of work organisation and disconnection will continue to be conveyed. For example, in 2017 EDPR designed Work Smarter, a Code that includes a set of guidelines to work efficiently by maximising the time efficiency of each daily task, mainly regarding work organisation, email & phone and meetings. Additionally, different initiatives took place during 2017 in order to involve employees around this different way of working. Some of the initiatives were placing inspiring sentences and clocks in the meeting rooms to remind the employees that their time is gold. Within Work Smarter, some of the initiatives were focused on the right to disconnect. In 2020, due to the COVID-19 and

subsequent home office regime implemented, EPDR shared several tips in its intranet on how to better work from home, which included the separation between professional and personal life, setting a work schedule and taking breaks. Lastly, in 2021, EDPR introduced the *Golden Rules* initiative to provide guidelines for its employees on topics such as respecting routines, best practices when communicating through email and tips for organising their daily schedule. Later, together with the implementation of the new hybrid working model, the *Golden Rules 2.0* was created, which is an adaptation of the previous initiative to a new reality in which there are some employees working from home and others working at the office at the same time. By following these recommendations, people can be more efficient with their time and promote each other's wellbeing.

Work life balance

Both physical and mental health were once again a global priority. Accordingly, EDPR implements several initiatives focused on family, time, and health, offering its team a wide range of benefits that reinforce the Company's position as a flexible workplace with work-life balance policies; it also encourages an efficient use of time in employees' daily tasks to reconcile their professional and personal life while still achieving excellent results. As an outcome, EDPR's work-life balance practices have earned it the EFR Certification (Empresa Familiarmente Responsable) for eleven years, awarded by the Spanish *Fundación MásFamilia*. In 2022, EDPR maintained the level of excellence in this certification obtained in 2021, which recognises the Company's efforts to reconcile professional and personal life, excellence, and flexibility. To achieve this continuously, EDPR is committed to constantly improve the initiatives implemented, which will enable it to provide the most progressive and appropriate benefits to employees.

During 2022, the Hybrid Work Model was established in the Company, in which employees can work remotely 2 days a week, where feasible, as EDPR believes that remote work is crucial to improve flexibility, work-life balance and the overall well-being of its team while remaining productive. The *Flex Fridays* initiative was implemented globally, which implies having Fridays' afternoon off through an intensive working schedule. In the EU&LATAM platform specifically, different initiatives to foster networking, communication, and relationship among employees in physical areas were put in place, such as the *Juice UP your morning* breakfasts which aim to foster moments that allow employees to interact in a relaxed atmosphere.

In addition, the Company has a wellness platform to further develop a culture of wellness and encourage healthy habits. The aim of the programs promoted by the platform is to create a culture where employees choose to voluntarily adopt healthy habits by sharing their experiences, form support networks to facilitate the process and motivate each other. To raise awareness on mental health, EDPR launched once again the *Mind Your Mind* campaign in October, which promoted educational talks with specialists, employees, and other key stakeholders on how to approach the topic, especially in the current social context.

Furthermore, EDPR has a volunteer program addressed to its employees in order to promote social responsibility, giving them the opportunity to grow not only at work but also personally while also contributing to the society.

Equality plans

EDP Renováveis S.A. has an Equality Plan for the period 2020-2022 in accordance with the Spanish Organic Law 3/2007 which has already achieved 92% compliance at a global level and has taken the appropriate steps to comply with local legislation on equality as required.

Adopted measures to promote employment related to equality

As it looks forward, EDPR continues to evolve its organisation and is dedicated to fostering a culture of human equality and valuing the strengths of our differences, as it builds a more inclusive, sustainable environment for future generations. The Company wants to lead by example to create an equal, sustainable future. EDPR's goal is to contribute to improving the quality of life of its employees, removing professional barriers, and promoting gender equality, to ensure a transparent workplace environment where mutual respect and equal opportunities prevail. In accordance, there is a Diversity, Equity, and Inclusion Committee at EDP Group level to promote its commitment to these fundamental principles. The main objectives of the Committee are to reflect the Group's strategy on diversity, equity, and inclusion, including the definition and development of initiatives that contribute to a global action plan and local action plans, and to foster the exchange of knowledge and best practices. However, as a responsible company, the EDPR's goal is to actively promote these values in its team.

In this context, EDPR celebrated different milestones in terms of diversity like Women Month in March, Diversity Week in May and Disability Day in December, during which different trainings, initiatives and talks were carried out to raise awareness among employees on these important topics. The Company believes that with the right tools and knowledge, we will be able to have a truly inclusive culture and a more sustainable future.

In addition, EDPR is part of the "Empowering Women's Talent" program for the development of female talent promoted by *Equipos & Talento*. The program helps companies to learn, share,

communicate and inspire about gender diversity, with the aim of promoting female empowerment and leadership.

At local level, EDPR organised multiple initiatives in Europe & Latin America during the year to promote diversity, inclusion and equity in different groups such as different generations, genders, abilities, and cultures. To this end, internal meetings focused on these topics have been held to promote activities and raise awareness in each of them and in all geographies within the region. These encounters, called *Waves*, were organised with different periodicity in each country, and interesting initiatives have arisen from them such as WomEng, aiming for the promotion of scientific-technological vocation among girls, based on awareness-raising and guidance actions, delivered by EDPR professionals in the world of engineering. Group mentoring is used to encourage girls' and primary school students' interest in STEM (Science, Technology, Engineering and Maths).

In North America, the Company made an investment to charter a corporate Toastmasters program with a DEI focus and the development of the team's underrepresented talent. This is a learn-by-doing program that focuses on effective communication and leadership skills. EDPR also had three of its employees participating in a book to promote women in STEM. The book is titled "Everyday Superheros". This multi-cultural children's book shares the colourful stories and energy careers of 26 diverse women powering our planet. Additionally, in September EDPR launched *Women Who Rise*, a specialised developmental program through a book club for women to advance their careers.

Not only does EDPR look within the organisation to institute change in its own DE&I, but the Company also participates in volunteer committees to support its local communities and create partnerships with non-profit organisations. One of these organisations is Black Girls Do Engineering, which focuses on STEM education of young black girls in middle and high school. Another organisation EDPR partners with is Easter Seals, which provides resources for veterans and individuals with disabilities, and Dress for Success that helps to provide business attire and development tools to help women thrive in work and life.

As a result of its commitment and practices, EDPR was recognised again in the Bloomberg Gender-Equality Index (GEI) in 2022, a benchmark index that selects the listed companies most involved in the development of gender equality in the world. EDPR's inclusion as part of this index highlights the Company's work to promote equal opportunities for women through development, representation, and transparency policies. In addition, during 2022, the Company was honoured with two Culture Excellence Awards in the US for its diversity, equity, and inclusion practices and for being a woman-led company.

EDPR is dedicated to continuously fostering a culture founded on human equality and the strength in diversity and will continue to lead by example. The Company upholds its commitment to Diversity, Equity & Inclusion not only through words, but through actions that truly make a positive impact on people.

Sexual harassment protocol

Currently, EDPR does not have a specific sexual harassment protocol. Nevertheless, as stated in its Code of Ethics, EDPR promotes a culture free from any sort of harassment, understanding this to be systematically undesired behaviour of a moral or sexual nature, in a verbal, non-verbal or physical form, which has the goal or effect of disturbing or embarrassing another person, or affecting their dignity or creating an intimidating, hostile, degrading, humiliating or destabilising environment.

Harassing forms of behaviour in a business context violate the victims' labour rights, and may affect their value as people and workers, causing harm that can have an impact on their self-esteem, physical and mental health, life project and family relationships. Therefore, in addition to the legal obligations to which EDPR is subject to, the Code of Ethics also states that it is the duty of all employees to prevent, confront and report any and all behaviour that may preclude a situation of harassment. In this regard, 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.

Universal accessibility

Most of the offices in which EDPR has its operations are not owned by the Company. Therefore, EDPR is limited in the implementation of accessibility measures in its offices. However, in other topics in which EDPR has decision-making power, such as the creation of its website, the company took measures to comply with the accessibility specifications that help blind people to use it.

Long-term incentive plans

EDPR globally assigns long-term incentive plans to the Top Management segment and critical positions in the Senior Management segment. The Company's Management Team considers the attribution of these incentives as a tool for attracting and retaining talent, focusing on achieving results, and complying with the business plan.

4.6. Corporate governance

For information regarding GRI 3-3 – Management of material topics, please refer to section Organisation of the chapter The company.

Remuneration of EDPR's Board of Directors

The table below includes the list of Directors that composed EDPR's Board during 2022, and the amounts paid by EDPR either (i) as remuneration to them for their functions at the Board level or (ii) as fee to EDP under the Management Services Agreement for their services (not remuneration). The following figures reflect the period of 2022 in which each relevant Director was member of the Board:

DIRECTOR	REMUNERATION	FEES MANAGEMENT SERVICES AGREEMENT EDP-EDPR	
EXECUTIVE DIRECTORS		Fixed component	Variable component
Miguel Stilwell d' Andrade	-	384,000€*	173,664.84€
Rui Teixeira	-	290,000€*	131,153.13€
NON-EXECUTIVE DIRECTORS		Fixed component	
António Mota	230,000€		-
Vera Pinto	-	65,000€*	-
Ana Paula Marques	-	65,000€*	-
Miguel Setas	-	65,000€*	-
Manuel Menéndez	65,000€		-
Acácio Piloto (**)	65,000€		-
Allan J.Katz (**)	65,000€		-
Rosa García (**)	65,000€		-
José Morgado (**)	65,000€		-
Kay McCall (**) (***)	37,917€		-
Joan Avalyn Dempsey (****)	2,446€		
Sub- Total	595,363€	869,000€	304,817.97€
Total		1,769,180.97€	

*These amounts correspond to the service fee paid by EDPR to EDP under the Management Services Agreement for the services rendered in 2022 by such director. In addition, EDPR pays to EDP a 5% of such service fee which is applied to the retirement savings plan for Executive Directors described in topic 76 of Chapter 5 of the Annual Report.
**These Directors also received remuneration for their participation in the Delegated Committees that is detailed at Chapter 6 of this Annual Report.
***The remuneration reflected for this Director corresponds to 2022, provided that she was appointed by co-option on May 3rd, 2022 (with effects June 1st, 2022).*
***** Joan Avalyn Dempsey presented the resignation to her positions as Board Members with effects January 13th, 2022, and therefore the amounts indicated in the table above reflect the remuneration accrued in 2022 until her resignation.*

In 2022, EDPR paid on average €191,727 (+110% vs 2021) to the Board of Directors' male members and €47,073 (+8% vs 2021) to female members. The interannual variations are mainly due to the changes in the Board's composition that occurred in 2021 and 2022.

Specifically, EDPR paid on average €489,409 to its Executive Directors in 2022 (all male), +6% vs 2021.

For further information on the topic please see chapter 5. Corporate Governance.

4.7. Innovation

For information regarding GRI 3-3 – Management of material topics, please refer to section Innovation Capital of the chapter Execution.

4.8. Community engagement

For information regarding GRI 3-3 – Management of material topics, please refer to section Support communities of the chapter Performance.

GRI 202-2 – Proportion of senior management hired from the local community

The Code of Ethics contains specific clauses of non-discrimination and equal opportunities in line with the Company's culture of diversity. This is reflected in the procedures for hiring people via a non-discriminatory selection process. A potential employee's race, gender, sexual orientation, religion, marital status, disability, political orientation or opinions of any other nature, ethnic or social origin, place of birth or trade union membership are not considered.

In this context, there are no specific procedures explicitly requiring local recruitment. Nevertheless, a high percentage of EDPR employees are hired from the same country in which the Company operates.

LOCAL RECRUITMENT	UN	2022	2021
Senior managers			
Europe	%	90%	89%
North America	%	85%	84%
South America	%	64%	50%
APAC	%	64%	-

Note: There were no senior managers in APAC in 2021. In 2022, EDPR acquired Sunseap, a company in the APAC region.

GRI 203-1 – Infrastructure investments and services supported

Wind and solar energy require infrastructure investments which benefit surrounding communities. This includes the reinforcement of existing electricity networks and the rehabilitation of existing roads or the construction of new roads.

The investment in roads is necessary in order to transport heavy equipment (wind turbine components, power transformers, etc.) to the site during construction. The improved road system facilitates future maintenance activities after construction works, as well as improves access to remote locations for the surrounding communities. During the operation of the wind farms and solar plants, these roads are maintained. The integration of the generation capacity may also require upgrades in the distribution and transmission grids that belong to the system operators. Those upgrades indirectly benefit the quality of service offered in the surrounding areas by minimising electricity supply interruptions. In 2022, EDPR invested €22 million in the development of community roads surrounding its projects.

GRI 203-2 – Significant indirect economic impacts

Renewable energy technologies are viewed not only as tools for mitigating climate change, but are also increasingly recognised as investments that can provide direct and indirect economic advantages by reducing dependence on imported fuels (and hence, improving trade balances), enhancing local air quality and safety, advancing energy access and security, propelling economic development and creating jobs. In 2022, EDPR implemented several economic development projects, which foster job creation and profit generation.

GRI 411-1 – Incidents of violations involving rights of indigenous peoples

EDPR has no knowledge of any incident of violations involving rights of indigenous people in 2022, neither in 2021.

Note: For the information reported in this indicator, EDPR considers passive contingencies associated with litigation qualified as probable recorded in the contingencies reporting system, and claims/doubts reported in the Speak Up Channel and considered as founded.

GRI 413-1 – Operations with local community engagement, impact assessments, and development programs

The Company believes that besides excelling in the way it performs, there must be a main factor weighing in every action or activity EDPR does – people. The Company considers that in order to have a positive impact on society, it is vital to work for the common good by promoting and supporting social investment activities.

EDPR's strategy for social investment reinforces two major topics - Fair Energy Transition, and Culture - having defined concrete objectives for the allocation of social investment to each of these themes.

- The **Fair Energy Transition** theme, which englobes social investment activities such as Closer2You, Keep it Local, Wind Experts and Your Energy, aims to promote energy efficiency, renewable energy and decarbonisation through increased awareness, supporting education on renewable energy for all. This thematic focus is greatly aligned with EDPR's business and therefore also promotes a more efficient use of the Company's skills, thus contributing to supporting communities in a more efficient manner.
- The **Culture** theme, which englobes EDPR's Powering Culture initiative, contributes to the protection and promotion of cultural heritage, local traditions and access to culture and art, contributing to a more vibrant and creative society.

In parallel and recognising the need to continue supporting projects that respond to other social needs of the communities where EDPR is present, the Company will maintain its investment in various topics such as health, social inclusion and response to emergency situations, among others.

In this context, and as an integral part of the communities where it operates, EDPR undertakes to maintain a relationship of proximity with the local communities engaging in regular and open dialogue, seeking to know their needs, respecting their cultural integrity and looking to contribute to improve the living conditions of local population, taking measures to consider and respect the community interests. Therefore, in line with its social investment strategy and the communities' needs and expectations, EDPR has defined a Catalogue of Activities that works as a tool for defining the social investment made in local communities. Nevertheless, in addition to the development of social activities, EDPR provides long-lasting economic benefits to the surrounding areas that include, but are not limited to, infrastructure investments, tax payments, landowners' royalty payments and job creation.

However, as a responsible company, EDPR works to promote the wellbeing and development of not only the communities where it operates but also of society in general, focusing on the people who contribute to the success of the Company's business and how society may benefit from it. In this context, and following the humanitarian crisis in Ukraine, EDPR made a €500 thousand donation to help support Ukrainian refugees in Poland. Specifically, the funds were used to distribute food to those in need in close partnership with NGOs that are very engaged in emergency support to the people fleeing the war to Poland. The donation adds up to the Group mobilising resources and equipment in affected communities as a response package for the humanitarian crisis. Aid was also sent to organisations working with victims on the front line – such as the Red Cross and Doctors of the World – in the form of the donation of essential goods and direct economic assistance.

Due to EDPR's presence in Poland, Romania and Hungary, there is regular contact with local authorities, to whom aid was also provided as required to support those communities on the border with Ukraine. In addition to this emergency response package, in-house action launched by volunteers of the Group was also carried out in the form of more local initiatives, helping refugees in Portugal and other countries.

Globally, during 2022, EDPR invested a total of €2.4 million in supporting communities, as a result of several activities such as internally developed and collaborative initiatives, donations to charitable organisations and volunteering activities. 23% of EDPR employees participated in volunteering initiatives, contributing with more than 2,500 hours of their time to the development and wellbeing of the society.

GRI 413-2 – Operations with significant actual and potential negative impacts on local communities

Noise, visual impact, TV interferences and ice thrown from wind turbines are identified as EDPR's business environmental impacts within the category of disturbance to the local communities. EDPR implements the necessary measures to make these impacts as minor as possible. Moreover, during the operation phase, EDPR has grievance mechanisms in place available to the local communities to ensure that suggestions or complaints are properly recorded and addressed. This allows EDPR not only to solve the complaints but also to introduce improvements in all processes. In 2022, EDPR registered 52 complaints regarding potential impacts on the local communities, -30% when comparing to 2021. There were 35 complaints in the US, of which 15 were related to noise, 12 related to road drainage, 6 related to shadows and 2 related to possible interferences with the TV or radio signal. In France there were 15 complaints, of which 11 related to possible interferences with the TV or radio signal, 2 related to noise and 2 related to shadows. There was also 1 complaint in Italy related to noise and 1 in Poland related to a spill.

Please note that EDPR does not have individual consumers, according to the concept this term has associated in the Spanish regulation (Law 11/2018). Regarding the complaint systems, given the core business of the Company, EDPR does not deal directly with individual consumers. However, EDPR considers the local communities near its operations as its clients and makes different complaint channels available to them, among which is the Speak Up Channel.

4.9. Suppliers management

GRI 204-1 — Proportion of spending on local suppliers

At EDPR, there is no specific policy or in-house procedure for preferring locally based suppliers. Nevertheless, under equal commercial terms, EDPR chooses local suppliers in order to enhance the socio-economic sustainability of the 28 markets where it is present.

In this way, 87% of vendor spending in 2022 was sourced from local suppliers.

Moreover, during the construction of the Company's projects, the local community can see an influx of temporary local construction workers and suppliers that provide a positive impact on the local economy.

Note: EDPR defines spending in local suppliers as purchases to suppliers in countries where EDPR is present divided by the total invoiced volume in 2022.

GRI 308-2 — Negative environmental impacts in the supply chain and actions taken

EDPR's Procurement Policy establishes the framework under which the Company's procurement process is developed. This process extends to direct and indirect suppliers and allows EDPR to establish practices and procedures that ensure a high-quality relationship with its suppliers and sustainability practices through the entire supply chain. Accordingly, EDPR has in place requirements related to ESG, Quality and Risk management that have to be met by its suppliers throughout the main procurement phases: Registration and Qualification, Requests for Proposals and Contracting and, lastly, the Monitoring and Evaluation of the suppliers.

EDPR has a Corporate System of Supplier Registration that works as the support to search and select suppliers by providing detailed information, validated and updated by credible sources, in order to guarantee their accreditation through financial, technical quality and ESG criteria. EDPR has also a Supplier Qualification Process in place since 2020, which aims to provide an analysis on critical issues and establishes minimum requirements to ensure that the suppliers EDPR works with are qualified: Technical capabilities & Quality Management, Financial & Risk, Compliance & Integrity, Health & Safety and Environmental Management criteria. The Company regularly reviews and reassesses the Qualification System criteria to ensure that they reflect the main market trends and regulations and that a high level of quality of the information available from suppliers is maintained.

The incorporation of adequate criteria in the contracting processes of the Company is essential to ensure in-depth management, mitigation and avoidance of operational and ESG risks in the supply chain. In 2022, EDPR has included an additional analysis on 5 ESG priorities in its turbine and module tenders (RFPs): Decarbonisation, Circular Economy, Human Rights, Health and Safety, and Transparency and Reporting. EDPR analyses corporate policies, targets, strategies, statements, roadmaps and other corporate documents or procedures that show suppliers' commitment to EDPR's ESG priorities. This analysis also helps the Company to avoid and mitigate potential ESG risks. Adequate compliance by all EDPR suppliers with applicable H&S and environmental requirements is essential to guarantee the correct performance of the contracted services and works. Aiming to ensure that suppliers comply with these requirements, the Company has established a disciplinary and sanctioning regime, which is included in all RFPs, contracts, and purchase orders so any provider will be always informed about the consequences of not complying with EDPR H&S and environmental requirements.

Moreover, EDPR has a Third-Party Integrity Due ncnce Procedure which was approved with the goal to reinforce the mechanisms for identifying and preventing possible integrity or corruption risks for EDPR in the relationship with third parties. In this sense, during 2022, 385 Compliance analysis of suppliers were performed (closed Integrity Due Diligence Analysis). In addition, an internal tool has been developed to facilitate the management of the Integrity Due Diligence analyses. In cases with high risk, it is necessary the approval of the Management Team, and the inclusion of robust clauses related to corruption in the corresponding agreements is recommended. These IDD allows the Company to verify public sanction lists, Political Exposed Persons lists (PEPs) and adverse media, in order to avoid any integrity risk.

In addition, during the contracting and awarding phase, the Company also establishes a fluent dialogue and shared of information with strategic suppliers through the traceability information requests and meetings. Technical components, including serial number and manufacturing origin must be provided by suppliers during this phase, ensuring traceability and enabling post-contracting manufacturing audits. This traceability information on the origin of the components allows the company to assess and avoid potential ESG risks. In parallel, financial capacity of the suppliers and their insurance policy are evaluated according to the EDPR's Credit-in procedure that defines the requirements to ensure the compliance with EDPR's Counterparty Risk Policy and the proper follow-up of active guarantees. EDPR Counterparty Risk Policy sets the methodology and process to measure counterparty risk of

new contracts, monitor counterparty risk of existing contracts, define in which moments and situations it should be used and establish guidelines and mitigation instruments to reduce counterparty risk when they exceed established limits.

In order to guarantee that suppliers comply with the previously mentioned requirements, EDPR monitors strategic suppliers during their services delivery and activity in EDPR's facilities. EDPR has two mechanisms to ensure that suppliers comply with its contractual obligations: passive mechanism and active mechanism:

- The **passive mechanisms** are those related to suppliers' disclosure when they identify any situation, infringement, or circumstance that may affect the agreement.
- The **active mechanisms** consist in:

  - Physical audits of the manufacturing process and the right from EDPR to audit/request information to the supplier. EDPR could audit those factories where its components are manufactured and produced.
  - Inspections that EDPR performs during the construction and operation phases, to monitor the suppliers' and contractors' performance regarding environmental and H&S aspects and to identify potential risks. In 2022, EDPR performed 1,425 inspections (-18% than in 2021) to 214 suppliers (-21% YoY) regarding environmental procedures. These inspections and audits are performed by EDPR to ensure best practices among contractors and to guarantee that these services are performed in a rigorous and standardised manner. As a result of these inspections, the Company identifies corrective actions needed and establishes an action plan for continuous improvement. These processes are reinforced by the integrated Health and Safety and Environmental Management System, which was developed and externally certified according to international standards ISO 45001 and ISO 14001.
  - EDPR hires an external party for additional supervision in these areas. These processes are reinforced by the integrated Health and Safety and Environmental Management System, which was developed and externally certified according to international standards ISO 45001 and ISO 14001.
  - In Europe & Latin America, EDPR has a Suppliers Sustainability Guide in place for both construction and O&M operations, providing an overview of the sustainability requirements EDPR expects its suppliers to meet, including H&S, environmental and ethical requirements. The guide includes H&S, environmental and ethical requirements such as compliance with applicable regulations, policies, internal norms, procedures, and systems in place.
  - In addition, in Europe & Latin America, EDPR classifies suppliers according to their HSE score and risk. This performance evaluation allows to classify suppliers and then implement an action plan according to other procurement processes, since adequate compliance by all EDPR suppliers with applicable H&S and environmental requirement is essential to guarantee the correct performance of the contracted services and works.

In a previous study to characterise EDPR's supply chain, performed in 2015, including the analysis of the exposure to economic, social and environmental risks, performed using the ESCHER (Efficient Supply Chain Economic and Environmental Reporting) methodology developed by PwC, it was determined that 300-thousand-ton GHG emissions were associated to EDPR's direct and indirect purchases, only 5% of which related to direct purchases. Through this study, EDPR aims to identify areas where should focus its improvement activities in order to significantly reduce its exposure to risk and optimise impacts.

GRI 414-2 – Negative social impacts in the supply chain and actions taken

EDPR's Procurement Policy establishes the framework under which the Company's procurement process is developed. This process extends to direct and indirect suppliers and allows EDPR to establish practices and procedures that ensure a high quality relationship with its suppliers and sustainability practices through the entire supply chain. Accordingly EDPR has in place requirements related to ESG, Quality and Risk management that have to be met by its suppliers throughout the main procurement phases: Registration and Qualification, Requests for Proposals and Contracting and, lastly, the Monitoring and Evaluation of the suppliers.

EDPR has a Corporate System of Supplier Registration that works as the support to search and select suppliers by providing detailed information, validated and updated by credible sources, in order to guarantee their accreditation through financial, technical quality and ESG criteria. EDPR has also its own Supplier Qualification Process in place since 2020 focusing in additional aspects specific to EDPR business. It aims to provide an analysis on critical issues and establishes minimum requirements to ensure that the suppliers EDPR works with are qualified: Technical capabilities & Quality Management, Financial & Risk, Compliance & Integrity, Health & Safety and Environmental Management criteria. The Company regularly reviews and reassesses the Qualification System criteria to ensure that they reflect the main market trends and regulations and that a high level of quality of the information available from suppliers is maintained.

The incorporation of adequate criteria in the contracting processes of the Company is essential to ensure in-depth management, mitigation and avoidance of operational and ESG risks in the supply chain. In 2022, EDPR has included an additional analysis on 5 ESG priorities in its turbine and module tenders (RFPs): Decarbonisation, Circular Economy, Human Rights, Health and Safety, and Transparency and Reporting. EDPR analyses corporate policies, targets, strategies, statements, roadmaps and other corporate documents or procedures that show suppliers' commitment to EDPR's ESG priorities. This analysis also helps the Company to avoid and mitigate potential ESG risks. Adequate compliance by all EDPR suppliers with applicable H&S and environmental requirements is essential to guarantee the correct performance of the contracted services and works. Aiming to ensure that suppliers comply with these requirements, the Company has established a disciplinary and sanctioning regime, which is included in all RFPs, contracts, and purchase orders so any provider will be always informed about the consequences of not complying with EDPR H&S and environmental requirements.

Moreover, EDPR has a Third-Party Integrity Due Diligence Procedure which was approved with the goal to reinforce the mechanisms for identifying and preventing possible integrity or corruption risks for EDPR in the relationship with third parties. In this sense, during 2022, 385 Compliance analysis of suppliers were performed (closed Integrity Due Diligence Analysis). In addition, an internal tool has been developed to facilitate the management of the Integrity Due Diligence analyses. In cases with high risk, it is necessary the approval of the Management Team, and the inclusion of robust clauses related to corruption in the corresponding agreements is recommended. These IDD allows the Company to verify public sanction lists, Political Exposed Persons lists (PEPs) and adverse media, in order to avoid any integrity risk.

In addition, during the contracting and awarding phase, the Company also establishes a fluent dialogue and shared of information with strategic suppliers through the traceability information requests and meetings. Technical components, including serial number and manufacturing origin must be provided by suppliers during this phase, ensuring traceability and enabling post-contracting manufacturing audits. This traceability information on the origin of the components allows the company to assess and avoid potential ESG risks. In parallel, financial capacity of the suppliers and their insurance policy are evaluated according to the EDPR's Credit-in procedure that defines the requirements to ensure the compliance with EDPR's Counterparty Risk Policy and the proper follow-up of active guarantees. EDPR Counterparty Risk Policy sets the methodology and process to measure counterparty risk of new contracts, monitor counterparty risk of existing contracts, define in which moments and situations it should be used and establish guidelines and mitigation instruments to reduce counterparty risk when they exceed established limits.

In order to guarantee that suppliers comply with the previously mentioned requirements, EDPR monitors strategic suppliers during their services delivery and activity in EDPR's facilities. EDPR has two mechanisms to ensure that suppliers comply with its contractual obligations: passive mechanism and active mechanism:

- The **passive mechanisms** are those related to suppliers' disclosure when they identify any situation, infringement, or circumstance that may affect the agreement.
- The **active mechanisms** consist in:

  - Physical audits of the manufacturing process and the right from EDPR to audit/request information to the supplier. EDPR could audit those factories where its components are manufactured and produced.
  - Inspections that EDPR performs during the construction and operation phases, to monitor the suppliers' and contractors' performance regarding environmental and H&S aspects and to identify potential risks. In 2022, EDPR performed 2,196 inspections (+26% than in 2021) to 255 suppliers (-6% YoY) regarding health and safety procedures. These inspections and audits are performed by EDPR to ensure best practices among contractors and to guarantee that these services are performed in a rigorous and standardised manner. As a result of these inspections, the Company identifies corrective actions needed and establishes an action plan for continuous improvement. These processes are reinforced by the integrated Health and Safety and Environmental Management System, which was developed and externally certified according to international standards ISO 45001 and ISO 14001.
  - EDPR hires an external party for additional supervision in these areas. These processes are reinforced by the integrated Health and Safety and Environmental Management System, which was developed and externally certified according to international standards ISO 45001 and ISO 14001.
  - In Europe & Latin America, EDPR has a Suppliers Sustainability Guide in place for both construction and O&M operations, providing an overview of the sustainability requirements EDPR expects its suppliers to meet, including H&S, environmental and ethical requirements. The guide includes H&S, environmental and ethical requirements such as compliance with applicable regulations, policies, internal norms, procedures and systems in place.
  - In addition, in Europe & Latin America, EDPR classifies suppliers according to their HSE score and risk. This performance evaluation allows to classify suppliers and then implement an action plan according to other procurement processes, since adequate compliance by all EDPR suppliers with applicable H&S and environmental requirement is essential to guarantee the correct performance of the contracted services and works.

In a previous study to characterise EDPR's supply chain, performed in 2015, including the analysis of the exposure to economic, social and environmental risks, performed using the ESCHER (Efficient Supply Chain Economic and Environmental Reporting) methodology developed by PwC, it was determined that more than 20,000 jobs related to EDPR's direct purchases were created, more than €735 million gross value added was associated to EDPR's purchases, and that ~0% of EDPR's direct purchases were identified as having significant risk for incidents of child labour, forced or compulsory labour or freedom of association. Through this study, EDPR aims to identify areas where should focus its improvement activities in order to significantly reduce its exposure to risk and optimise impacts.

EDPR's due diligence process

EDPR makes it a priority to implement procedures and measures to ensure the absence of governance, environmental, and human rights and labour rights risks in its supply chain. To this end, the Company is committed to taking action and improving its supply chain management on a daily basis.

EPDR supply chain management policies and procedures

EDPR's due diligence process begins with its public commitments and policies that apply to the Company's activity, its suppliers, and its contractors. In this regard, the Company has a Supplier Code of Conduct and a Human and Labour Rights Policy, implementing the principles of set in the Code of Ethics. EDPR also makes available to anyone a Speak Up channel, to give voice to any complaint from any person or organisation.

The Company's due diligence process is triggered for all purchases >25,000 euros.

Risk screening due diligence

A supplier screening due diligence process to identify potential risks

EDPR performs a public information analysis prior to any tender process, screening scouting counterparts' compliance and integrity. By this first due diligence layer, the Company can identify any negative information and decide if the counterpart achieves EDPR's ethical standards. After the Compliance report, the Procurement team is able to verify if the counterpart profile stands for the purchase risk and goals.

Risk assessment and monitoring due diligence

Identification and assessment of risks in the supply chain

The first step to identify risks in the supply chain is the Company's criticality matrix. This matrix, that is independent of the supplier, includes the mapping of different supply categories, analysing the relevance of each purchase in relation to its activity for EDPR's business, the duration of its relationship with the Company and the potential environmental and social risks arising from its activity. The Company then carries out a qualification process of critical suppliers, in order to know the measures it has in place to manage any potential risk within the supply chain.

Engagement process to prevent and mitigate impacts

Next, through the Request for Proposal (RFP) process, EDPR conducts a screening process of module and turbine suppliers, in order to assess their commitments, measures and targets, and also to identify potential ESG risks. EDPR has implemented an additional measure of traceability meetings and share of information, in order to avoid any potential risk areas in its upstream processes. Through continuous dialogue with suppliers, EDPR is able to anticipate and take action on potential risks in the supply chain. During this phase, the Company also establishes contractual clauses to ensure the necessary measures in case a potential risk arises.

Continuous monitoring of the supply chain

The Company continuously monitors its suppliers and contractors. For those contractors working in the organisation's facilities, EDPR performs audits and inspections. For manufacturing suppliers, the Company conducts quality audits at the facilities where the components are developed. Finally, as part of its commitment to promote a sustainable supply chain, EDPR joins initiatives such as Solar Energy Industries Association or Solar Power Europe. In 2022, EDPR has also joined the Solar Stewardship Initiative. This initiative aims to bring together different players in the solar energy industry – from utilities to suppliers – to promote a transparent, responsible, and sustainable supply chain. One of the main actions of the initiative is to promote a standard audit process for the solar industry supply chain.

ESG Criticality Matrix

The EDPR criticality matrix standardises the procurement risks according to each purchase category. The matrix drives the suppliers' scouting process, setting the minimum ESG thresholds and the development of the tender terms and negotiation, to ensure risks mitigation and monitoring obligations. During the contractual relationship, the matrix is the map that guides the supplier assessment and helps defining priorities. Annually, all critical suppliers are evaluated against the matrix criteria and the company can analyse suppliers' performance and drive improvements.

ESG aspects analysed by category of supplier
1 Supply Category (value chain sectoral risks: country/sector/activity)
2 Purchase Amount (EUR)
3 Duration of the contract and frequency of supplies
4 Importance for operation, innovation and investment
5 Consequence of sudden supply interruption
6 Irreplaceability of suppliers
7 Supplier access to equipment/facilities
8 Supplier access to customers
9 Supplier access to protected personal data
10 Supplier access to reserved data and Cybersecurity
11 Risks of occupational accidents from the contracted activity
12 Environmental risks from the contracted activity
13 Ethical, human and labour rights of the contracted activity

Sector level specific risk map

EDPR develops renewable energy facilities and, therefore, the core of its activity is the licensing, construction, and operation of facilities. Procurement is aimed at local companies that provide services to facilities and, upstream, at technological equipment for the power sector. EDPR acquires market available power technology and doesn't design technical equipments for manufacturing, therefore the Procurement is directed towards wholesale and brands.

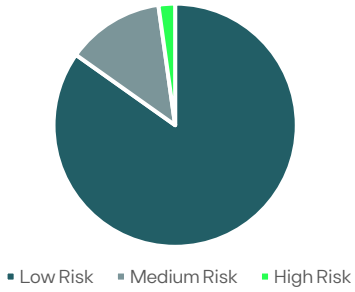
Salient Risks	Direct Tier 1 (scope 1+2)	Indirect/ Tier 2 + n (scope 3)	Procurement Spend 2022
Electrical/Industrial technology	-	ESG upstream footprint	656,878,046 €
Corporate Services and IT	Data Privacy, Cybersecurity, Integrity	-	845,127,752 €
Technical Services and Construction	Waste, Safety, Subcontracting, local impact	ESG upstream footprint	3,472,579,631 €
TOTAL			4,974,585,429 €

Overcoming solar modules risks through due diligence

Although EDPR purchases ready-to-install photovoltaic modules from licenced companies in its operating geographies, and therefore does not have direct impacts on the supply chain practices, the risk of being connected with any international convention's violations arising from upstream activities of unknow companies is still present and must be tackled to implement EDPR policies ("Guarantee it will not be complicit in human and labour rights abuses or disrespect"). Identification of upstream companies linked to module brands is a huge challenge for any individual company in the context of the global market's complexity and opacity. Moreover, the photovoltaic sector is high tech, especially regarding the manufacture of semiconductor materials and, to that extent, it is highly concentrated in a few producers and in a small number of countries. Estimated numbers for the year 2022 indicate that 98% of the world's crystalline wafers originated in China. Implementing deep due diligence to its direct counterparts and, at the same time, cooperating with industry initiatives aiming at developing the traceability of products is the approach that EDPR implements.

Spend exposure to country risks level

Below is a breakdown of EDPR's purchases according to the country risk level of the suppliers of contracted goods and services.



4.10. Environmental management

For information regarding GRI 3-3 – Management of material topics, please refer to section Natural Capital of the chapter Performance.

GRI 304-2 – Significant impacts of activities, products, and services on biodiversity

As a responsible company, EDPR is aware of the sensitivity of natural ecosystems and the pressures affecting biodiversity. EDPR's Environmental Policy establishes the Company's specific commitments to contribute to the mitigation of climate change, the promotion of the circular economy and the protection of biodiversity. EDPR's commitment towards biodiversity protection is focused on the main impacts of its activities: migrating birds, bats and habitat fragmentation. As a result, the Company particularly commits to protect the wildlife surrounding its wind farms and solar plants.

The Company has implemented relevant measures to identify the impacts of its operations on biodiversity, including:

- **Environmental impact assessments and/or risk mapping**: During the development phase of any project of the Company, the potential environmental impacts are analysed in detail in the environmental impact studies and other specific environmental studies, always performed by professional external experts. These studies evaluate the possible impacts of the projects in factors such as fauna, flora, soil, air and water bodies, among others.
- **Monitoring of biodiversity indicators:** EDPR has established an environmental monitoring which is implemented by an external party. Even so, efforts are intensified with specific monitoring procedures in the small number of sites located inside or close to protected areas. During the construction and operational phases, EDPR conducts on-site environmental monitoring to identify and prevent possible impacts on the biodiversity.

In addition, the Company has defined general procedures in its Environmental Management System to prevent, correct or compensate impacts in the environment. By the end of 2022, ISO 14001 certification covers c. 100%[1] of EDPR's installed capacity. The environmental strategy of the Company complements this approach, with the ambition for a globally positive balance through projects focused on the conservation of wildlife.

Moreover, as a sustainable company, it is EDPR's duty to contribute to the development of research and conservation programs, as well as to broaden scientific knowledge on biodiversity matters by supporting institutions and strengthening dialogue and partnerships.

GRI 304-3 – Habitats protected or restored

EDPR's business is its best contribution to reduce biodiversity loss. Nevertheless, the Company's commitment to contribute to the protection of biodiversity leads to an active role in the conservation of wildlife surrounding its facilities.

Even though EDPR works to minimise any impact on the land surrounding its facilities, the construction and dismantlement processes of wind farms and solar plants are closely followed by EDPR teams, who work to reduce potential impacts or disturbances and to ensure proper restoration of the land once the works finish, cleaning up and rehabilitating the sites to return the area to its initial state.

In 2022, EDPR finished the land restoration of four projects after construction works, restoring 100% of the hectares that were vegetally affected by the projects in Europe. During 2022, in a solar project in Spain, EDPR has achieved more than 100% restoration rates, revegetating the area between the solar panels and around the plant, generating a positive impact on the beekeeping panels in the area.

In addition, EDPR actively participates in the protection of biodiversity mainly through collaborations with several organisations to further protect wildlife surrounding its facilities. In Europe the Company has collaborated with GREFA (Group for the Rehabilitation of Native Fauna and their Habitat in Spanish) to establish new pairs of Egyptian Vultures (*Neophron percnopterus*) in the province of Cádiz through the acclimatisation of rehabilitated, captive-bred or translocated specimens.

In the US, EDPR continues to support the Renewable Energy Wildlife Institute (REWI), a multi-stakeholder organisation whose focus is to conduct and support scientific research related to renewable energy and wildlife. In addition, EDPR is a member of the Renewable Energy Wildlife Research Fund and has provided funding for several research projects.

[1]Calculation based on 2021YE installed capacity (EBITDA MWs). EDPR certifies the facilities the year after the COD (commercial operating date). Thus, the facilities that have entered into operation in 2022 will be certified in 2023.

GRI 304-1 – Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas

COUNTRY	FACILITY NAME	TYPE OF OPERATION	POSITION IN RELATION WITH PROTECTED AREA	FACILITY AREA IN PROTECTED NATURAL AREA (ha)	FACILITY AREA IN PROTECTED NATURAL AREA (%)	ATTRIBUTE OF THE PROTECTED AREA	STATUS OF THE PROTECTED AREA
Belgium	Sivry	Wind farm	Adjacent	0.0	0%	Terrestrial	Natura 2000
Poland	Korsze III	Wind farm	Adjacent	0.0	0%	Terrestrial-freshwater	Area of protected landscape
	Ilza	Wind farm	Partially within	6.6	81%	Terrestrial	Regional park
	Tomaszow	Wind farm	Adjacent	0.0	0%	Terrestrial-freshwater	Natura 2000
Portugal	Pena Suar	Wind farm	Inside	6.3	100%	Terrestrial	Natura 2000
	Açor	Wind farm	Partially within	0.1	1%	Terrestrial	Natura 2000
	Açor II	Wind farm	Partially within	6.0	88%	Terrestrial	Natura 2000
	Cinfães	Wind farm	Inside	4.9	100%	Terrestrial	Natura 2000
	Bustelo	Wind farm	Inside	8.9	100%	Terrestrial	Natura 2000
	Falperra-Rechãzinha	Wind farm	Partially within	29.2	88%	Terrestrial	Natura 2000
	Fonte da Quelha	Wind farm	Inside	8.1	100%	Terrestrial	Natura 2000
	Alto do Talefe	Wind farm	Inside	9.2	100%	Terrestrial	Natura 2000
	Fonte da Mesa	Wind farm	Partially within	8.4	79%	Terrestrial	Natura 2000
	Madrinha	Wind farm	Inside	4.1	100%	Terrestrial	Natura 2000
	Safra-Coentral	Wind farm	Inside	19.7	100%	Terrestrial	Natura 2000
	Negrelo e Guilhado	Wind farm	Partially within	9.6	98%	Terrestrial	Natura 2000
	Testos	Wind farm	Partially within	3.6	25%	Terrestrial	Natura 2000
	Serra Alvoaça	Wind farm	Partially within	7.8	61%	Terrestrial	Natura 2000 National protected area
	Tocha	Wind farm	Inside	6.8	100%	Terrestrial	Natura 2000
	Padrela/Soutelo	Wind farm	Partially within	1.0	41%	Terrestrial	Natura 2000
	Guerreiros	Wind farm	Partially within	0.1	0%	Terrestrial	Natura 2000

COUNTRY	FACILITY NAME	TYPE OF OPERATION	POSITION IN RELATION WITH PROTECTED AREA	FACILITY AREA IN PROTECTED NATURAL AREA (ha)	FACILITY AREA IN PROTECTED NATURAL AREA (%)	ATTRIBUTE OF THE PROTECTED AREA	STATUS OF THE PROTECTED AREA
	Vila Nova	Wind farm	Partially within	7.1	42%	Terrestrial	Natura 2000
	Vila Nova II	Wind farm	Partially within	9.1	34%	Terrestrial	Natura 2000
	Balocas	Wind farm	Partially within	0.4	1%	Terrestrial	Natura 2000
	Ortiga	Wind farm	Adjacent	0.0	0%	Terrestrial	Natura 2000
	S. João	Wind farm	Adjacent	0.0	0%	Terrestrial	Natura 2000
	Alto Arganil	Wind farm	Partially within	0.8	5%	Terrestrial	Natura 2000
	Salgueiros-Guilhado	Wind farm	Partially within	0.3	3%	Terrestrial	Natura 2000
	Serra do Mú	Wind farm	Adjacent	0.0	0%	Terrestrial	Natura 2000
	Barão de São João	Wind farm	Inside	22	100%	Terrestrial-marine	Natura 2000
Romania	Albesti	Wind farm	Adjacent	0.0	0%	Terrestrial	Natura 2000
	Pestera	Wind farm	Adjacent	0.0	0%	Terrestrial	Natura 2000
	Sarichioi	Wind farm	Partially within	0.1	0.1%	Terrestrial	Natura 2000
	Burila Mica	Solar plant	Inside	23	100%	Terrestrial-freshwater	Natura 2000
Spain	Sierra de Boquerón	Wind farm	Inside	9.6	100%	Terrestrial	Natura 2000
	La Cabaña	Wind farm	Partially within	8.2	53%	Terrestrial	Natura 2000
	Corme	Wind farm	Partially within	4.7	31%	Terrestrial	Natura 2000
	Tahivilla	Wind farm	Adjacent	0.0	0%	Terrestrial	Natura 2000 National protected area
	Coll de la Garganta	Wind farm	Partially within	0.1	1%	Terrestrial-freshwater	Natura 2000
	Puntaza de Remolinos	Wind farm	Partially within	1.8	57%	Terrestrial	Natura 2000
	Planas de Pola	Wind farm	Partially within	6.1	55%	Terrestrial	Natura 2000
	Ávila	Wind farm	Adjacent	0.0	0%	Terrestrial-freshwater	Natura 2000
	Buenavista	Wind farm	Adjacent	0.0	0%	Terrestrial-Marine	Natura 2000
	Serra Voltorera	Wind farm	Adjacent	0.0	0%	Terrestrial	Natura 2000

COUNTRY	FACILITY NAME	TYPE OF OPERATION	POSITION IN RELATION WITH PROTECTED AREA	FACILITY AREA IN PROTECTED NATURAL AREA (ha)	FACILITY AREA IN PROTECTED NATURAL AREA (%)	ATTRIBUTE OF THE PROTECTED AREA	STATUS OF THE PROTECTED AREA
	Villoruebo	Wind farm	Partially within	2.1	43%	Terrestrial-freshwater	Natura 2000
	Villamiel	Wind farm	Partially within	1.9	29%	Terrestrial-freshwater	Natura 2000
	La Mallada	Wind farm	Partially within	1.4	7.9%	Terrestrial-freshwater	Natura 2000
	Las Monjas	Wind farm	Partially within	0.0	0%	Terrestrial-freshwater	Natura 2000
	Coll de la Garganta	Wind farm	Partially within	0.1	1%	Terrestrial-freshwater	Natura 2000
	Tejonero	Wind farm	Partially within	0.2	1%	Terrestrial	Natura 2000
	Ávila	Wind farm	Adjacent	0.0	0%	Terrestrial-freshwater	Natura 2000
	Sierra de los Lagos	Wind farm	Adjacent	0.0	0%	Terrestrial	Natura 2000
	Mostaza	Wind farm	Adjacent	0.0	0%	Terrestrial	Natura 2000
	Los Almeriques	Wind farm	Adjacent	0.0	0%	Terrestrial-freshwater	Natura 2000
	Suyal	Wind farm	Partially within	0.0	0%	Terrestrial	Natura 2000
	Serra Voltorera	Wind farm	Adjacent	0.0	0%	Terrestrial	Natura 2000
	Monseivane	Wind farm	Partially within	17	97%	Terrestrial-freshwater	Natura 2000
	La Celaya	Wind farm	Partially within	9.0	70%	Terrestrial-freshwater	Natura 2000
	Cerro del Conilete	Wind farm	Partially within	0.01	0.4%	Terrestrial	Natura 2000
		Wind farm	Adjacent	0.0	0%	Terrestrial	Natura 2000
	La Victoria	Wind farm	Partially within	0.1	0.1%	Terrestrial	Natura 2000
	La Victoria	Wind farm	Partially within	0.1	0.1%	Terrestrial	Natura 2000
	Marquesado	Wind farm	Partially within	1.5	2%	Terrestrial	Natura 2000

Note 1: This table contains information regarding every EDPR operational sites in or adjacent to protected areas. EDPR does not own sites in or adjacent to protected areas in its remaining markets.
Note 2: Coll de la Garganta, Serra Voltorera, Ávila and La Victoria appear twice in the table as the first entry refers to a bird protected area and the second entry to a protected area due to the community importance of the site.

GRI 306-1 – Waste generation and significant waste-related impacts

The waste generated by EDPR is not directly linked to the generation process. Most of them are related to turbines' operation and maintenance processes, and the rest is waste originated in facilities and offices. Despite this, the Company promotes proper waste management and the integration of circularity in all phases of its projects.

Accordingly, most of the hazardous waste produced by the sites is related to oil and oil-related waste such as oil filters or oil containers, used mainly for lubrication of the turbines. The consumption of this oil is based on certain pre-defined replacement time frequencies (between 2 and 5 years, based on the component, oil type and manufacturer). Annual fluctuations in hazardous waste generated are heavily dependent on the multiannual oil replacement programs mentioned. Non-hazardous waste generated by the Company includes mixed municipal waste, paper, metals, and plastics, among others.

GRI 306-2 – Management of significant waste-related impacts

EDPR promotes a rational use of resources and the reuse of components whenever possible. In addition, the Company integrates criteria for proper waste management in all phases of its projects. The Company promotes the recovery of waste rather than disposal through recycling and other means. In this context, during 2022, EDPR recovered 74% of the waste generated and 90% of the hazardous waste generated. Please see below the summary of waste generation and recovery ratios, considering that YoY variations are mainly due to increase in production & decrease in waste generation (-19% YoY), mainly due to less one-offs.

WASTE - RATIOS	UN	2022	2021	Δ% YoY
Total waste	kg/GWh	45	61	(26%)
Total hazardous waste	kg/GWh	15	26	(43%)
Total non-hazardous waste	kg/GWh	30	34	(13%)
Total waste recovered	%	74%	75%	(1.8 pp)
Hazardous waste recovered	%	90%	88%	+2 pp
Non-hazardous waste recovered	%	65%	66%	(0.4 pp)

GRI 306-3 – Waste generated

WASTE BY COMPOSITION	UN	WASTE GENERATED
Hazardous waste	t	482
Oil related waste	t	417
Contaminated packaging	t	34.3
Batteries	t	4.65
Antifreeze fluids	t	4
Electronic equipment containing hazardous waste	t	5
Other hazardous waste	t	17.1
Non-hazardous waste	t	969
Mixed waste	t	290
Paper and cardboard	t	146
Metals	t	262
Concrete	t	51
Electronic equipment	t	27
Iron and steel	t	26
Plastics	t	10.7
Wood	t	34
Septic tank sludge	t	90
Wiping cloths and protective clothing	t	6
Fiberglass	t	18
Biodegradable waste	t	0.5
Glass	t	0.5
Other non-hazardous waste	t	7.2
TOTAL	t	1,451

GRI 306-4 – Waste diverted from disposal

WASTE RECOVERED	UN	2022	2021
Hazardous waste	t	435	684
Total hazardous waste recycled	t	177	279
Total hazardous waste with other recovery, except recycled	t	258	406
Non-hazardous waste	t	632	670
Total non-hazardous waste recycled	t	406	330
Total non-hazardous waste with other recovery, except recycled	t	226	340
TOTAL	t	1,067	1,355

GRI 306-5 – Waste directed to disposal

WASTE DISPOSED	UN	2022	2021
Hazardous waste	t	46	351
Total hazardous waste sent to landfill	t	30	333
Total hazardous waste with other disposal, except landfill	t	15	19
Non-hazardous waste	t	338	351
Total non-hazardous waste sent to landfill	t	325	333
Total non-hazardous waste with other disposal, except landfill	t	13	19
TOTAL	t	384	703

Notes to the waste indicators reported above:

- For the purposes of this report, all wastes have been classified as hazardous or non-hazardous according to European waste catalogue; however, in each country where EDPR has a geographic presence, each site is required to adhere to national law by following company procedures for handling, labelling, and storage of wastes to ensure compliance. In cases like in the United States, when the Company's operations generate small quantities of substances which fall into additionally regulated categories such as used oils and universal wastes, EDPR follows strict standards for handling and disposal of these waste types to ensure and remain compliant with all applicable laws.
- Includes waste both from operational facilities and offices. Waste from offices in 2021 only refers to 4Q21 data (due to the home office implemented the rest of the year).
- All waste is treated offsite.
- 2021 data restated to include all waste generated, not excluding waste caused by non-recurring events such as spills and fires.

Significant spills

Given EDPR's activity and its locations, oil spills and fires are the major environmental risks the Company faces. The Environmental Management System is designed and implemented to prevent emergency situations from happening. But, just to be cautionary, the system covers the identification and management of these, including the near miss situations.

EDPR defines significant spills and fires as any spill affecting water bodies/courses, protected soils or soils of interest because of its natural value, or fire affecting protected areas and/or species (according to local protection laws), derived from the O&M activities in the facilities. EDPR continues to register near miss situations, when a registered incident does not reach the category of significant spill. In 2022, there were no significant spills and fires, and there were 71 near miss situations registered during the year (-14% vs 2021).

In this context, EDPR performs regular environmental drills to guarantee that all employees and suppliers are familiar with the risks and have received the appropriate training to prevent and act, if necessary.

Other environmental management related topics

Despite EDPR's core activities do not pose any threats of serious or irreversible damage to the environment, the Company, in compliance with the Precautionary Principle, applies cost-effective measures to prevent environmental degradation such as provisions for dismantling and decommissioning of property, plant and equipment to dismantle and decommission those assets at the end of their useful lives. Consequently, EDPR has booked provisions for property, plant and equipment related to electricity wind and solar generation for the responsibilities of restoring sites and land to its original condition, in the amount of €264,756 thousand as at 31 December 2022 (-16% vs 2021).

4.11. Communication and transparency

Contributions to foundations and non-profit entities

EDPR contributed with more than 540 thousand euros to Foundations, +80% vs 2021. Regarding non-profit organisations and NGOs, EDPR donated more than 660 thousand euros, +51% YoY. The interannual variations are mostly due to EDPR's solidarity campaign carried out in 2022 in response to the humanitarian crisis in Ukraine.

GRI 2-28 – Membership of associations

The EDP Group raises awareness to policy makers and legislators about the interests of the business sector and/or its own. Globally, EDP Group's activities include participation in industry associations ("Industry Institutions") comprising multiple industry participants that work to advance shared policy objectives. EDPR's approach and involvement with Industry Institutions is in accordance with EDP Group's internal regulations, policies and procedures, including the principles of integrity and transparency expressed in the Code of Ethics. In Europe, activities are monitored by means of voluntary registration on a platform created for that purpose by the European Commission – "Transparency Register". EDP has been registered since the creation of this platform in 2011. In North America, relevant Industry Institutions are required to disclose and/or register campaign finance and lobbying activities in accordance with applicable local, state, or federal law.

In the following table are presented the contributions concerning the activities of representation of interests of EDPR:

ACTIVITIES OF REPRESENTATION OF INTEREST	UN	2022	2021
Trade associations or tax-exempt groups	€k	1,536	1,700
Lobbying, interest representation or similar	€k	295	549
Other	€k	20	29
Local, regional or national political campaigns / organisations / candidates	€k	0	0
TOTAL	€k	1,851	2,278

The table below contains the most relevant contributions for associations in 2022:

MOST RELEVANT CONTRIBUTIONS	UN	2022
Solar Energy Industry Association	€k	147
American Energy Action	€k	111
Renewable Energy Wildlife Institute	€k	83
Funseam	€k	60
Asociación Empresarial Eólica (AEE)	€k	58

GRI 201-4 – Financial assistance received from government

EDPR has not received any financial assistance from the government in 2022, neither in 2021.

Note: The American legislation foresees – and has foreseen in the past – several tax incentives for the production of renewable energy in the United States. Some examples are the production tax credits, the research and development tax credits, the former cash grant, the so-called MACRS (a way of accelerated depreciation), etc. These tax credits are in most cases are part of the renewable energy remuneration scheme.

GRI 206-1 – Legal actions for anti-competitive behaviour, anti-trust, and monopoly practices

EDPR has no knowledge of any legal actions for anti-competitive behaviour, anti-trust or monopoly practices in 2022, neither in 2021.

Note: For the information reported in this indicator, EDPR considers passive contingencies associated with litigation qualified as probable in 2021 recorded in the contingencies reporting system.

GRI 2-27 – Compliance with laws and regulations

EDPR has no knowledge of any non-compliance with laws and regulations in 2022, neither in 2021.

Note: For the information reported in this indicator, EDPR considers passive contingencies associated with litigation qualified as probable recorded in the contingencies reporting system and that have obtained an unappealable judgement.

GRI 415-1 – Political contributions

The Integrity Policy, in line with the principles defined in the Code of Ethics, prohibits any contribution or association of the EDPR brand to political parties, candidates, campaign structures / political candidacy or to related persons or entities, namely through the delivery of goods or the provision of services, directly or indirectly, on behalf or representation of EDPR, since it may jeopardise the integrity of the Group entities, unless otherwise required by law. In addition, EDPR should make available the necessary arrangements for employees to take part, in their strictly personal capacity, in political processes, under applicable law.

In North America, EDPR retains political consultants for lobbying activities. However, these political consultants are prohibited from making contributions to political candidates, campaigns or parties on behalf of or in the name of EDPR. Additionally, EDPR has provided financial support for the activities of America Energy Action, a welfare organisation organised under Section 501(c)(4) of the US Internal Revenue Code. Such social welfare organisations may participate legally in some political activity on behalf of or in opposition to candidates for public office. However, any such political activity must be completely independent of any political candidate or political campaign.

Finally, in accordance with US law, and at the request of US employees, EDPR provides properly regulated mechanisms for employees' participation in political processes and has enabled the establishment of a political action committee (PAC) called the EDPR NA PAC. The EDPR PAC is funded entirely by voluntary personal monetary contributions made by members of the PAC, who are eligible employees in accordance with US law, and decisions on which political campaigns to support are made with the approval of the PAC governing board, which is made up of elected members of the PAC, also in accordance with US law.

These activities are then aligned with the above-mentioned principles of the Integrity Policy and the Code of Ethics.

GRI 207-1 – Approach to tax

EDPR's fiscal strategy is based on five main pillars:

1) EDPR has an ethical and civic duty to contribute to the financing of the general functions of the States in which it operates, by paying the taxes, levies and other contributions that are due, contributing to the well-being of citizens and to the development of the Group's local business. In this context, it carries out its fiscal function with rigor and professionalism, in line with the "EDPR Fiscal Mission", in accordance with the following principles:

- Implements the options which are most appropriate to the business and to the shareholders, in faithful compliance with the spirit and letter of the Law;
- Pays the taxes that are due in all the geographical areas where it carries out its activity;
- Adopts the arm's length principle in intra-group transactions, in the context of the applicable international transfer pricing rules, guidelines and best practices, by transversally implementing an internal transfer pricing policy based on three main principles:

  - All intra-group transactions of a commercial or financial nature have a pre-defined pricing, with terms and conditions that are in line with what would normally have been practised between independent entities, in comparable operations;
  - The definition of the transfer price is based on the economic rationale of the intra-group transaction and, in accordance with the internal rules of the EDPR, not constituting an instrument for tax planning and / or tax evasion;
  - The documentation of intra-group transactions is fully compliant with the Guidelines of the Organisation for Economic Co-operation and Development (OECD), without prejudice to the specific aspects of the internal legislation of each geographical area.

- Adopts tax practices based on principles of economic relevance and commonly accepted business practices;
- Discloses true and complete information concerning relevant transactions; and,
- Seeks to defend its legitimate interests by administrative means and, when appropriate, judicially, when the payment of any taxes, contributions and levies reasonably raises doubts regarding its legality.

2) EDPR reconciles the responsible compliance with tax obligations, with the commitment to create value for its shareholders, efficiently managing its tax burden and using the available

tax benefits and incentives applicable in each region, taking into account the Group's global interest and foreseeing significant tax risks.

3) EDPR is committed to maintain a relationship with the Tax Authorities of the countries where it operates based on principles of trust, good faith, transparency, cooperation and reciprocity, aiming to facilitate the application of the Law and to minimise litigation.

4) EDPR applies responsible policies, striving to maintain a low-risk tax profile in order to avoid conducts that could generate significant tax risks. To this end, EDPR implemented a global risk management policy with the objective of identifying, quantifying, managing, monitoring and minimising the tax risks, in close connection with the highest levels of control and decision.

5) EDPR considers transparency a core principle of its fiscal function, particularly through:

Not resorting to opaque structures or operating in jurisdictions for reasons that do not have a close connection with the economic activity developed within them. EDPR does not have subsidiaries in territories considered to be noncooperating in accordance with Spanish and Portuguese legislations and / or with the OECD benchmarks; and,
Disclosure of tax information in accordance with the best international practices and recommendations, to facilitate the understanding of the global contribution for the economies and the principles governing its fiscal policies and practices.

GRI 207-2 — Tax governance, control and risk management

The process of management and control of the tax risk begins with the identification and mapping of the risks to which the EDPR is subject. In this sense, EDPR continuously assesses the tax risks and uncertainties, conducting regular exercises in order to identify, quantify and monitor risks that arise from external events with potential material impact.

Accordingly, the Group implemented a risk management policy for identifying, quantifying, managing, monitoring and mitigating, among others, the tax risks, particularly the risk of materialisation of the tax contingencies. Indeed, EDPR, through a specialised team, continuously monitors the processes associated with tax risks and contingencies (related and not related to ongoing litigation), in close cooperation with the respective Business Units, corporate legal services and external lawyers and consultants.

In addition, the EDPR's Management Team is involved in the decision-making process of the relevant operations, being its tax impact, if any, analysed, documented and included in the documentation submitted for approval, in particular when it may constitute an important element for the final decision, in order to ensure long-term value creation for shareholders. EDPR also has an Audit, Control and Related-Party Transactions Committee, whose main mission, upon delegation of the BoD, includes the permanent monitoring and supervision of any matters related to the internal control system over financial information and the risk management process, particularly in its fiscal aspects.

GRI 207-3 — Stakeholder engagement and management of concerns related to tax

The EDP Group reconciles responsible compliance with tax obligations, with the commitment to create value for its shareholders, advocating efficient management of its tax burden through the use of legally available tax benefits and incentives applicable in each region and which are appropriate to the business carried out. The EDP Group is specifically committed to maintain a relationship with the Tax Authorities of the countries where it operates based on principles of trust, good faith, transparency, cooperation and reciprocity, aiming to facilitate the application of the Law and to minimise litigation.

GRI 207-4 – Country-by-country reporting

CORPORATE INCOME TAX PAID	UN	2022	2021
Spain	€M	25	4
Portugal	€M	33	28
France / Belgium	€M	0	1
Poland	€M	26	11
Romania	€M	0	0
Italy	€M	18	3
Greece	€M	0	0
UK	€M	0	0
Brazil	€M	10	5
Colombia	€M	4	0
Chile	€M	0	0
US	€M	1	1
Canada	€M	0	0
Mexico	€M	7	10
Others	€M	0	0
TOTAL	€M	125	63

Note 1: The American legislation foresees – and has foreseen in the past – several tax incentives for the production of renewable energy in the United States. Some examples are the production tax credits, the research and development tax credits, the former cash grant, the so-called MACRS (a way of accelerated depreciation), etc. these tax credits, that in most cases are part of the renewable energy remuneration scheme, have accumulated during the last years, allowing the minimisation of CIT cash-out in this geography.
Note 2: As a general rule, the corporate income tax cash-out detailed above considers both the down payments corresponding to the fiscal year in course (where applicable) and the balance of the corporate income tax corresponding to the previous year.
Note 3: For information regarding Profit before income tax, please refer to 4.3 Economic Business Sustainability. For the number of employees by country, please refer to 4.5 People Management, GRI 2-7.

4.12. Digital transformation

For information regarding GRI 3-3 – Management of material topics, please refer to section Digital Capital of the chapter Performance.

4.13. Ethics and compliance

For information regarding GRI 3-3 — Management of material topics, please refer to section Integrity and ethics of the chapter The Company.

GRI 205-1 — Operations assessed for risks related to corruption

EDPR analyses all the new markets where it operates through a market overview including ESG topics such as human rights, labour, and environment. This study also evaluates the corruption risk.

EDPR has a Third Party Integrity Due Diligence Procedure which was approved with the goal to reinforce the mechanisms for identifying and preventing possible integrity or corruption risks for EDPR in the relationship with third parties. In this sense, during 2022, 692 Compliance analysis of third parties were performed (considering closed Integrity Due Diligence Analysis). In addition, an internal tool has been developed to facilitate the management of the Integrity Due Diligence analyses. In cases with high risk, it is necessary the approval of the Management Team, and the inclusion of robust clauses related to corruption in the corresponding agreements is recommended.

GRI 205-2 — Communication and training on anti-corruption policies and procedures

In 2021, EDPR modified its Anti-Corruption Policy and it is now called Integrity Policy. This document was reviewed and updated in October 2022. EDPR's Integrity Policy aims to define the general principles of action and the duties for the Company, its employees, and business partners, in order to avoid the commission of criminal and administrative offences, in particular, conducts associated with crimes of corruption and bribery, money laundering and terrorism financing, antitrust/anti-competitive practices and non-compliance with data protection requirements.

The Integrity Policy is complemented by other procedures that facilitate the application of this Policy. Among others: (i) the Donations and Sponsorships Procedure, (ii) the Offers and Events Procedure and (iii) the Conflict of Interest Procedure. During 2022, the following Procedures have reviewed and updated: Offers and Events, Relationships with Public Officials, and Politically Exposed Persons and Integrity Due Diligence. Additionally, in 2022, a new Procedure has been approved: the Intermediary Agreements Procedure.

All this normative development has implied a strong work to make the new policies and procedures of the Group known, having deepened this year a lot in training and communication in the anti-corruption area.

Training and communication are fundamental tools to strengthen and disseminate the ethic and integrity culture. In that sense, the following activities have been developed: (i) Training for specific areas (M&A, Legal, Procurement) on the Integrity Due Diligence Procedure; (ii) Transversal trainings based on the Compliance Management System, integrity and personal data protection (iii) Training on Ethics for Middle Management, (iv) Training sessions in person in different geographies (Italy, Greece, France, Romania, Brazil, Colombia and Hungary) and (v) training on Ethics and Criminal Compliance to the new hires.

These trainings have been complemented with communication activities: (i) the monthly Ethics and Compliance Comic which shows practical cases of application of the Code of Ethics and the Compliance policies and procedures, (ii) Global Ethics Day campaign, (iii) periodic posts on intranet and internal platforms over compliance topics and (iv) different thematic campaigns as the Privacy Day, GRPD anniversary or anticorruption.

GRI 205-3 — Confirmed incidents of corruption and actions taken

EDPR has no knowledge of any confirmed incident of corruption in 2022, neither in 2021.

Note: For the information reported in this indicator, EDPR considers passive contingencies associated with litigation qualified as probable in 2022 recorded in the contingencies reporting system and claims/doubts reported in the Speak Up Channel and considered as founded.

GRI 406-1 — Incidents of discrimination and corrective actions taken

EDPR has no knowledge of any incident of discrimination in 2022, neither in 2021.

Note: For the information reported in this indicator, EDPR considers passive contingencies associated with litigation qualified as probable in 2022 recorded in the contingencies reporting system and claims/doubts reported in the Speak Up Channel and considered as founded.

GRI 407-1 — Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk

Throughout EDPR's operations, both employees and suppliers must comply with the EDPR's Code of Ethics, which has specific clauses to respect freedom of trade union association and recognise the right to collective bargaining. During 2022, neither in 2021, EDPR did not

register any claims/doubts in the Speak Up Channel regarding operations with significant risk where the right to freedom of association and collective bargaining may be at risk.

In a previous study to characterise EDPR's supply chain, performed in 2015, including the analysis of the exposure to economic, social and environmental risks, performed using the ESCHER (Efficient Supply Chain Economic and Environmental Reporting) methodology developed by PwC, it was determined that ~0 of EDPR's direct purchases were identified in which the right to exercise freedom of association and collective bargaining may be at significant risk. Through this study, EDPR aims to identify areas where should focus its improvement activities in order to significantly reduce its exposure to risk and optimise impacts.

GRI 408-1 – Operations and suppliers at significant risk for incidents of child labour

Throughout EDPR's operations, both employees and suppliers must comply with the EDPR's Code of Ethics, which has specific clauses against child labour. During 2022, neither in 2021, EDPR did not register any claims/doubts in the Speak Up Channel regarding operations with significant risk for incidents of child labour.

In a previous study to characterise EDPR's supply chain, performed in 2015, including the analysis of the exposure to economic, social and environmental risks, performed using the ESCHER (Efficient Supply Chain Economic and Environmental Reporting) methodology developed by PwC, it was determined that ~0 of EDPR's direct purchases were as having significant risk for incidents of child labour. Through this study, EDPR aims to identify areas where should focus its improvement activities in order to significantly reduce its exposure to risk and optimise impacts.

GRI 409-1 – Operations and suppliers at significant risk for incidents of forced or compulsory labour

Throughout EDPR's operations, both employees and suppliers must comply with the EDPR's Code of Ethics, which has specific clauses against forced labour. During 2022, neither in 2021, EDPR did not register any claims/doubts in the Speak Up Channel regarding operations with significant risk for incidents of forced and compulsory labour.

In a previous study to characterise EDPR's supply chain, performed in 2015, including the analysis of the exposure to economic, social and environmental risks, performed using the ESCHER (Efficient Supply Chain Economic and Environmental Reporting) methodology developed by PwC, it was determined that ~0 of EDPR's direct purchases were as having significant risk for incidents of forced or compulsory labour. Through this study, EDPR aims to identify areas where should focus its improvement activities in order to significantly reduce its exposure to risk and optimise impacts.

Other corporate ethics topics

Money laundering

The money laundering risk involves acquiring, possessing, using, converting, or transmitting goods knowing that they have their origin in a criminal activity, or perform any other act that seeks to cover their illicit origin. EDPR has identified in its Compliance Model the money laundering risk and has developed several controls and measures to minimise the probability of occurrence. Currently, the money laundering risk is categorised as low.

4.14. Reporting principles

This is the fourteenth year EDPR publishes an integrated report describing the Company's performance, with respect to the three pillars of sustainability: environmental, social and governance.

Information is presented with reference to Global Reporting Initiative (GRI) Standard 1 Foundation guidelines for Sustainability Reporting for the period between 1 January 2022 and 31 December 2022 and also provides information on the additional electricity sector supplement indicators directly related to the Company business, which is the power generation from renewable sources, basically wind. A full GRI standards content index for the report can be found in Annex IV of this chapter.

United Nations Global Compact

Global Compact is an initiative of the United Nations launched in 2000 that defines guideline directives for businesses that opt to contribute to sustainable development. EDPR has become signatory of this initiative and is committed to put these principles into practice, informing society of the progress it has achieved.

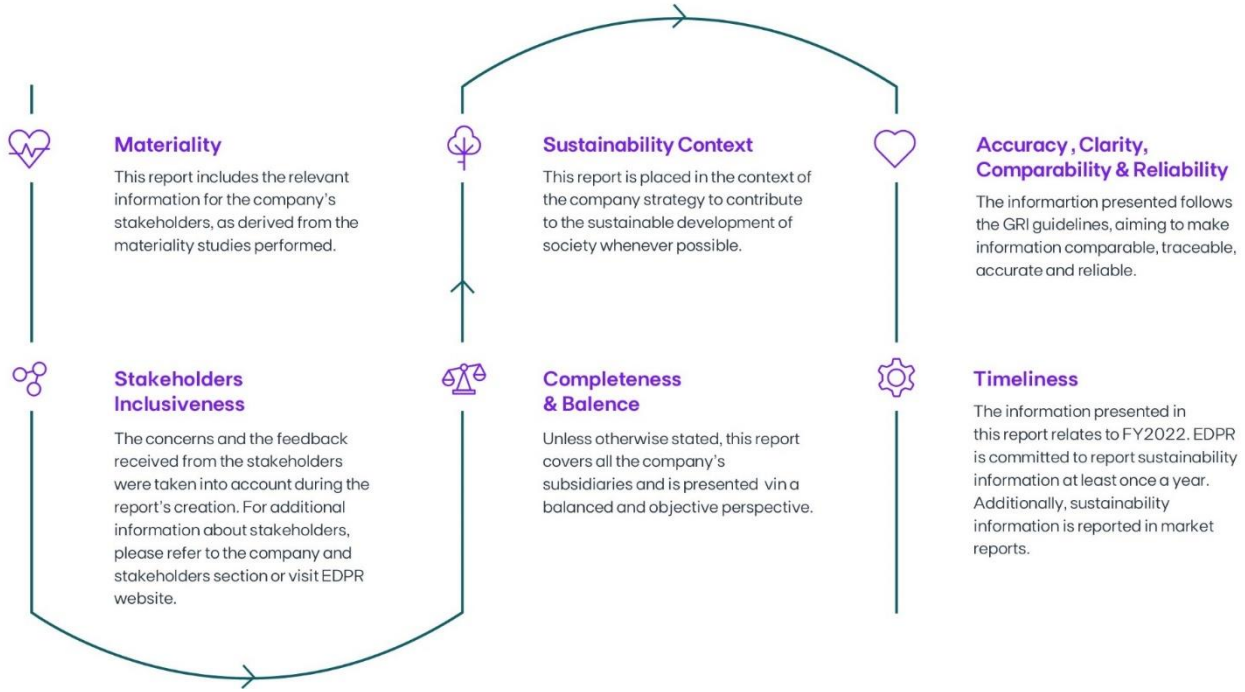
Additionally, in 2015, in the United Nations General Assembly, the world leaders decided to assume a set of global goals to change the world until 2030. The agenda that must guide the joint work of governments, citizens, companies, and organisations, consists of 17 Sustainable Development Goals (SDGs) with the ambition of ending poverty, fighting against inequality and stopping climate change. EDPR will direct its contributions to eight of the 17 Sustainable Development Goals.

To learn more about the UN Global Compact, please visit www.unglobalcompact.org.

Global Reporting Initiative

The GRI Standards are the first global standards for sustainability reporting, representing the global best practice for reporting on a range of economic, environmental and social impacts. A company's adherence to this initiative means that it concurs with the concept and practices of sustainability. This Annual Report has been prepared with reference with the GRI Standards in its Core option, and these Standards have been independently assured according to ISAE 3000 by PwC.

To learn more about the GRI guidelines, please visit www.globalreporting.org



Annex I: Alignment with TCFD recommendations

Background of TCFD and climate-related risks and opportunities

Climate change has become one of society's greatest challenges in the short, medium and long term. In addition, international organisations such as the Intergovernmental Panel on Climate Change (IPCC) highlight the significant impact that changes in climate patterns may have in the coming future. Faced with this scenario, all organisations, from investors to companies themselves, are working to make their assets more resilient to changes in weather and climate patterns. Given the growing concern of various stakeholders about the resilience of companies to the risks and opportunities of climate change, the Task Force on Carbon Finance Disclosure (TCFD) published in 2017 a set of recommendations on how to analyse, incorporate and disclose climate transition and long-term resilience, with the aim of increasing transparency and information provided to stakeholders.

The EDP Group and EDPR have been adopting the recommendations issued by the TCFD, and in 2021 launched a project to deepen them, specifically in the integration of climate and its risks and opportunities within the governance, strategy, risk management and metrics and targets of the companies, as well as in the implementation of a regular process for assessing climate risks and opportunities (including their identification and quantification).

EDPR integrates weather patterns in its decision making and analysis of its assets, in order to anticipate and implement adaptation measures for any potential risk. The Company reports for the first time its approach to TCFD recommendations, and the measures implemented to integrate climate-related risks and opportunities are the following ones.

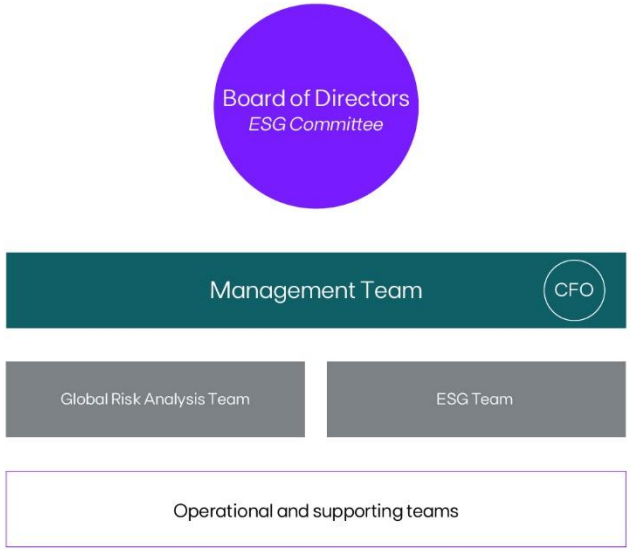
EDPR's Climate Governance

The organisation has an ESG Committee that leads and oversees the management of the Company's ESG aspects. This ESG Committee, which is part of the Board of Directors – composed of independent directors – is the highest governance body in the management of climate-related risks and opportunities. In addition, given the relevance of climate aspects for the financial performance of companies, the person responsible for the supervision of climate aspects at Management Team level is the Chief Financial Officer (CFO).

EDPR's governance receives regular updates on the identification and assessment of climate risks and opportunities, as well as the implementation of concrete measures in this regard. In addition, the Board of Directors' remuneration policy includes among its KPIs a series of ESG objectives for the Company, with climate action through an increase in installed capacity being one of the priorities.

Finally, at the technical and operational level, the process is led by the Global Risk and ESG Departments, with the collaboration of other departments. Different departments and teams contribute with their expertise in the process, in terms of technical knowledge, information in the field or in dealing with specific environmental issues. The following figure summarises the internal supervision and monitoring process for climate issues:

EDPR's Climate Governance



Strategy, Climate Risks and Opportunities

Climate risks have an annual basis dedicated process, that aims to assess which are the most relevant climate risks and opportunities, in order to test financial resilience regarding climate transition. The main activity carried out is a quantification exercise led by Global Risk Department, analysing each significant risk according to three-time horizons (Business Plan horizon of 3 years, 10 and 30 years) and under three different climate scenarios. The exercise is later on consolidated at Group level to obtain a global result.

Climate-related time horizons and scenarios

To test resilience to climate change, three different scenarios are used to integrate physical and transition scenarios. A narrative was constructed for each scenario, based on the RCP (Representative Concentration Pathway) scenarios of the IPCC for the analysis of physical risks, and on the IEA (International Energy Agency) scenarios, with some internal adjustments to better reflect our reality, for the analysis of transition risks. This table below summarises the main risks and opportunities that the Company has analysed:

Physical Risks	Transition Risks	Transition Opportunities
Chronic risk • Rising temperatures • Rising sea levels • Water availability • Wind availability	Regulatory and legal risk	Energy sources
	Market risk	Products and services
	Technology risk	Resource efficiency
Acute risk • Days of extreme heat/cool • Consecutive days of extreme heat/cool • Extreme events (wind, precipitation, fires)	Reputacional risk	Markets
		Resilience

All of the above risks are aggregated into three main scenarios that have been used to quantify risks and opportunities:

	Narrative physical scenarios	Narrative transition scenarios
IEA SDS (with internal adjustments) + RCP 2.6	• **Compliance with the Paris Agreement** • Energy system achieves carbon **neutrality by 2070** • **Temperature increases between 1.5°C and 2°C** • Mean sea level rises 0.4m and ocean acidification begins to recover by 2050	• **Sustainable energy-related economic growth and job creation** • More **resilient and clean energy system** • Total **international cooperation** for **sustainable development** • **Lower fuel prices** and renewable generation • **Very high CO_2 price**
IEA STEPS (with internal adjustments) + RCP 4.5	• **Paris agreement not kept** • **Temperature increases between 2°C and 3°C** • Extreme temperatures become more frequent • Average sea level rises 0.5m and many species are unable to adapt	• **Announced policies are**, generally, **complied with** • Policies are adopted to **reduce** the use of **fossil fuels**, however **demand is still high** • **Increased price of fuels and cheaper renewables, with average CO_2 price**
IEA CP (with internal adjustments) + RCP 8.5	• **Paris agreement not kept** • **Temperature rises by more than 3°C** • Extreme events become more frequent • Wide variations in precipitation • Mean sea level rises 0.7m	• **No additional effort is made for sustainable development** • Limited policies for the reduction of fossil fuels and the promotion of sustainable sources • **High demand and high prices for fossil fuels** • **Share of fossil fuels and CO_2 emissions unchanged** • **CO_2 price remains low**

Climate-related risks and opportunities

EDPR has three specific climate risk and opportunity taxonomies, which are aligned with the structure recommended by TCFD, and is validated and updated regularly. Climate risks are present in several risk categories, mainly the physical risks impact at business level, the energy market risks and other at the operational level such as damages, efficiency losses or delays. Transition risks and opportunities impact at strategic level, the surrounding context (technological disruption, changes in competitive paradigm...), at business level (commodity, pool prices, regulation...) and at an operational level (legal, compliance, ethics...).

When analysing the risks, both physical and transitional, the Company has taken into consideration the following descriptions and variables when determining whether or not they were significant in the different time horizons and scenarios:

Physical risks description in EDPR's climate scenarios

PHYSICAL RISKS		
RISK CATEGORY	RISK	VARIABLE
Chronic	Temperature increase	Average temperature rise
	Sea level rise	Rise of sea level
	Water availability	Average precipitation variation Average days with rainfall <1mm var
	Wind availability	Average wind speed
Acute	Extremely hot days	Days w/ temperature >35°C
	Extremely consecutive hot days	Consecutive days w/ temperature >35°C
	Extremely cold days	Days w/ temperature <0°C
	Extremely consecutive cold days	Consecutive days w/ temperature <0°C
	Extreme wind events	Extreme events per year
	Extreme rain events	
	Extreme wildfire events	Wildfires per 100ha

Transition risks description in EDPR's climate scenarios

TRANSITION RISKS	
RISK CATEGORY	VARIABLE
Regulatory and legal risk	Related to concerted government action to adopt climate mitigation and adaptation strategies, e.g. change in renewable energy support schemes
Market Risk	Resulted from changes in market dynamics, influenced, for example, by changes in customer behaviour and changes in market fundamentals
Technological Risk	Related to the adaptation of new technologies requiring greater investment by organizations
Reputational Risk	Referred to increased stakeholder concern and influence of public opinion

Transition opportunities description in EDPR's climate scenarios

TRANSITION OPPORTUNITIES	
TRANSITION CATEGORY	VARIABLE
Energy Source	Resulted from the use of incentive policies for renewable generation, leveraging on the existing generation portfolio
Products and Services	Driven by the development and expansion of low carbon products and services, and in the electrification of consumption as a measure to decarbonise the economy, and (potentially) in the increased demand for energy for heating/cooling due to the influence of physical risks
Resource Efficiency	Related to the reduction of operational costs by increasing efficiency in the processes of the value chain
Markets	Related to the access to new markets through geographic, technological, and business diversification. The issue of Green Bonds for low carbon generation is also a new opportunity
Resilience	Driven by the development of adaptive capacity to respond to climate change, to manage the associated risks and take advantage of the opportunities

Quantification of climate-related risks and opportunities. Value@Risk

EDPR has identified and quantified a set of climate risks and opportunities assuming its current strategy, over the three scenarios and time horizons mentioned above. The quantification methodology is based on individual analysis of the impact on EBITDA of each risk (physical and transition) and opportunity, carried out for most of EDPR's portfolio. This quantification considers the identification of the physical variables and their evolution according to specialists, and the political/ social/ economic/ technological narratives related to the different scenarios.

The quantification method depends on each risk and opportunity, using, whenever possible, the direct method (expected loss/ gain and maximum loss/ gain P95%), or alternatively the indirect method (probability/ frequency, average impact, and maximum impact P95%).

This process enables the company to identify significant climate risks, manage them and implement mitigating measures to reduce their impact on financial results.

a. Physical and transition significant risks

CATEGORY	RISK	MAIN IMPACTS	ADAPTATION MEASURES
Physical Chronic Risk	Temperature increase	Rise of energy losses Loss of efficiency Demand increase	Diversification in geographies and technologies; Increase in demand as a natural mitigation; Firewalls in facilities; Emergency and Self Protection plans.
Physical Acute Risk	Extreme temperatures (heat or cold wave)	Unpredictability of consumption Malfunction of turbines and panels	Energy risk management through hedging strategy; Cooling systems in turbines; Assets strengthening and resilience; Firewalls in facilities; Emergency and Self Protection plans; Preventive shutdown systems for wind turbines in extreme situations.
Physical Acute Risk	Extreme events (wind and rain)	Disruption of generation activities and damage to assets Increase operating costs	Preventive maintenance Insurance plans; Asset resiliency and facility strengthening Strengthening of business continuity and crisis management plans.
			Preventive shutdown systems for wind turbines in extreme situations.
Transition Risk - Technology	Existing assets devaluation or substitution due to technological obsolescence	Devaluation/ replacement of assets due to technological obsolescence	Business Innovation; Repowering and dismantling processes; Monitoring of market trends.

b. Transition opportunities

CATEGORY	OPPORTUNITIES	MAIN IMPACTS AND BENEFITS
Transition opportunity- Energy Source	Use of lower-emission sources of energy	Resource efficiency
Transition opportunity- Products and Services	Rise of power demand	Increase in business opportunities
Transition opportunity- Markets	Access to new markets	Increase in installed capacity and different remuneration schemes

From the analysis, it was concluded that the geographical and technological diversification from EDPR's portfolio significantly helps mitigate this potential risk. In addition, for those risks that EDPR has quantified as significant, the Company has identified a series of adaptation measures that EDPR has currently in place in some markets and may replicate in others in the short, medium and long term.

This entire process of identifying, quantifying, and monitoring risks and opportunities allows the Company to integrate changes in weather patterns into its decision making, planning and financial strategy, thus improving the Company's resilience to a changing climate.

Climate Metrics and Targets

The analysis and quantification of the above-mentioned climate issues establishes the criteria and variables that the Company has identified when evaluating these risks and opportunities.

To monitor compliance with the medium and long-term objectives established at Group level, a set of indicators and metrics has been defined to monitor EDPR's climate performance, including both contribution to climate change mitigation and how the Company adapts its assets.

Climate-related metrics and targets

INDICATOR	CATEGORIES	REFERENCE
Scope 1 emissions	Mobile combustion: car fleet emissions Fugitive emissions: e.g., SF6 Gas consumption in administrative buildings	GHG Protocol, TCFD, CDP, GRI
Scope 2 emissions	Electricity consumption in administrative buildings, if supplied by third parties Self-consumption of electricity in renewable power stations, provided that it is supplied by third parties	GHG Protocol, TCFD, CDP, GRI
Scope 3 emissions	Purchased goods and services Capital assets Wastes from operations Business travel Employees' commuting	GHG Protocol, TCFD, CDP, GRI
CO_2 specific emissions	GHG emissions (scope 1 or Scope 2 and 3)	GRI
% Renewable installed capacity	EU1 indicator GRI	GRI
% Renewable generation	EU2 indicator GRI	GRI
% Fleet electrification	305-1 Indicator GRI	GRI
Avoided CO2 (by renewable generation)	Emissions that would have occurred if electricity from renewable energy sources in each geography had been solely produced by the mix of thermoelectric power stations in that geography.	GRI

The consolidation of these indicators is done quarterly, at corporate level, in a climate dashboard, which reflects the overall performance of the EDP Group's climate action since 2015, with the possibility of disaggregating the information by quarter/year, geography, activity and technology. The climate dashboard thus enables the monitoring of indicators and the verification of compliance with the climate change public targets assumed by the EDP Group. This data is checked annually by an independent auditor. It is thus possible to monitor the evolution of the indicators against the defined targets, both quarterly and annually.

Regarding to its climate change mitigation and adaptation targets, EDPR's activity inherently contributes to the fight against climate change. Emissions generated by the Company and its supply chain in 2022 represent only 14% of avoided emissions. EDPR, aware of the importance of its supply chain in achieving its business objectives and reducing emissions, has launched an engagement effort with its main suppliers, with the aim of promoting decarbonization in the supply chain and in the emissions generated in the Company's upstream processes.

The Company is committed to broadening the scope of its climate risk measurement and monitoring, expanding the number of markets analysed. This additional analysis will allow the Company to launch the Climate Adaptation Plan for all its markets. The Company has started the compilation and implementation of adaptation measures, with the aim of replicating the adaptation measures it already has in place.

Annex II: Taxonomy Alignment. KPIs under Article 8º of EU Taxonomy

Background and EDPR's taxonomy approach

The European Union Taxonomy Regulation published in the official journal of the European Union on June 18, 2020 (EU 2020/852) sets out the criteria for an activity to be qualified as environmentally sustainable. It is the key instrument to achieve the path of carbon neutrality proposed by the European Commission and adopted in 2019 with the European green deal. The Taxonomy has three main parts:

- The performance levels of activities which make a substantial contribution (SC) to at least one of the six EU's environmental objectives as defined in the articles 10º to 15º regulation of the Taxonomy (1. Climate change mitigation; 2. Climate change adaptation; 3. Protection and restoration of biodiversity & ecosystems; 4. Transition to a circular economy; 5. Sustainable use and protection of water and marine resources; 6. Pollution prevention and control).
- Do no significant harm (DNSH) to any of the other five environmental objectives as stipulated in the article 17º of Taxonomy and
- Comply with the minimum social safeguards (MSS) as stipulated in the article 18º of Taxonomy which meaning governance standards and do not violate social norms, including human rights and labour rights .

As part of this regulation, two delegated acts were published in 2021 in the official journal of the European Union, and one during 2022. These delegated acts listed the economic activities covered by the EU Taxonomy. which ones could be defined as sustainable and also how to report turnover, CAPEX and OPEX aligned with the EU Taxonomy:

- On December 9, 2021, the EU Taxonomy Climate Delegated Act on climate (EU 2021/2139), with application from January 1, 2022. Under this regulation, economic activity is environmentally sustainable where it: substantially contributes to climate change mitigation and adaptation objectives; does not significantly harm any of the other EU environmental objectives and is carried out in compliance with minimum safeguards;
- On December 10, 2021, the delegated act concerning Article 8 (EU 2021/2178), with application from January 1, 2022. Under this regulation, the companies covered by the Non-Financial Reporting Directive (which will be replaced by the Corporate Sustainability Reporting Directive and then implemented by member states within 18 months) are required to disclose the proportion of turnover, capital expenditure (CAPEX) or operating expenditure (OPEX) associated with economic activities that are environmentally sustainable;
- On July 15, 2022 the European Commission published in the official journal of the European Union the complementary delegated act EU 2022/1214 which, under strict restrictions includes gas and nuclear activities as eligible and amending Delegate Regulation EU2021/2178 as regards specific public disclosures for those economic activities. This delegated act will apply from January 1, 2023.

It is also expected that the European Commission should adopt several Delegated Acts to finalise the Taxonomy Regulation during the following years. EDPR follows up the main regulatory developments on taxonomy, including other ESG reporting and disclosure.

Relevant definitions

Taxonomy-eligible economic activity means an economic activity that is described in the delegated acts supplementing the Taxonomy Regulation (i.e. the Climate Delegated Act as of now) irrespective of whether that economic activity meets any or all of the technical screening criteria laid down in those delegated acts.

Taxonomy-non-eligible economic activity means any economic activity that is not described in the delegated acts supplementing the Taxonomy Regulation.

Taxonomy-aligned economic activity means an economic activity that complies with all of the following requirements:

- The economic activity contributes substantially to one or more of the environmental objectives;
- It does not significantly harm any of the environmental objectives;
- It is carried out in compliance with the minimum safeguards; and
- It complies with technical screening criteria in the delegated acts supplementing the Taxonomy Regulation (i.e., Climate Delegated Act as of now).

EDPR follows the definitions of KPIs related to Turnover, capital expenditure (CAPEX) and operational expenditure (OPEX) in accordance with the sections 1.1.1, 1.1.2 and 1.1.3 of the Commission Delegated Regulation (EU 2021/2178) associated with Taxonomy-eligible economic activities, Taxonomy-non-eligible economic activities and Taxonomy- aligned economic activities as defined in its article 1(2) and (5). The disclosure of the proportion of the turnover, capital expenditure and operational expenditure eligible, non-eligible and aligned with the European Taxonomy is made under the templates of the annex II of the Commission Delegated Regulation (EU 2021/2178).

The eligibility by NACE code activity

- EDPR generation activity: D35.11 – Electricity generation using solar photovoltaic technology (activity 4.1); Electricity generation from wind power (4.3); and Installation, maintenance and repair of renewable energy technologies (7.6). Activity 7.6 (enablling activity) has been included for the first time in 2022.
- Supply: F42.22 – Construction of utility projects for electricity and maintenance and repair of renewable energy technologies.

This Annex II includes information on how EDPR complies with the taxonomy requirements:

- The substantial contribution to meet the climate change mitigation (TSC).
- The confirmation that its activities do no significant harm (DNSH) the remaining environmental objectives.
- The compliance with the Minimum Safeguards (MS).
- The turnover, the capital expenditures (CAPEX) and the operational expenditures (OPEX) associated eligible, aligned and non-eligible.

Technical criteria according to the EU taxonomy

EDPR's low carbon activities

- Wind and solar-based electricity production activities: Considering that EDPR's core business is the development, construction, operation and maintenance of electricity generating power stations using renewable energy sources (wind and solar), EDPR aligns it's the Taxonomy-eligible to the electricity generation from wind and solar power (economic activities 4.1, 4.3 and 7.6 in accordance with Annex I and II of the Climate Delegated Act). The economic activities in this category could be associated with NACE codes D35.11 and F42.2.2 in accordance with the statistical classification of economic activities established by Regulation (EC) No 1893/2006.

EDPR's verification process regarding to DNSH requirements

In its Environmental Policy, EDPR outlines a set of commitments (Climate Change mitigation; Circular Economy promotion; and Biodiversity protection) that safeguard the implementation and maintenance of appropriate and effective environmental management systems.

EDPR's Environmental Policy provides the framework for determining material environmental issues. EDPR promotes environmental protection and integrates it into the decision-making processes in the different phases of the projects: 1) Development; 2) Construction; 3) Operation and maintenance; 4) Dismantling and Repowering. The Company also includes a previous prospection phase, in order to identify the best locations for the future facilities. This additional phase also includes the identification of potential environmental issues.

EDPR's approach in the different sections of DNSH criteria is detailed below.

Climate Change Adaptation

EDPR processes to evaluate climate risk and perform vulnerability assessment of its operations

Climate change related risks and opportunities are integrated into EDPR's risk management procedures, including:

- Phase 1 – EDPR ensures an identification of risks and opportunities in its main markets, under the TCFD's recommendations.
- Phase 2 – In its climate-related risk analysis, EDPR restricted the number of physical scenarios to three (RCP 2.6, RCP 4.5 and RCP 8.5) and for transitional risks EDPR is using the scenarios of International Energy Agency (IEA Sustainable Development Scenario; IEA STEPS (Stated Policies) and IEA CP).
- Phase 3 – Climate-risk quantification and analysis of the risks based on the aggregated climate-related value@risk (considering EBITDA@risk > €1M).

In 2022, EDPR has consolidated its TCFD framework, integrating recommendations for the management of climate-related risks and opportunities. EDPR's TCFD framework currently

covers the main markets in which the company operates. Nonetheless, EDPR is working on broadening the scope of its methodology to all its markets.

This exercise has served as a starting point to identify climate risks and opportunities that may have a financial impact on the Company in the short, medium and long term. Through this identification, EDPR has begun to analyse climate change adaptation measures already in place or to be implemented in the coming future to mitigate the impact of the most significant climate risks.

Please, refer to Annex I for more information regarding EDPR's TCFD Alignment

Biodiversity and ecosystems

EDPR projects/operations comply with EU regulations or equivalent national provisions or international standards.

Through the prospection phase and prior to other procedures and EIAs (Environmental Impact Assessments), EDPR carries out an analysis of environmental constraints and other environmental issues, with the objective of selecting the best location for the project, based on various criteria.

The environmental studies and impact assessment (EIAs and other studies) procedures are developed and conducted to ensure that the necessary studies are carried out to identify the environment state and the potential impacts so that they are avoided, minimised and compensated -following the mitigation hierarchy- during all the project phases. EDPR is committed to protecting the environment and biodiversity, and therefore the scope of environmental assessment follows the regulation and legal requirements defined by Authorities. Based on the environmental impact assessments, the national authority approves or not the project's construction, by submitting a declaration through the Environmental Impact Statement (EIS) or other kind of declarations.

During the construction phase, the Company implements a set of minimisation, restoration and compensation measures, necessary to avoid and remediate potential impacts. The main preventive measure the Company has in place is the environmental surveillance during the construction phase. This surveillance enables EDPR to check that applicable requirements are fulfilled and preventive measures are implemented, as well as to control potential impacts not expected and manage them properly. In addition, the guarantee of a mitigation hierarchy approach is considered and incorporated into national laws. Under the responsibility of National Authorities, the licensing process is overseen throughout the project cycle; otherwise, the right to operate this project is inhibited.

EDPR interacts with relevant stakeholders such as wildlife regulatory agencies, in order to assess the best solutions to compensate environmental impacts of present and future operations.

Finally, EDPR has a Health & Safety and Environmental Management System, certified according to ISO 14001 and ISO 45001 by an accredited external independent third party. To obtain this certificate external audits are performed each year to assess:

- The implementation of Environmental Policy
- The internal procedures in place to minimise the potential effects of EDPR activity on the environment (mainly Climate Change, Biodiversity, Circular Economy).

EDPR has achieved 100% ISO 14001:2015 environmental certifications reinforcing its commitments and procedures for managing environmental aspects. The calculation is based on installed capacity EBITDA.

For the different markets, EDPR has procedures for compliance with applicable environmental regulations. This regulatory monitoring is reviewed periodically and allows establishing measures and action plans to ensure compliance.

EDPR implements any required mitigation and compensation measures for protecting the environment

Through its on-site management systems, EDPR promotes continuous improvement in its facilities, identifying any opportunity for improvement in its processes. All those projects located near or inside a protected area include the necessary studies and measures to protect biodiversity. EDPR's initiatives have the same mitigation hierarchy: avoid, minimise, restore and compensate all the negative impacts that our projects could have.

EDPR establishes several measures, procedures and commitments towards biodiversity protection:

- Contribute to preventing or reducing biodiversity loss by promoting dynamic, global and locally owned management, long-term thinking and the search for a positive global balance.

- Contribute to deepening scientific knowledge on different aspects of biodiversity, including through the establishment of partnerships.
- EDPR has created landscape and wildlife protection programs in impacted areas, in partnership with local public entities. These efforts have been recognised as valuable to maintain biodiversity and natural heritage.
- Depending on the environment and its facilities' EDPR has compulsory and voluntary initiatives in place in terms of biodiversity and habitat conservation. The main environmental initiatives can be found on the Report of Environmental Activities.
- Not building new generation facilities in areas included in the UNESCO World Heritage List, ensuring that it continues to have no presence in these territories. EDPR monitors all its facilities located in protected areas in order to identify those wind farms and solar plants that may have a potential impact on biodiversity and ensuring that all the necessary measures are in place. This monitoring process helps the Company to implement actions to avoid and mitigate such impact. In Europe and Latin America, EDPR is working on a materiality analysis in 2023, which aims to identify potential impacts on biodiversity.
- The EDP Group is working on a document that will define the specific content of Biodiversity Action Plans (BAP). These BAPs will be implemented in those areas considered at risk for biodiversity. This document outlines the main components of a BAP, the biodiversity monitoring process and the reporting and communication process.
- During the construction and operation phases, EDPR conducts on-site environmental monitoring to identify and prevent possible impacts on biodiversity and the ecosystem.
- EDPR has mechanisms in place to fight biodiversity potential impacts within its facilities, such as: Monitor collisions of birds and bats and their cumulative effect on species while limiting indiscriminate accesses that disturb sensitive species and habitats, restoration of affected vegetation areas, etc.
- EDPR, as part of a group-wide initiative, is working on identifying Nature Based Solutions (NBs) that can be replicated by the different companies in their facilities and surrounding environments.

Circular economy

EDPR promotes Circular Economy and the efficient use of natural resources during all its value chain. The Company has a specific target in its BP 21-25 regarding the recovery for generated wastes. The Company is also working and engaging with its suppliers to include circular economy criteria during construction and dismantling phases.

The Company's Environmental Policy outlines the circular economy commitments and how EDPR promotes efficient use of natural resources in its activities, wherever possible, within the framework of a life-cycle analysis, in particular:

- Minimise the use of natural resources necessary to properly carry out its activities;
- Optimise and efficiently manage internal products and services, promoting a circular economy for our customers;
- Maximise the recovery of waste and its reintroduction into the economy as by-products.

Regarding circular economy, EDPR follows procurement criteria and standards

At Group level, EDP's supplier management approach is based on a holistic view of the sustainable supply chain which, through the EDPartners programme, enables the Group to ensure the integrated coordination of activities.

EDPR's supply chain management approach also includes waste management and circular economy. The Company also includes circular economy within its engagement process with suppliers:

- Sustainable Procurement Policy
- For EU&LATAM contract conditions: there are suppliers sustainability guides for construction and O&M phases, including recycling guidance and recommendations
- EDP Supplier Code of Conduct
- ESG priorities for strategic suppliers, including circular economy

Engaging with manufacturing suppliers to promote circular economy

EDPR has included ESG criteria in its last Request For Proposals (RFP), requesting turbine and module suppliers to share its ESG performance, commitments, targets and measures. One of this ESG priorities is circular economy. The Company has also engaged with suppliers to share their LCAs and environmental information about their products, including circular economy and recycling rates and information. During EDPR's engagement process with suppliers, the Company shares its ESG priorities with turbine and module suppliers.

EDPR waste approach during operations and dismantling

EDPR promotes the recycling during its operations. The Company engages with waste treatment suppliers to find solutions that help the Company achieve its expected recovery rates.

In 2019 and in 2021, EDPR had repowered 3 wind farms (Corme, Zas and Blue Canyon II) with high levels of recycling rates. In addition, EDPR includes circular economy as a priority for the coming dismantling and repowering projects. Finally, the Company promotes and rewards those contracts that offer solutions and opportunities for circularity. In dismantling projects, the main challenge for the wind industry is not only the large amount of waste, but also the materials from the blades, which are not always easy to recover with current methods.

Joining industry initiatives, forums and pilot projects

Since 2017, the Company has joined some initiatives and projects, and has also worked with suppliers such as: the collaboration with Thermal Recycling of Composite (R3FIBER), RECICLALIA, the LIFE REFIBRE project or the pilot project with the Associação Portuguesa de Energias Renováveis (APREN). EDP is also a member of the Global Alliance for Sustainable Energy, which also addresses the circular economy.

Water

Given EDPR's activity and the criteria included in the EU Taxonomy through the technical criteria and DNSH, the Company has no impact on water and aquatic resources.

Prevention of pollution

Given EDPR's activity and the criteria included in the EU Taxonomy through the technical criteria and DNSH, the Company has no impact on pollution.

EDPR's verification process regarding to Minimum safeguards (MS) requirements

EDPR's approach to compliance with the established minimum safeguards is detailed below. Some specific procedures, policies and measures are established at EDP Group level and therefore cover all Business Units (BUs), including EDPR.

EDPR has several measures and procedures that allow the Company to manage the minimum safeguards requirements and ensure that risk situations do not occur, regarding to:

- Corruption and Bribery
- Fair Competition
- Taxation
- Human and Labour Rights

EDPR complies with guidelines pertaining to human rights and labour rights, as well as corruption, taxation and fair competition. EDP's policies are listed below:

- Human and Labour Rights Policy is publicly available in this link https://www.edpr.com/sites/edpr/files/2022-11/EDPR_IntegrityPolicy_2022.pdf
- The Integrity Policy (bribery and corruption) is available in this link https://www.edpr.com/sites/edpr/files/2022-11/EDPR_IntegrityPolicy_2022.pdf
- EDP Group Fiscal Policy is publicly available in this link https://www.edp.com/en/edp-group-fiscal-policy
- Healthy Competition Practices Commitment is publicly available in this link https://www.edp.com/en/healthy-competition-practices-commitment

EDPR's policies and procedures on human and labour rights, anti-bribery and anti-corruption are listed below:

EDPR has launched its Human and Labour Rights Policy where the Company commits to respect and undertakes to promote fair human and labour rights practices, being committed to guarantee responsible operations throughout the whole value chain.

In addition, the Company has an Integrity Policy that defines the general principles of action and duties for EDPR to prevent illegal conducts such as crimes of corruption, bribery, undue receipt of advantages, money laundering and terrorism financing, antitrust/anti-competitive practices and non-compliance with data protection requirements.

These policies allow the Company to comply with international guidelines such as:

- OECD Guidelines for Multinational Enterprises
- OECD Guidelines on Responsible Business Conduct
- UN Guiding Principles on Business and Human Rights

- International Labour Organisation's (ILO) declaration on Fundamental Rights and Principles at Work
- The eight ILO core conventions
- International Bill of Human Rights

The Company's Code of Ethics also includes how the Company commits to ensure respect to human and labour rights and also how it prevents corruption and bribery situations.

EDPR's measures and processes to combat corruption, bribery, bribe solicitation and extorsion

The Company has internal control procedures, as well as ethics and compliance programs in place to detect and avoid potential corruption and bribery risks.

The Company has a Global Compliance Program which includes:

- Integrity Compliance Program
- Criminal Compliance Program for Spain
- Global Data Compliance Program
- And Local Compliance Program according to regulations

Ethics, Integrity and Compliance Governance within the Company

EDPR has also a Compliance Standard that formalise the mission and responsibilities of the Compliance functions and establishes different measures and procedures that enable the Company to fight and prevent corruption and bribery:

- Audit Control and Related Party Transactions Committee responsible for the supervision of the financial information and internal control, risk management and Compliance systems;
- EDPR Ethics Committee to ensure the Code of Ethics compliance within the Company. This Committee is composed of three members that must be the presidents of the Audit, Control and Related-Party Transactions Committee and of the Nominations and Remuneration Committee and the Compliance Officer;
- The Ethics Ombudsperson that receives ethical nature complaints and investigates them;
- Specific Compliance Department to lead all the ethical, integrity and compliance measures. The Compliance Officer is the Director of the Corporate Compliance Department. The Compliance Officer reports to the Audit, Control and Related Party Transactions Committee (hereinafter "CAUD") and to the CEO.

Risk Management, including ESG and integrity issues

- Risk identification and assessment processes for assessing the non-compliance risk
- Risk analysis and evaluation of the adequacy and effectiveness of existing control mechanisms
- Risk mitigation and control measures

Other policies and procedures to ensure integrity and ethics in the Company:

- EDPR Integrity Policy
- EDPR Code of Ethics
- EDP Code of conduct for Top Management and Senior Financial Officers
- EDP Suppliers Code of Conduct
- Third parties' Integrity Due Diligence (IDD) processes
- Interaction with Public Agents and Politically Exposed Persons procedure
- Prevention of Conflicts of Interests procedure
- Donations and Sponsorships procedure
- Offers and Events procedure
- Intermediary Agreements procedure

EDPR, only enters formalised legal transactions with third parties and other partners that comply with the laws of their countries and adopt internal procedures that are aligned with EDPR internal policies and standards.

The Company's Integrity Policy is based on zero-tolerance policy in dealing with the prevention and fight against this type of illicit acts, such as corruption and bribery. The Policy establishes a common commitment and minimum requirements for legal compliance.

The Policy sets out several measures and control mechanisms, such as those listed below:

- Procedures and Internal control mechanisms: As result of risk assessment, EDPR implements transversal and specific control mechanism to ensure the application of EDPR's Integrity Policy.
- Training and Communication: The procedures associated with the Global Compliance Program are shared to all employees by specific and transversal trainings. All current and

employees must understand and commit to what the Policy outlines and global communication campaigns are often launched to all the employees.

- Contact and Reporting Channels (Whistleblowing): EDPR makes available several reporting channels for communicating irregularities and encourages its own employees to report any type of behaviour that breaches of this Policy. Some of these channels are: Speak Up Channel; Specific internal whistle-blower channels for EDPR companies, in which any whistleblowing related to matters provided for in the aforementioned legislation can be reported; Ethics Ombudsperson; and Compliance Department.
- Monitoring, Continuous Improvement and Report: Compliance teams are responsible for promoting appropriate mechanisms to monitor the Global Compliance Program, lead the analysis of misalignment situations and promote corrective actions.
- Audit: The Company has an Internal Audit Department in charge of ensuring that audits comply with the Global Compliance Program and that they guarantee the fight against corruption and bribery, as well as risk management. The Company also has an external audit process that allows EDPR to obtain a double certification from AENOR that verifies and accredits that the Company has developed a system of criminal and anti-bribery compliance based on UNE 19601 and ISO 37001 standards. The AENOR Certifications (UNE 19601 and ISO 37001) were obtained in 2021 and, in 2022, EDPR has renewed both Certifications.

Compliance with the fair competition requirements of the Minimum Safeguards

The Company follows the applicable regulations on fair competition, ensuring compliance in all markets in which it operates.

Through its Code of Ethics EDPR prioritises relationships of trust and fair competition with all its stakeholders, promoting an honest and respectful relationship with all of them. In this sense, it is fundamental for the Company to promote integrity in its business practices, through good practices of healthy competition.

In this sense, the Company establishes through its Code the guidelines for action and the situations that must be avoided, in order to ensure that no anti-competitive practices take place. EDPR, through training of new hires on the Company's Code of Ethics and periodic communications regarding the Code and its compliance.

Compliance with tax regulation, tax governance and tax risk management processes

The Company ensures compliance with applicable tax regulations and has certifications to support it. The EDP Group's Tax Policy establishes the Company's approach to tax management. In addition, EDPR reports in its Annual Report, Chapter 4 of GRI Reporting (GRI - 207), its approach to tax issues, as well as tax governance, risk management and its tax contribution country by country.

For more information, please refer to the EDP Group's tax policy.

Compliance with Human and Labour Rights and due diligence requirements from the EU Taxonomy and the Minimum Safeguards

The Company's commitment to respect human rights is part of its public statements and commitments, such as the Human and Labour Rights Policy, the Code of Ethics, the Integrity Policy and the Supplier Code of Conduct, among others.

EDPR identifies its supply chain as a key segment to achieve its sustainability goals and anticipate potential risks. The Company has a due diligence process for the management of the supply chain, which can be summarised as follows:

- Series of commitments established by the Company to ensure respect for human and labour rights in its activity;
- Supply chain screening process;
- Risk assessment;
- Monitoring of suppliers and continuous dialogue and engagement with the supply chain, in order to anticipate and avoid potential risks.

For the direct activity of EDPR and its contractors, the Company has a series of policies and procedures that outline its commitments and measures to manage human rights in its value chain.

In this Annual Report, through various sections such as the "*Social Capital*" subchapter and in Chapter 4 of "*GRI Reporting*", the Company includes information on its due diligence measures for the management of human and labour rights through its entire value chain.

TURNOVER				SUBSTANTIAL CONTRIBUTION CRITERIA (5)								DNSH (6)									
ECONOMIC ACTIVITIES (1)	CODE (2)	ABSOLUTE TURNOVER (3)	PROPORTION OF TURNOVER (4)	CLIMATE CHANGE MITIGATION	CLIMATE CHANGE ADAPTATION	WATER	POLLUTION	CIRCULAR ECONOMY	BIODIVERSITY AND ECOSYSTEMS	CLIMATE CHANGE MITIGATION	CLIMATE CHANGE ADAPTATION	WATER	POLLUTION	CIRCULAR ECONOMY	BIODIVERSITY AND ECOSYSTEMS	MINIMUM SAFEGUARDS (7)	TAXONOMY ALIGNED PROPORTION OF TURNOVER YEAR N	TAXONOMY ALIGNED PROPORTION OF TURNOVER YEAR N-1	CATEGORY (ENABLING ACTIVITY) (8)	CATEGORY (TRANSITIONAL ACTIVITY)
		€ (m)	%	%	%	%	%	%	%	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	%	E	T
A. Taxonomy-Eligible Activities																				
A.1. Environmentally sustainable activities (Taxonomy-aligned)(9)																				
Electricity generation using solar photovoltaic technology	4.1	87	3.62%	3.62%	0%	0%	0%	0%	0%	Y	Y	Y	Y	Y	Y	Y	3.62%	NA(13)		
Electricity generation from wind power	4.3	2,262	94.63%	94.63%	0%	0%	0%	0%	0%	Y	Y	Y	Y	Y	Y	Y	94.63%	NA(13)		
Installation, maintenance and repair of renewable energy technologies	7.6	29	1.23%	1.23%	0%	0%	0%	0%	0%	Y	Y	Y	Y	Y	Y	Y	1.23%	NA(13)	E	
Turnover of environmentally sustainable activities (Taxonomy-aligned activities) (A.1.)		2,378	99.5%	99.5%	0%	0%	0%	0%	0%	Y	Y	Y	Y	Y	Y	Y	99.5%	NA(13)	1	0
A.2. Taxonomy-Eligible but not Environmentally sustainable activities (not Taxonomy-aligned activities)(10)																				
Turnover of Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2.)		0	0.0%																	
Total (A.1 + A.2)		**2,378**	**99.5%**														**99.5%**			

TURNOVER				SUBSTANTIAL CONTRIBUTION CRITERIA [5]								DNSH [6]								
ECONOMIC ACTIVITIES [1]	CODE [2]	ABSOLUTE TURNOVER [3]	PROPORTION OF TURNOVER [4]	CLIMATE CHANGE MITIGATION	CLIMATE CHANGE ADAPTATION	WATER	POLLUTION	CIRCULAR ECONOMY	BIODIVERSITY AND ECOSYSTEMS	CLIMATE CHANGE MITIGATION	CLIMATE CHANGE ADAPTATION	WATER	POLLUTION	CIRCULAR ECONOMY	BIODIVERSITY AND ECOSYSTEMS	MINIMUM SAFEGUARDS [7]	TAXONOMY ALIGNED PROPORTION OF TURNOVER YEAR N	TAXONOMY ALIGNED PROPORTION OF TURNOVER YEAR N-1	CATEGORY (ENABLING ACTIVITY) [8]	CATEGORY (TRANSITIONAL ACTIVITY)
		€ (m)	%	%	%	%	%	%	%	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	%	E	T
B. Taxonomy-non-eligible activities																				
Turnover of Taxonomy-non-eligible activities [11]		12.47	0.5%																	
Total (A + B) [12]		2,390	100%																	

[1] Under the EU Taxonomy Regulation one activity could match the description of an activity and the technical screening criteria laid out the Climate Delegate Act. In EDPR's case the Annex I – climate change mitigation and activities from energy sector .

[2] The code assigned to each of the economic activities is that set out in Annex I of Delegated Regulation (EU) 2021/2178. In accordance with the economic activity number. EDPR activities are included within the numbers D35.11 and F42.22 of the Nomenclature of Economic Activities (NACE), the statistical classification of economic activities in the EU.

[3] Absolute turnover: The proportion shall be calculated as the weight of the amount of Turnover of the activity over the total Turnover of the Company.

[4] Proportion turnover: Percentage according to the contribution to each of the environmental objectives. In the case of EDPR, only the climate change mitigation objective is included.

[5] Substantial contribution to climate change mitigation: refers to the share of the revenues of each individual economic activity (indicated in the column Turnover) that contributes to climate change mitigation. This is the only objective of the EU taxonomy regulation alignment analysis shown in the table.

[6] DNSH: environmental objectives meeting the DNSH criteria are specified for each activity.

[7] Minimum safeguards: indicates whether the minimum safeguards are respected for each individual activity.

[8] Category: specifies whether the activity is an enabling or transitional activity.

[9] This section of the table includes Turnover figures for aligned activities (compliant with technical criteria, DNSH principles and minimum safeguards).

[10] This section of the table includes Turnover figures for activities that are eligible (present in the taxonomy), but do not meet the technical criteria and/or the DNSH principles.

[11] Difference between the total Turnover of the company and the sum of the Turnover of the aligned activities and the eligible non-aligned activities.

[12] The total Turnover of the Company. Please, refer to "*Business Economic Sustainability*" content for more information.

[13] Variation not available as this is the first reporting year.

CAPEX				SUBSTANTIAL CONTRIBUTION CRITERIA [5]							DNSH									
ECONOMIC ACTIVITIES [1]	CODE [2]	ABSOLUTE CAPEX [3]	PROPORTION OF CAPEX [4]	CLIMATE CHANGE MITIGATION	CLIMATE CHANGE ADAPTATION	WATER	POLLUTION	CIRCULAR ECONOMY	BIODIVERSITY AND ECOSYSTEMS	CLIMATE CHANGE MITIGATION	CLIMATE CHANGE ADAPTATION	WATER	POLLUTION	CIRCULAR ECONOMY	BIODIVERSITY AND ECOSYSTEMS	MINIMUM SAFEGUARDS	TAXONOMY ALIGNED PROPORTION OF CAPEX YEAR N	TAXONOMY ALIGNED PROPORTION OF CAPEX YEAR N-1	CATEGORY (ENABLING ACTIVITY)	CATEGORY (TRANSITIONAL ACTIVITY)
		€ (m)	%	%	%	%	%	%	%	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	%	E	T
A. Taxonomy-Eligible Activities																				
A.1. Environmentally sustainable activities (Taxonomy-aligned)[9]																				
Electricity generation using solar photovoltaic technology	4.1	2,112	61.28%	61.28%	0%	0%	0%	0%	0%	Y	Y	Y	Y	Y	Y	Y	61.28%	NA[13]		
Electricity generation from wind power	4.3	1,152.5	33.44%	33.44%	0%	0%	0%	0%	0%	Y	Y	Y	Y	Y	Y	Y	33.44%	NA[13]		
Installation, maintenance and repair of renewable energy technologies	7.6	164.1	4.76%	4.76%	0%	0%	0%	0%	0%	Y	Y	Y	Y	Y	Y	Y	4.76%	NA[13]	E	
Capex of environmentally sustainable activities (Taxonomy-aligned activities) (A.1.)		3,428.6	99.5%	99.5%	0%	0%	0%	0%	0%	Y	Y	Y	Y	Y	Y	Y	99.5%	NA[13]	1	0
A.2. Taxonomy-Eligible but not Environmentally sustainable activities (not Taxonomy-aligned activities)[10]																				
Capex of Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2.)		0	0.0%																	
Total (A.1 + A.2)		**3,428.6**	**99.5%**														**99.5%**			

CAPEX				SUBSTANTIAL CONTRIBUTION CRITERIA [5]								DNSH								
ECONOMIC ACTIVITIES [1]	CODE [2]	ABSOLUTE CAPEX [3]	PROPORTION OF CAPEX [4]	CLIMATE CHANGE MITIGATION	CLIMATE CHANGE ADAPTATION	WATER	POLLUTION	CIRCULAR ECONOMY	BIODIVERSITY AND ECOSYSTEMS	CLIMATE CHANGE MITIGATION	CLIMATE CHANGE ADAPTATION	WATER	POLLUTION	CIRCULAR ECONOMY	BIODIVERSITY AND ECOSYSTEMS	MINIMUM SAFEGUARDS	TAXONOMY ALIGNED PROPORTION OF CAPEX YEAR N	TAXONOMY ALIGNED PROPORTION OF CAPEX YEAR N-1	CATEGORY (ENABLING ACTIVITY)	CATEGORY (TRANSITIONAL ACTIVITY)
		€ (m)	%	%	%	%	%	%	%	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	%	E	T
B. Taxonomy-non-eligible activites																				
Capex of Taxonomy-non-eligible activities [11]		17.63	0.5%																	
Total (A + B)[12]		3,446	100%																	

[1] Under the EU Taxonomy Regulation one activity could match the description of an activity and the technical screening criteria laid out the Climate Delegate Act. In EDPR's case the Annex I – climate change mitigation and activities from energy sector .

[2] The code assigned to each of the economic activities is that set out in Annex I of Delegated Regulation (EU) 2021/2178. In accordance with the economic activity number. EDPR activities are included within the numbers D35.11 and F42.22 of the Nomenclature of Economic Activities (NACE), the statistical classification of economic activities in the EU.

[3] Absolute Capex: investments for each economic activity.

[4] Proportion of Capex: percentage impact of investments of each individual activity on the total investments. In the case of EDPR, only the climate change mitigation objective is included.

[5] Substantial contribution to climate change mitigation: refers to the share of the revenues of each individual economic activity (indicated in the column Turnover) that contributes to climate change mitigation. This is the only objective of the EU taxonomy regulation alignment analysis shown in the table.

[6] DNSH: environmental objectives meeting the DNSH criteria are specified for each activity.

[7] Minimum safeguards: indicates whether the minimum safeguards are respected for each individual activity.

[8] Category: specifies whether the activity is an enabling or transitional activity.

[9] This section of the table includes Capex figures for aligned economic activities (compliant with technical criteria, DNSH principles and minimum safeguards).

[10] This section of the table includes Capex figures for activities that are eligible (present in the taxonomy), but do not meet the technical criteria and/or the DNSH principles.

[11] Difference between the total Capex of the company and the sum of the Capex of the aligned activities and the eligible non-aligned activities.

[12] The total Capex and investments of the Company. Please, refer to "*Business Economic Sustainability*" content for more information.

[13] Variation not available as this is the first reporting year.

OPEX				SUBSTANTIAL CONTRIBUTION CRITERIA [5]								DNSH [6]								
ECONOMIC ACTIVITIES [1]	CODE [2]	ABSOLUTE OPEX [3]	PROPORTION OF OPEX [4]	CLIMATE CHANGE MITIGATION	CLIMATE CHANGE ADAPTATION	WATER	POLLUTION	CIRCULAR ECONOMY	BIODIVERSITY AND ECOSYSTEMS	CLIMATE CHANGE MITIGATION	CLIMATE CHANGE ADAPTATION	WATER	POLLUTION	CIRCULAR ECONOMY	BIODIVERSITY AND ECOSYSTEMS	MINIMUM SAFEGUARDS (7)	TAXONOMY ALIGNED PROPORTION OF OPEX YEAR N	TAXONOMY ALIGNED PROPORTION OF OPEX YEAR N-1	CATEGORY (ENABLING ACTIVITY) [8]	CATEGORY (TRANSITIONAL ACTIVITY)
		€ (m)	%	%	%	%	%	%	%	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	%	E	T
A. Taxonomy-Eligible Activities																				
A.1. Environmentally sustainable activities (Taxonomy-aligned)[9]																				
Electricity generation using solar photovoltaic technology	4.1	18	7.02%	7.02%	0%	0%	0%	0%	0%	Y	Y	Y	Y	Y	Y	Y	7.02%	NA[13]		
Electricity generation from wind power	4.3	224	87.37%	87.37%	0%	0%	0%	0%	0%	Y	Y	Y	Y	Y	Y	Y	87.37%	NA[13]		
Installation, maintenance and repair of renewable energy technologies	7.6	9.65	3.76%	3.76%	0%	0%	0%	0%	0%	Y	Y	Y	Y	Y	Y	Y	3.76%	NA[13]	E	
Opex of environmentally sustainable activities (Taxonomy-aligned activities) (A.1.)		252	98.2%	98.2%	0%	0%	0%	0%	0%	Y	Y	Y	Y	Y	Y	Y	98.2%	NA[13]	1	0
A.2. Taxonomy-Eligible but not Environmentally sustainable activities (not Taxonomy-aligned activities)[10]																				
Opex of Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2.)		0	0.0%																	
Total (A.1 + A.2)		**251.6**	**98.2%**														**98.2%**			

OPEX				SUBSTANTIAL CONTRIBUTION CRITERIA [5]								DNSH [6]								
ECONOMIC ACTIVITIES [1]	CODE [2]	ABSOLUTE OPEX [3]	PROPORTION OF OPEX [4]	CLIMATE CHANGE MITIGATION	CLIMATE CHANGE ADAPTATION	WATER	POLLUTION	CIRCULAR ECONOMY	BIODIVERSITY AND ECOSYSTEMS	CLIMATE CHANGE MITIGATION	CLIMATE CHANGE ADAPTATION	WATER	POLLUTION	CIRCULAR ECONOMY	BIODIVERSITY AND ECOSYSTEMS	MINIMUM SAFEGUARDS (7)	TAXONOMY ALIGNED PROPORTION OF OPEX YEAR N	TAXONOMY ALIGNED PROPORTION OF OPEX YEAR N-1	CATEGORY (ENABLING ACTIVITY) [8]	CATEGORY (TRANSITIONAL ACTIVITY)
		€ (m)	%	%	%	%	%	%	%	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	%	E	T
B. Taxonomy-non-eligible activites																				
Opex of Taxonomy-non-eligible activities [11]		4.7	1.8%																	
Total (A + B) [12]		256	100%																	

[1] Under the EU Taxonomy Regulation one activity could match the description of an activity and the technical screening criteria laid out the Climate Delegate Act. In EDPR's case the Annex I – climate change mitigation and activities from energy sector.

[2] The code assigned to each of the economic activities is that set out in Annex I of Delegated Regulation (EU) 2021/2178. In accordance with the economic activity number. EDPR activities are included within the numbers D35.11 and F42.22 of the Nomenclature of Economic Activities (NACE), the statistical classification of economic activities in the EU.

[3] Absolute OPEX : Opex for each individual economic activity.

[4] Proportion of Opex: percentage impact of OPEX of each individual economic activity on the Company`s total OPEX.

[5] Substantial contribution to climate change mitigation: refers to the share of the revenues of each individual economic activity (indicated in the column Turnover) that contributes to climate change mitigation. This is the only objective of the EU taxonomy regulation alignment analysis shown in the table.

[6] DNSH: environmental objectives meeting the DNSH criteria are specified for each activity.

[7] Minimum safeguards: indicates whether the minimum safeguards are respected for each individual activity.

[8] Category: specifies whether the activity is an enabling or transitional activity.

[9] This section of the table includes Opex figures for aligned economic activities (compliant with technical criteria, DNSH principles and minimum safeguards).

[10] This section of the table includes Opex figures for activities that are eligible (present in the taxonomy), but do not meet the technical criteria and/or the DNSH principles.

[11] Difference between the total Opex of the company and the sum of the Opex of the aligned activities and the eligible non-aligned activities.

[12] The total Opex of the Company. Please, refer to "*Business Economic Sustainability*" content for more information.

[13] Variation not available as this is the first reporting year.

Annex III: Non-financial information statement

NON-FINANCIAL INFORMATION STATEMENT (SPANISH LAW 11/2018)				
AREA	**CONTENT**	**SCOPE/ PERIMETER**	**RELATED GRI STAND-ARDS**	**CHAPTER**
Business Model	Brief description of the Group's business model, which includes: · Its business environment · Its organisation and structure · The markets in which it operates · Its goals and strategies · The main factors and trends that may affect its future evolution.	Global	EU1; EU2; 2-1; 2-6; 2-9; 3-3; 201-2	1.1.2 EDPR in the world[1]; 1.1.3 Business description; 1.3 Organisation; 2.1 Business Environment; 2.2 Strategy; 3.1.2 Financial Performance; 4.2 Climate Change, GRI EU1, EU2 & 201-.
Policies	A description of the policies that the Group applies regarding these issues, which includes: · Due diligence procedures implemented for the identification, evaluation, prevention and mitigation of significant risks and impacts; · Verification and control procedures, including adopted measures.	Global	3-3; 2-23	1.1.1 Vision, Values & Commitments; 1.3.4 Integrity and Ethics; 3.2 Human Capital; 3.3 Supply Chain Capital; 3.4 Social Capital; 3.5 Natural Capital; 4.9 Suppliers management, section "EDPR's due diligence process"; 4. GRI Reporting, Annex I: TCFD Alignment.
Short, medium and long-term risks	The main risks regarding these issues related to the activities of the Group, including, where relevant and proportionate, its business relationships, products or services that may have negative effects in these areas, and · How the group manages these risks, · Explaining the procedures used to detect and evaluate them according to national, European or international reference frameworks for each subject. · Information on the impacts that have been detected must be included, offering a breakdown of them, in particular on the main risks in the short, medium and long term.	Global	201-2; 205-1; 304-2; 306-1; 306-2; 308-2; 407-1; 408-1; 409-1; 413-2; 414-2	2.3 Risk Management; 4.2 Climate Change, GRI 201-2; 4.8 Community Engagement, GRI 413-2; 4.9 Suppliers Management, GRI 308-2 & 414-2; 4.10 Environmental Management, GRI 304-2, 306-1 & 306-2; 4.13 Ethics and Compliance, GRI 205-1, 407-1, 408-1 & 409-1; 4. GRI Reporting, Annex I: TCFD Alignment.

[1] Secured MWs are not verified by PwC.

NON-FINANCIAL INFORMATION STATEMENT (SPANISH LAW 11/2018)				
AREA	**CONTENT**	**SCOPE/ PERIMETER**	**RELATED GRI STANDARDS**	**CHAPTER**
KPIs	Key indicators of non-financial results relevant to the particular business activity and that meet the criteria of comparability, materiality, relevance and reliability. - With the aim of facilitating comparison of information, both over time and between entities, standards for non-financial key indicators that can be generally applied and that comply with European Commission guidelines and Global Reporting Initiative standards will be used especially and the report must mention the national, European or international framework used for each matter. - The key indicators of non-financial results must apply to each of the sections of the non-financial information statement. - These indicators must be useful, taking the specific circumstances into account and they must be consistent with the parameters used in their internal management procedures and risk assessments. - In any case, the information presented must be precise, comparable and verifiable.	Global	-	Please refer to Annex IV: GRI Content Index.
Environmental topics	**Global Environment:**	Global	3-3	3.5 Natural Capital;
	· Detailed information on the current and foreseeable effects of the company's activities on the environment and, where applicable, health and safety, environmental assessment or certification procedures;			4.2 Climate Change, GRI 201-2, 305-1, 305-2, 305-3 & 305-5.
	· Resources dedicated to the prevention of environmental risks;		2-23; 201-2; 305-1; 305-2; 305-3; 305-5	4.10 Environmental Management, section "Other environmental management related topics";
	· The application of the Precautionary Principle, the amount of provisions and guarantees for environmental risks (e.g. derived from the law of environmental responsibility).			4. GRI Reporting, Annex I: TCFD Alignment.
	Pollution		3-3	
	Measures to prevent, reduce or repair carbon emissions that seriously affect the environment, taking into account any form of air pollution specific to an activity, including:	Global	302-4; 305-5	4.2 Climate Change, GRI 302-4 & 305-5.
	Noise	Global	413-2	4.8 Community Engagement, GRI 413-2.
	Light pollution	-	-	4.1 Materiality Assessment, notes to the Materiality Matrix.
	Circular economy and waste prevention and management		3-3	
	Circular economy.	Global	306-2	3.5 Natural Capital; 4.10 Environmental Management, GRI 306-2.
	Waste prevention, recycling, reuse, other forms of recovery and disposal.	Global	306-1; 306-2; 306-3: 306-4; 306-5	4.10 Environmental Management, GRI 306-1, 306-2, 306-3, 306-4 & 306-5;
	Actions to combat food waste.	-	-	4.1 Materiality Assessment, notes to the Materiality Matrix.
	Sustainable use of resources		3-3	
	Water consumption and water supply according to local constraints.	Global	-	4.1 Materiality Assessment, notes to the Materiality Matrix.
	Consumption of raw materials and the measures adopted to improve the efficiency of their use.	Global	-	4.1 Materiality Assessment, notes to the Materiality Matrix.
	Direct and indirect consumption of energy, measures taken to improve energy efficiency and the use of renewable energies.	Global	302-1; 302-4	3.5 Natural Capital; 4.2 Climate Change, GRI 302-1 & 302-4.

NON-FINANCIAL INFORMATION STATEMENT (SPANISH LAW 11/2018)				
AREA	CONTENT	SCOPE/ PERIMETER	RELATED GRI STAND-ARDS	CHAPTER
				2.1.1 General Context
	Climate Change		3-3	2.1.2 The evolution of renewables around the world in 2022;
				3.5 Natural Capital.
	The important elements of greenhouse gas emissions generated as a result of the company's activities, including the use of the goods and services it produces.	Global	305-1; 305-2; 305-3	4.2 Climate Change, GRI 305-1, 305-2 & 305-3.
	The measures adopted to adapt to the consequences of climate change.	Global	201-2; 302-4; 305-5	4.2 Climate Change, GRI 201-2, 302-4 & 305-5.
	The reduction goals established voluntarily in the medium and long-term to reduce greenhouse gas emissions and the means implemented for that purpose.	Global	305-5	4.2 Climate Change, GRI 305-5.
	Protection of biodiversity		3-3	3.5 Natural Capital.
	Measures taken to preserve or restore biodiversity.	Global	304-2; 304-3	4.10 Environmental Management, GRI 304-2 & 304-3.
	Impacts caused by activities or operations in protected areas.	Global	304-1	4.10 Environmental Management, GRI 304-1.
Social and employees topics	**Employment**	Global	3-3	3.2 Human Capital.
	Total number and distribution of employees by gender, age, country and professional category.	Global	2-7; 405-1	4.5 People Management, GRI 2-7 & 405-1.
	Total number and distribution of work contract modalities.	Global	2-7	4.5 People Management, GRI 2-7.
	Annual average of permanent contracts, temporary contracts and part-time contracts by gender, age and professional category.	Global	2-7; 405-1	4.5 People Management, GRI 2-7 & 405-1.
	Number of dismissals by gender, age and professional category.	Global	401-1	4.5 People Management, GRI 401-1.
	Average remunerations and their evolution disaggregated by gender, age and professional category or equal value. Wage gap, the remuneration of equal or average positions in the company.	Global	405-2	4.5 People Management, GRI 405-2.
	Avg. remuneration of directors and executives, incl. variable remuneration, allowances, compensation, payment to l/t savings forecast systems and any other perception disaggregated by gender.	Global	-	4.6 Corporate Governance.
	Implementation of labour disconnection policies.	Global	-	4.5 People Management, section "Work organisation and implementation of "right to disconnect" policies".
	Employees with disabilities.	Global	-	4.5 People Management, section "Employees with disabilities".
	Work organisation		3-3	
	Working hours organisation.	Global	EU17	4.4 Health & Safety, GRI EU17; 4.5 People Management, section "Work organisation and implementation of "right to disconnect" policies".
	Number of hours of absenteeism.	Global	-	4.4 Health & Safety, section "Absenteeism".
	Measures designed to facilitate the enjoyment of conciliation and encourage joint responsibility of these by both parents.	Global	-	4.5 People Management, section "Work life balance".

NON-FINANCIAL INFORMATION STATEMENT (SPANISH LAW 11/2018)				
AREA	CONTENT	SCOPE/ PERIMETER	RELATED GRI STAND-ARDS	CHAPTER
	Health & Safety		3-3	
	Conditions of health and safety at work.	Global	3-3; 403-1; 403-2; 403-3; 403-5; 403-6; 403-7	3.4.1 Guarantee the highest health & safety standards; 4.4 Health & Safety, GRI 403-1, 403-2, 403-3, 403-5, 403-6 & 403-7.
	Work-related accidents, in particular their frequency and severity, occupational diseases, disaggre-gated by gender.	Global	403-9; 403-10	4.4 Health & Safety, GRI 403-9 & 403-10.
	Social Relations		3-3	
	Organisation of social dialogue, including procedures for informing and consulting employees and ne-gotiating with them.	Global	402-1	4.5 People Management, GRI 402-1.
	Percentage of employees covered by collective bargaining agreements by country.	Global	2-30	4.5 People Management, GRI 2-30.
	The result of collective bargaining agreements, particularly in the health & safety at work area.	Global	2-30	4.5 People Management, GRI 2-30.
	Mechanisms and procedures that the company has to promote the involvement of workers in the man-agement of the company, in terms of information, consultation and participation.	Global	402-1	4.5 People Management, GRI 402-1.
	Training		3-3	
	Policies implemented in the training area.	Global	404-2; 404-3	4.5 People Management, GRI 404-2 & 404-3.
	Total amount of training hours by professional categories.	Global	404-1	4.5 People Management, GRI 404-1.
	Universal accessibility for people with disabilities	Global	-	4.5 People Management, section "Universal accessibility".
	Equality		3-3	
	Measures taken to promote equal treatment and opportunities between women and men.	Global	405-1	4.5 People Management, GRI 405-1.
	Equality plans (Chapter III of Organic Law 3/2007, of the 22nd of March, for effective equality of women and men), measures adopted to promote employment, protocols against sexual and gender-based har-assment, integration and the universal accessibility of people with disabilities.	Global	-	4.5 People Management, section "Equality plans".
	Policy against all types of discrimination and, where appropriate, management of diversity.	Global	-	1.3.4 Integrity and Ethics; 3.4.2. Respect human and labour rights; 4.5 People Management, section "Adopted measures to promote employment related to equality".
Human Rights	Application of due diligence procedures in the field of human rights; Prevention of the risks of violation of human rights and, where appropriate, measures to mitigate, manage and repair possible abuses.	Global	-	1.3.4 Integrity and Ethics; 3.4.2. Respect human and labour rights; 4.9 Suppliers management, section "EDPR's due diligence process".
	Complaints regarding cases of violation of human rights.	Global	411-1	1.3.4 Integrity and Ethics; 4.8 Community Engagement, GRI 411-1.

NON-FINANCIAL INFORMATION STATEMENT (SPANISH LAW 11/2018)				
AREA	**CONTENT**	**SCOPE/ PERIMETER**	**RELATED GRI STANDARDS**	**CHAPTER**
	Promotion and compliance with the provisions of the fundamental Conventions of the International Labour Organization related to respect for freedom of association and the right to collective bargaining.	Global	2-30; 407-1	4.5 People Management, GRI 2-30; 4.13 Ethics and Compliance, GRI 407-1.
	The elimination of discrimination in employment and occupation.	Global	406-1	3.4.2. Respect human and labour rights; 4.13 Ethics and Compliance, GRI 406-1.
	The elimination of forced or compulsory labour.	Global	409-1	3.4.2. Respect human and labour rights; 4.13 Ethics and Compliance, GRI 409-1.
	The effective abolition of child labour.	Global	408-1	3.4.2. Respect human and labour rights; 4.13 Ethics and Compliance, GRI 408-1.
Corruption and bribery	Adopted measures to prevent corruption and bribery.	Global	205-1; 205-2; 205-3; 415-1	4.11 Communication and Transparency, GRI 415-1; 4.13 Ethics and Compliance, GRI 205-1, 205-2 & 205-3.
	Measures to combat money laundering.	Global	-	4.13 Ethics and Compliance, section "Money laundering".
	Contributions to foundations and non-profit entities.	Global	413-1	4.8 Community Engagement, GRI 413-1;
Society	**Company's commitments to the sustainable development**		3-3	
	The impact of the society's activity on employment and local development.	Global	202-2; 203-1; 203-2; 413-1	4.8 Community Engagement, GRI 202-2, 203-1, 203-2 & 413-1;
	The impact of society's activity on local populations and in the territory.	Global	3-3; 413-1; 413-2	3.4.3. Supporting communities; 4.8 Community Engagement, GRI 413-1 & 413-2.
	The relationships maintained with the local communities and the modalities of dialogue with them.	Global	413-1; 413-2	4.8 Community Engagement, GRI 413-1 & 413-2.
	The association or sponsorship actions.	Global	2-28; 413-1	4.8 Community Engagement, GRI 413-1; 4.11 Communication and Transparency, GRI 2-28.
	Subcontracting and suppliers		3-3	
	The inclusion of social issues, gender equality and environmental issues in the Procurement Policy. Consideration of the suppliers and subcontractors' social and environmental responsibility when interacting with them.	Global	2-6; 3-3; 204-1; 308-2; 414-2	3.3 Supply Chain Capital; 4.9 Suppliers Management, GRI 2-6, 308-2 & 414-2.
	Supervision systems and audits and their results.	Global	414-2	3.3 Supply Chain Capital; 4.9 Suppliers Management, GRI 414-2.

NON-FINANCIAL INFORMATION STATEMENT (SPANISH LAW 11/2018)				
AREA	**CONTENT**	**SCOPE/ PERIMETER**	**RELATED GRI STANDARDS**	**CHAPTER**
	Customers			
	Measures for the health and safety of consumers.	Global	EU25; 413-2	4.4 Health & Safety, GRI EU25; 4.8 Community Engagement, GRI 413-2.
	Complaining system, complaints received and their resolution.	Global	205-3; 406-1; 407-1; 408-1; 409-1; 413-2	1.3.4 Integrity and Ethics; 4.8 Community Engagement, GRI 413-2; 4.13 Ethics and Compliance, GRI 205-3, 406-1, 407-1, 408-1 & 409-1.
	Tax information			
	Profit before income tax, by country. Corporate income tax paid.	Global	201-1; 207-4	4.3 Business Sustainability, GRI 201-1; 4.11 Communication and Transparency, GRI 207-4.
	Financial assistance received from the government.	Global	201-4	4.11 Communication and Transparency, GRI 201-4.
Others	Annual total compensation ratio.	Global	2-21	4.5 People Management, GRI 2-21.
	Legal Actions for anti-competitive behaviour, anti-trust and monopoly practices.	Global	206-1	4.11 Communication and Transparency, GRI 206-1.
	Non-compliance with environmental laws and regulations.	Global	2-27	4.11 Communication and Transparency, GRI 2-27.
	Non-compliance with laws and regulations in the social and economic area.	Global	2-27	4.11 Communication and Transparency, GRI 2-27.
	Statement from senior decision-maker.	Global	2-22	Message from the CEO.
	Identifying and selecting stakeholders; Approach to stakeholder engagement.	Global	2-29; 3-3	1.1.5 Stakeholder focus.
	Key topics and concerns raised; List of material topics.	Global	3-2	4.1 Materiality Assessment, Materiality Matrix.
	Innovation	Global	3-3	3.7 Innovation Capital.
	Taxonomy Regulation	Global	-	4.3 Business Sustainability, section "Taxonomy Regulation"; 4. GRI Reporting, Annex II: Taxonomy Alignment. KPIs under Article 8º of EU Taxonomy.

Note: In addition to the indicators included in this table, non-financial information can be found in the following indicators: 2-2, 2-3, 2-4, 2-5, 2-25, 3-1, 3-2.

Annex IV: GRI content index

External assurance: The GRI indicators included in the following table have been verified by PwC. See the correspondent Independent Verification Report in Annex V. Additionally, some GRI indicators refer to Notes in EDPR's 2022 Annual Accounts, which have been audited by PwC. See the correspondent Independent Auditor's Report on the consolidated annual accounts at the beginning of the document.

Statement of use: EDPR has reported the information cited in this GRI content index for the 2022 period with reference to the GRI Standards.

GRI STANDARD		DISCLOSURES	CHAPTER
GENERAL DISCLOSURES			
GRI 1: Foundation 2021			
GRI 2: General Disclosures 2021			
	2-1	Organisational details	2022 Consolidated Annual Accounts – Note 1; 1.1.2 EDPR in the world; 5. Corporate Governance (A. Shareholder Structure); EDPR head offices are located in Madrid (Spain).
	2-2	Entities included in the organisation's sustainability reporting	2022 Consolidated Annual Accounts – Note 6 and Annex I.
	2-3	Reporting period, frequency and contact point	4.14 Reporting Principles; "Contact us" at www.edpr.com.
	2-4	Restatements of information	2022 Consolidated Annual Accounts – Note 6.
	2-5	External assurance	4.14 Reporting Principles; 4. GRI Reporting, Annex V: Independent verification report.
	2-6	Activities, value chain and other business relationships	2022 Consolidated Annual Accounts – Note 6 & 41; 1.1.2 EDPR in the world; 1.1.3 Business Description; 3.1.2 Financial Performance; 3.3 Supply Chain Capital; 5. Corporate Governance (A. Shareholder Structure).
	2-7	Employees	4.5 People Management.
	2-9	Governance structure and composition	1.3.2 Governance Model; 5. Corporate Governance.

GRI STANDARD		DISCLOSURES	CHAPTER
	2-21	Annual total compensation ratio	4.5 People Management.
	2-22	Statement on sustainable development strategy	Message from the CEO.
	2-23	Policy commitments	1.3.4 Integrity and Ethics; 2.3 Risk Management; 3.4.2 Respect human and labour rights; 4.9 Suppliers management, section "EDPR's due diligence process"; 5. Corporate Governance (C. Internal Organisation).
	2-25	Processes to remediate negative impacts	1.3.4 Integrity and Ethics; 3.4 Social Capital; 3.5 Natural Capital; 4.8 Community engagement; 4.9 Suppliers management; 4.10 Environmental management.
	2-27	Compliance with laws and regulations	4.11 Communication and Transparency.
	2-28	Membership associations	4.11 Communication and Transparency.
	2-29	Approach to stakeholder engagement	1.1.5 Stakeholders Focus; 4.1 Materiality Assessment; 4.14 Reporting Principles; Please visit our stakeholders' information on the sustainability section in our website, www.edpr.com.
	2-30	Collective bargaining agreements	4.5 People Management.
MATERIAL TOPICS			
Climate Change			
GRI 3: Material Topics 2021	3-1	Process to determine material topics	4.1 Materiality Assessment
	3-2	List of material topics	4.1 Materiality Assessment, Materiality Matrix
	3-3	Management of material topics	2.1 Business Environment; 3.1.1 Operational Performance; 3.5 Natural Capital

GRI STANDARD		DISCLOSURES	CHAPTER
GRI 201: Economic Performance 2016	201-2	Financial implications and other risks and opportunities due to climate change	4.2 Climate Change
GRI 302: Energy 2016	302-1	Energy consumption within the organisation	4.2 Climate Change
	302-4	Reduction of energy consumption	4.2 Climate Change
GRI 305: Emissions 2016	305-1	Direct (Scope 1) GHG emissions	4.2 Climate Change
	305-2	Energy indirect (Scope 2) GHG emissions	4.2 Climate Change
	305-3	Other indirect (Scope 3) GHG emissions	4.2 Climate Change
	305-5	Reduction of GHG emissions	4.2 Climate Change
GRI EU	EU1	Installed capacity, broken down by primary energy source and by regulatory regime	4.2 Climate Change
	EU2	Net energy output broken down by primary energy source and by regulatory regime	4.2 Climate Change
Economic Business Sustainability			
GRI 3: Material Topics 2021	3-1	Process to determine material topics	4.1 Materiality Assessment
	3-2	List of material topics	4.1 Materiality Assessment, Materiality Matrix
	3-3	Management of material topics	2.2 Strategy;
			3.1.2 Financial Performance.
GRI 201: Economic Performance 2016	201-1	Direct economic value generated and distributed	4.3 Economic Business Sustainability
Health & Safety			
GRI 3: Material Topics 2021	3-1	Process to determine material topics	4.1 Materiality Assessment
	3-2	List of material topics	4.1 Materiality Assessment, Materiality Matrix
	3-3	Management of material topics	3.4.1 Guarantee the highest health & safety standards
GRI 403: Occupational Health and Safety 2016	403-1	Occupational health and safety management system	4.4 Health & Safety
	403-2	Types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities	4.4 Health & Safety
	403-3	Occupational health services	4.4 Health & Safety
	403-4	Worker participation, consultation, and communication on occupational health and safety	4.4 Health & Safety
	403-5	Worker training on occupational health and safety	4.4 Health & Safety
	403-6	Promotion of worker health	4.4 Health & Safety
	403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	4.4 Health & Safety

GRI STANDARD		DISCLOSURES	CHAPTER
	403-9	Work-related injuries	4.4 Health & Safety
	403-10	Work-related ill health	4.4 Health & Safety
GRI EU	EU17	Days worked by contractor and subcontractor employees involved in construction and O&M activities	4.4 Health & Safety
	EU25	Number of injuries and fatalities to the public involving company assets, including legal judgements, settlements and pending legal cases of diseases	4.4 Health & Safety
People Management			
GRI 3: Material Topics 2021	3-1	Process to determine material topics	4.1 Materiality Assessment
	3-2	List of material topics	4.1 Materiality Assessment, Materiality Matrix
	3-3	Management of material topics	3.2 Human Capital
GRI 401: Employment 2016	401-1	New employee hires and employee turnover	4.5 People Management
	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	4.5 People Management
GRI 402: Labour / Management Relations 2016	402-1	Minimum notice periods regarding operational changes	4.5 People Management
GRI 404: Training and Education 2016	404-1	Average hours of training per year per employee	4.5 People Management
	404-2	Programs for upgrading employee skills and transition assistance programs	4.5 People Management
	404-3	Percentage of employees receiving regular performance and career development reviews	4.5 People Management
GRI 405: Diversity and Equal Opportunity 2016	405-1	Diversity of governance bodies and employees	4.5 People Management
	405-2	Ratio of basic salary and remuneration of women to men	4.5 People Management
GRI EU	EU15	Percentage of employees eligible to retire in the next 5 and 10 years broken down by job category and by region	4.5 People Management
Corporate Governance			
GRI 3: Material Topics 2021	3-1	Process to determine material topics	4.1 Materiality Assessment
	3-2	List of material topics	4.1 Materiality Assessment, Materiality Matrix
	3-3	Management of material topics	1.3 Organisation
Innovation			
GRI 3: Material Topics 2021	3-1	Process to determine material topics	4.1 Materiality Assessment
	3-2	List of material topics	4.1 Materiality Assessment, Materiality Matrix
	3-3	Management of material topics	3.7 Innovation Capital
Community Engagement			

GRI STANDARD		DISCLOSURES	CHAPTER
GRI 3: Material Topics 2021	3-1	Process to determine material topics	4.1 Materiality Assessment
	3-2	List of material topics	4.1 Materiality Assessment, Materiality Matrix
	3-3	Management of material topics	3.4.3 Support communities
GRI 202: Market Presence 2016	202-2	Proportion of senior management hired from the local community	4.8 Community Engagement
GRI 203: Indirect Economic Impacts 2016	203-1	Infrastructure investments and services supported	4.8 Community Engagement
	203-2	Significant indirect economic impacts	4.8 Community Engagement
GRI 411: Rights of Indigenous People 2016	411-1	Incidents of violations involving rights of indigenous peoples	4.8 Community Engagement
GRI 413: Local Communities 2016	413-1	Operations with local community engagement, impact assessments, and development programs	4.8 Community Engagement
	413-2	Operations with significant actual and potential negative impacts on local communities	4.8 Community Engagement
Suppliers Management			
GRI 3: Material Topics 2021	3-1	Process to determine material topics	4.1 Materiality Assessment
	3-2	List of material topics	4.1 Materiality Assessment, Materiality Matrix
	3-3	Management of material topics	3.3 Supply Chain Capital
GRI 204: Procurement Practices 2016	204-1	Proportion of spending on local suppliers	4.9 Suppliers Management
GRI 308: Supplier Environmental Assessment 2016	308-2	Negative environmental impacts in the supply chain and actions taken	4.9 Suppliers Management
GRI 414: Supplier Social Assessment 2016	414-2	Negative social impacts in the supply chain and actions taken	4.9 Suppliers Management
Environmental Management			
GRI 3: Material Topics 2021	3-1	Process to determine material topics	4.1 Materiality Assessment
	3-2	List of material topics	4.1 Materiality Assessment, Materiality Matrix
	3-3	Management of material topics	3.5 Natural Capital
GRI 304: Biodiversity 2016	304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	4.10 Environmental Management
	304-2	Significant impacts of activities, products, and services on biodiversity	4.10 Environmental Management
	304-3	Habitats protected or restored	4.10 Environmental Management
GRI 306: Effluents and Waste 2020	306-1	Waste generation and significant waste-related impacts	4.10 Environmental Management
	306-2	Management of significant waste-related impacts	4.10 Environmental Management
	306-3	Waste generated	4.10 Environmental Management

GRI STANDARD		DISCLOSURES	CHAPTER
	306-4	Waste diverted from disposal	4.10 Environmental Management
	306-5	Waste directed to disposal	4.10 Environmental Management
Communication & Transparency			
GRI 3: Material Topics 2021	3-1	Process to determine material topics	4.1 Materiality Assessment
	3-2	List of material topics	4.1 Materiality Assessment, Materiality Matrix
	3-3	Management of material topics	1.1.5 Stakeholder focus
GRI 201: Economic Performance 2016	201-4	Financial assistance received from government	4.11 Communication and Transparency
GRI 206: Anti-competitive Behavior 2016	206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	4.11 Communication and Transparency
GRI 415: Public Policy 2016	415-1	Political contributions	4.11 Communication and Transparency
GRI 207: Tax 2019	207-1	Approach to tax	4.11 Communication and Transparency
	207-2	Tax governance, control, and risk management	4.11 Communication and Transparency
	207-3	Stakeholder engagement and management of concerns related to tax	4.11 Communication and Transparency
	207-4	Country-by-country reporting	4.3 Economic Business Sustainability, "Profit before income tax";
			4.5 People Management, GRI 2-7;
			4.11 Communication and Transparency;
			2022 Consolidated Annual Accounts – Note 1;
			2022 Consolidated Annual Accounts – Annex I;
			Reporting requirements iv, v, vii, ix and x of GRI 207-4 are omitted as the information is not available with the requested detail by tax jurisdiction. EDPR will work on obtaining the required details in a near future.
Digital Transformation			
GRI 3: Material Topics 2021	3-1	Process to determine material topics	4.1 Materiality Assessment
	3-2	List of material topics	4.1 Materiality Assessment, Materiality Matrix
	3-3	Management of material topics	3.6 Digital Capital
Ethics and Compliance			
GRI 3: Material Topics 2021	3-1	Process to determine material topics	4.1 Materiality Assessment
	3-2	List of material topics	4.1 Materiality Assessment, Materiality Matrix
	3-3	Management of material topics	1.3.4 Integrity and Ethics

GRI STANDARD		DISCLOSURES	CHAPTER
GRI 205: Anti-corruption 2016	205-1	Operations assessed for risks related to corruption	4.13 Ethics and Compliance
	205-2	Communication and training on anti-corruption policies and procedures	4.13 Ethics and Compliance
	205-3	Confirmed incidents of corruption and actions taken	4.13 Ethics and Compliance
GRI 406: Non-discrimination 2016	406-1	Incidents of discrimination and corrective actions taken	4.13 Ethics and Compliance
GRI 407: Freedom of Association and Collective Bargaining 2016	407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	4.13 Ethics and Compliance
GRI 408: Child Labour 2016	408-1	Operations and suppliers at significant risk for incidents of child labour	4.13 Ethics and Compliance
GRI 409: Forced or Compulsory Labour 2016	409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labour	4.13 Ethics and Compliance

Independent verification report

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

Pursuant to article 49 of the Code of Commerce, we have verified, with the scope of a limited assurance engagement, the Consolidated Non-Financial Information Statement ("NFIS") for the year ended 31 December 2022 of EDP Renováveis, S.A. (Parent company) and subsidiaries (hereinafter EDPR or the Group) which forms part of the accompanying EDPR's consolidated management report.

The content of the consolidated management report includes information additional to that required by current mercantile legislation in relation to non-financial information, which has not been covered by our verification work. In this respect, our work was limited solely to verifying the information identified in tables: Annex I: "Statement of Non-Financial Information" and Annex II: "GRI content index". included in the accompanying consolidated management report.

Responsibility of the directors of the Parent company

The preparation of the NFIS included in EDPR's consolidated management report and the content thereof, are the responsibility of the directors of EDP Renováveis, S.A. The NFIS has been drawn up in accordance with the provisions of current mercantile legislation and using as a reference the criteria of the *Sustainability Reporting Standards* of the *Global Reporting Initiative* ("GRI Standards") and Electric Utilities Industry Supplement as per the details provided for each matter in the tables: Annex I: "Statement of Non-Financial Information" and Annex II: "GRI content index" of the consolidated management report.

This responsibility also includes the design, implementation, and maintenance of the internal control considered necessary to allow the NFIS to be free of material misstatement due to fraud or error.

The directors of EDP Renováveis, S.A. are also responsible for defining, implementing, adapting, and maintaining the management systems from which the information required to prepare the NFIS is obtained.

Our independence and quality management

We have complied with the independence requirements and other ethical requirements of the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants ("IESBA Code") which is founded on fundamental principles of integrity, objectivity, professional competence, and due care, confidentiality, and professional behaviour.

Our firm applies current international quality standards and maintains, consequently, a quality system that includes policies and procedures related to compliance with ethical requirements, professional standards, and applicable legal and regulatory provisions.

R. M. Madrid, hoja 87.250-1, folio 75, tomo 9.267, libro 8.054, sección 3ª
Inscrita en el R.O.A.C. con el número S0242 - CIF: B-79 031290

The engagement team consisted of professionals specialising in Non-financial Information reviews, specifically in information on economic, social, and environmental performance.

Our responsibility

Our responsibility is to express our conclusions in a limited assurance independent report based on the work we have performed. We carried out our work in accordance with the requirements laid down in the current International Standard on Assurance Engagements (ISAE) 3000 Revised, Assurance Engagements other than Audits or Reviews of Historical Financial Information (ISAE 3000 Revised) issued by the International Auditing and Assurance Standards Board (IAASB) of the International Federation of Accountants (IFAC) and in the Guidelines for verification engagements of the Statement of Non-Financial Information issued by the Spanish Institute of Auditors ("Instituto de Censores Jurados de Cuentas de España").

In a limited assurance engagement, the procedures performed vary in nature and timing of execution, and are less extensive than those carried out in a reasonable assurance engagement and, accordingly, the assurance provided is also lower.

Our work consisted of posing questions to management as well as to the various units of EDPR that were involved in the preparation of the NFIS, of the review of the processes for compiling and validating the information presented in the NFIS, and in the application of certain analytical procedures and review procedures on a sample basis, as described below:

- Meetings with EDPR personnel to understand the business model, policies, and management approaches applied, principal risks relating to these matters, and to obtain the information required for the external review.
- Analysis of the scope, relevance, and integrity of the content of the NFIS for the year 2022, based on the materiality analysis carried out by EDPR and described in section 4.1. "Materiality assessment", taking into account the content required by current mercantile legislation.
- Analysis of the procedures used to compile and validate the information presented in the NFIS for the year 2022.
- Review of information relating to risks, policies, and management approaches applied in relation to material matters presented in the NFIS for the year 2022.
- Verification, by means of sample testing, of the information relating to the content of the NFIS for the year 2022 and that it was adequately compiled using data provided by the sources of the information.
- Obtaining a management representation letter from the directors and management of the Parent company.

Conclusion

Based on the procedures performed in our verification and the evidence we have obtained, nothing has come to our attention that causes us to believe that the NFIS of EDP Renováveis, S.A. and its subsidiaries, for the year ended 31 December 2022 has not been prepared, in all material respects, in accordance with the provisions of current mercantile legislation and using as a reference the criteria of GRI and Electric Utilities as per the details provided for each matter in the tables: Annex I: "Statement of Non-Financial Information" and Annex II: "GRI content index" of the consolidated management report.

Emphasis of matter

The Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020 relating to the establishment of a framework to facilitate sustainable investments establishes the obligation to disclose information on the manner and extent to which the company's activities are associated with economic activities aligned in relation to the objectives of climate change mitigation and adaptation to climate change for the first time for the year 2022, in addition to the information referring to eligible activities required in the year 2021. Consequently, comparative alignment information has not been included in the accompanying NFIS. On the other hand, to the extent that the information referring to eligible activities in the year 2021 was not required with the same level of detail as in the year 2022, detailed information regarding eligibility is not strictly comparable either in the accompanying NFIS. Additionally, it should be noted that EDPR's directors have incorporated information on the criteria that, in their opinion, best allow compliance with the aforementioned obligations and that are defined in the "Taxonomy Regulation" section of the "4.3 Economic Business Sustainability" chapter and in Annex II: "Taxonomy Alignment. KPIs and EDPR disclosure under Article 8º of EU Taxonomy" of the accompanying NFIS. Our conclusion has not been modified in relation to this matter.

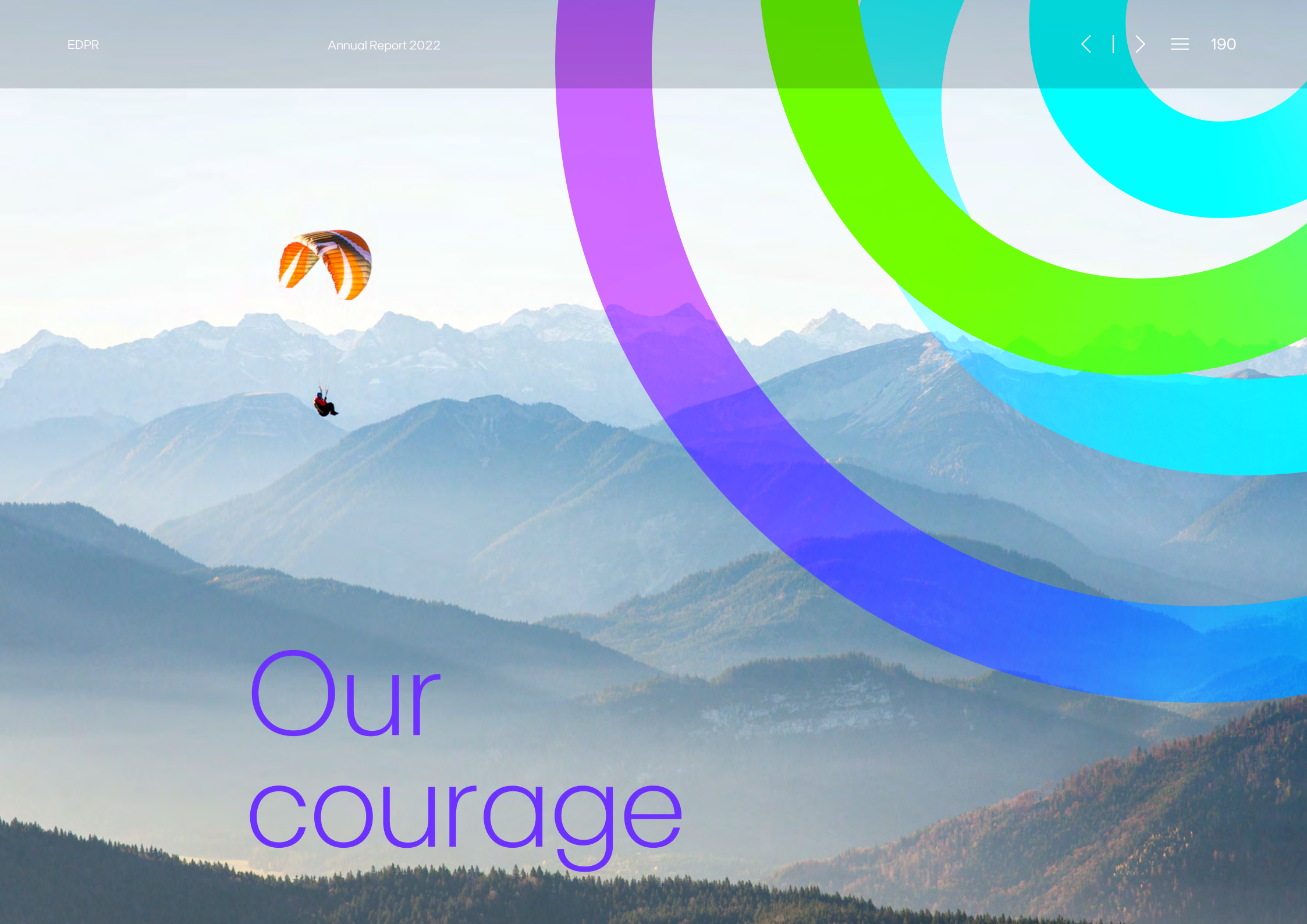
Use and distribution

This report has been drawn up in response to the requirement established in current Spanish mercantile legislation and therefore may not be suitable for other purposes and jurisdictions.

PricewaterhouseCoopers Auditores, S.L.

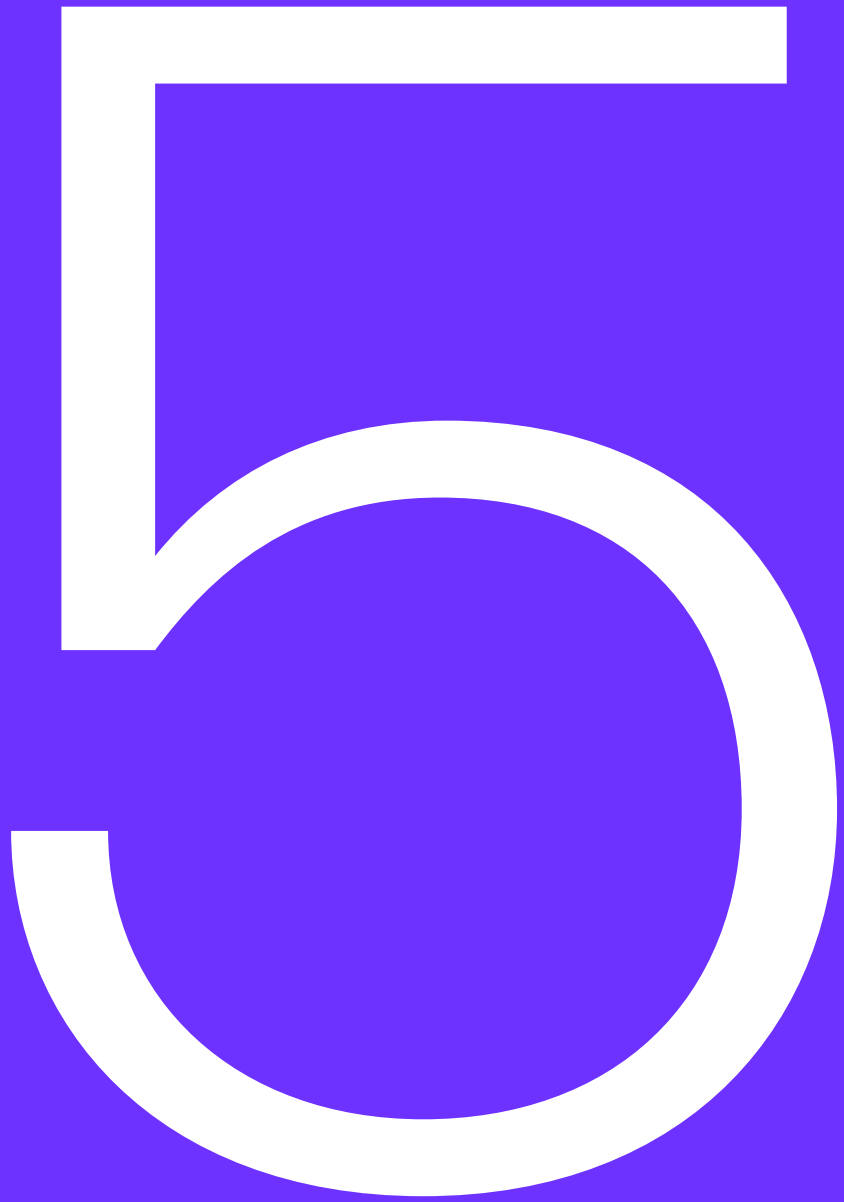
Ernesto Lluch Moreno

28 February 2023



Our courage

Corporate Governance



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PART I – Information on shareholder structure, organisation and corporate governance

A. Shareholder structure

I. Capital structure

1. Capital structure

EDP Renováveis, S.A. (hereinafter referred to as "EDP Renováveis", "EDPR" or the "Company") total share capital is 4,802,790,810€, since the Share capital increase in April 2021, where 88,250,000 new shares were issued at a subscription price of EUR 17.00 per share for a share premium of EUR 12.00. EDPR total share capital is composed of 960,558,162 shares with a nominal value of EUR 5.00 each, fully paid. All these 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, with 74.98% of share capital and voting rights. Excluding EDP, EDPR shareholders comprise close to 30,000 institutional and private investors spread across more than 35 countries with main focus in the United States and United Kingdom.

Institutional Investors represent about 96% of Company shareholders (ex-EDP Group), mainly investment funds and socially responsible investors ("SRI"), while Private Investors, mostly Portuguese, stand for the remaining 4 %.

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, nor defensive measures for cases of a change in control in its shareholder structure or agreements subject to the condition of a change in control of the Company, other than in accordance with normal practice, and therefore, has not adopted any mechanisms that imply payments or assumption of fees in the case of the transfer of control or the change in the composition of the managing body, or that could be likely to harm the free transferability of shares or shareholder assessment of the performance of the members of the managing body.

Notwithstanding the above, the following are normal market practice related to a potential change of control:

- 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 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.Shareholdings and bonds held.

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 31st, 2022:

SHAREHOLDER	SHARES
EDP – ENERGIAS DE PORTUGAL, S.A. – SUCURSAL EN ESPAÑA	720,191,372
BLACKROCK INC.	32,115,908
Total qualified holdings	752,307,280

EDP detains 74.98% of EDPR capital and voting rights, through EDP – Energias de Portugal, S.A. – Sucursal en España.

As of December 31st, 2022, EDPR's shareholder structure consisted in a total qualified shareholding of 78.32%, corresponding to EDP Group and Blackrock Inc., with 74.98% and 3.34% of the capital, respectively.

8. Shares held by the Members of the Management and Supervisory Boards

As of December 31st 2022, none of the members of the Board of Directors /Delegated Committees of the Company directly or indirectly own EDPR shares.

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 which are 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 powers of the Board include, without limitation[1] 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 enter into loans and credit operations that it may deem appropriate;
- Negotiate and formalize all sort of acts and contracts with public entities or private persons;
- Exercise 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, labour courts and the labour sections of the Supreme Court 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 and 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 sorts of notices and requirements and to grant a power of attorney to Court Representatives and other representatives, with the 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 organize its operations and exploitations by acknowledging the course of the Company businesses and operations, managing the investment of funds, making extraordinary amortizations of bonds and realizing anything that it is considered appropriate for the best achievement of the Company's objectives;

[1] This list has a merely indicative nature, as the Board of Directors may perform all further powers expressly granted to the Board in the Articles or in the applicable law.

- Appoint and dismiss Directors and other Company's technical and administrative personnel, defining their responsibilities and remuneration;
- Agree any changes of the registered office's address within the same municipal area;
- Incorporate legal entities as stipulated under the law; assigning and investing 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.

Likewise, the General Shareholders' Meeting held in March 26th, 2020, 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 up to the maximum limit of 10% of the subscribed share capital. 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.

Likewise, on the General Shareholders' Meeting held on March 31st, 2022, it was also approved the delegation to the Board of Directors of the power to carry out increases of share capital with the exclusion of the pre-emptive subscription rights (on one or several occasions) within the maximum term of five years. The total maximum amount of the increase or increases decided upon under this authorization shall be no higher than 50% of the present share capital; or in the event that the increase of capital excludes the pre-emptive subscription right of shareholders, than the 20% of the present share capital. This authorization shall be extended, as broadly as may be required by Law, to the setting and determination of those terms inherent in each of the increases in order to obtain any authorizations required under the legal provisions in force (including, but without being limited to, the determination of the amount and date of implementation, the number of shares to be issued, with or without voting rights, with or without a share premium, consisting of the countervalue of the new shares to be issued in monetary contributions, and being able to determine the terms and conditions of the increase of capital and the characteristics of the shares). Should be noted that, it has been specifically stated with regards to this authorization that the total or partial exclusion of the pre-emptive subscription right shall be performed in terms of the corporate interest and pursuant to the legal requirements, and that the Board of Directors shall issue a report detailing those reasons that justify this in the corporate interest in each specific case, and which shall be made available to the shareholders and communicated at the first General Meeting of Shareholders held after the increase in capital.

Additionally, in compliance with its personal law and Company's internal regulations, 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;
- The supervision of the effective functioning of any committees that it may have incorporated and of the performance of any delegated bodies or managers it may have designated;
- The determination of the company's general policies and strategies;
- The authorization or waiver of the obligations arising from the Directors duty of loyalty;
- Its own organization and functioning;
- The formulation of the annual accounts and its submission to the General Shareholders' Meeting;
- The preparation of any type of report required from the board by law, when the underlying transaction to which the report refers cannot be delegated;
- The appointment and removal of the delegated directors ("*Joint Directors*") of the company, as well as the determination of their contract conditions;
- The appointment or removal of the members of the Management Team, as well as the determination of their basic contract conditions, including remuneration;
- Decisions relating to directors' remuneration, within the statutory framework and, if such is the case, within the remuneration policy approved by the General Shareholders' Meeting;
- Calling the General Shareholders' Meeting and preparing the agenda and proposed resolutions;
- The policy relating to own shares;
- Any powers that the General Shareholders' Meeting has vested to the board of directors, unless the board has explicitly authorized that they may be sub- delegated;
- The approval of the strategic or business plan, annual management objectives and budget, investment and financing policies, social sustainability policy and the dividends policy;

- The determination of the risk control and management policy, including those related to tax matters, and the supervision of the internal information and control systems;
- The determination of the company's corporate governance policy as well as the one applicable to the group of which the company is the parent entity; its organization and functioning and, in particular, the approval and amendment of its own regulations;
- The approval of the financial information that the company must disclose periodically;
- The definition of the structure of the group of companies of which the company is the parent entity;
- The approval of all type of investments and transactions that due to their high amount or special nature are considered as strategic or that may imply a financial risk, unless their approval falls under the General Shareholders' Meeting. For the purposes of this paragraph, the following transactions shall be considered as included:
  i. The purchase and sale of assets, rights or shareholdings by EDPR, included in the business plan approved by the Board of Directors ("the Business Plan"), whenever their [A] (i) book value, or (ii) market value assessed in terms of equity value, or (iii) the transaction price, or (iv) the initial investment value, is over one hundred and fifty million Euros (150,000,000€)[2] (at present value), or [B] initial investment value consumes the total amount foreseen Business Plan for these type of transactions, whenever their (i) book value, or (ii) its market value assessed in terms of equity value, or (iii) the transaction price, or (iv) the initial investment value, is over seventy-five million Euros (75,000,000€) (at present value);
  ii. Agreements regarding (i) bank loans and (ii) credit facilities in an amount above two hundred and fifty million Euros (250.000.000€), provided that, as a result of such agreements, EDPR's overall indebtedness exceeds the amount set forth in the approved annual budget;
  iii. Total or partial opening or closure of establishments, as well as extensions or reductions of its activity, provided that, according to a reasonable estimate of the executive directors, they result in a change in the turnover or in the assets of the Company of over seventy-five million Euros (75,000,000€);
  iv. Other operations and relevant transactions, and in particular, those excluded from the scope of the Business Plan whenever their (i) book value or (ii) market value assessed in terms of equity value, or (iii) the transaction price, or (iv) the initial investment value is above seventy-five million Euros (75,000,000€)[3] (at present value);
  v. vi. Any operations not directly related to the energy sector which amount is above twenty million Euros (20,000,000€);
  vi. Setting up or terminating strategic partnerships or any other forms of enduring cooperation, in an amount above twenty million Euros (20,000,000€).[4]
- The approval of the creation or acquisition of shares in special purpose entities or registered in countries or territories considered tax havens, as well as any other transaction or operation of a similar nature that, due to its complexity, may undermine the transparency of the company and its group;
- The approval of Related Party Transactions, unless:
  i. its approval corresponds to the Shareholders' Meeting; or
  ii. transactions (i) between companies of the same group and that are performed in the ordinary management of the company and under market conditions, or (ii) closed under standardized conditions and wholesale applied to a high number of clients, and at prices or tariffs generally established by the supplier of the good or service, the amount of which does not exceed the 0.5% of the net annual company turnover ; which will be approved by the Audit, Control and Related Party Transactions Committee.
- The determination of the company's tax strategy;
- The supervision of the elaboration and submission process of the financial information and the management report, that will include, as the case may be, the required non-financial information; and the submission of the recommendations or proposals presented to the Board aimed to protect its integrity.

Should be noted that in case of duly justified urgency situations, or when considered convenient in an interim period between meetings of the Board of Directors, the decisions related to the reserved matters referred above may be adopted by the delegated bodies or individuals, and will be ratified at the first Board meeting to be held after the adoption of the decision.

Notwithstanding the above, considering that during 2022 it was identified that many transactions defined as reserved under the regulations of the Board were being approved through the exception process - adopted by the delegated bodies or individuals (as the Executive Directors), and then being ratified at the first Board meeting held after the adoption of the decision - and bearing in mind the estimates for next years regarding a high volume and ambitious timings for these type of the transactions, it was considered advisable to establish a mechanism that boosts the implication of the Board of Directors in the decision making

[2] For the purposes of this provision, the amounts of the respective financial guarantees shall be considered in aggregate.
[3] For the purposes of this provision, the amounts of the respective financial guarantees shall be considered in aggregate.
[4] For the purposes of this provision, partnerships or other forms of cooperation which do not have a strategic and lasting character, namely regarding cases where such partnerships are limited to specific transactions in predominantly commercial and operational matters, or which relate to the Company's core activities.

process, and that also ensures the necessary agility can be guaranteed. In this context, and for these purposes, on October 25th, 2022, it was resolved to incorporate a fast-track procedure by the Board of Directors of EDPR for certain matters that require urgent approval, that is extensively ruled under the regulations of the Board of Directors, and that will operate as follows:

1. A justified request will be addressed by the CEO to the Chairman of the Board of Directors, framing the matter in question by providing a term-sheet template duly fulfilled;
2. The Chairman of the Board of Directors will submit the request and the information provided to the members of the Board of Directors, who shall have three business days counted from the receipt of the communication to issue their opinion on the matter;
3. Once this 3-business day-period has elapsed, the Directors that have not replied, will be deemed to have issued a favorable opinion;
4. The resolution adopted will be communicated to the CEO, and it will be recorded together with the supporting documents (including the related term-sheet), in the following Board of Directors meeting.

As per the governance model adopted, EDPR has to comply with the regulation established under the Spanish Companies Act, which among others, as mentioned above, stablishes that the approvals of the strategic lines and policies of the company are a reserved matters of the Board of Directors that cannot be delegated, and that shall be necessarily approved at this level. Therefore, in compliance with recommendation III.6 and its personal Law (Spanish one), in case of proposal of a new Business Plan, in EDPR such will be first assessed by the Audit, Control and Related Party Transactions Committee (as per its Governance Model does not have a Supervisory Body), and being the final proposal approved at the Board of Directors level.

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 Chapter 5 of the Annual Report.

B. Corporate Boards and Committees

I. General Shareholders' Meeting

On March 31st, 2022 the General Shareholders' Meeting resolved to approve the Regulations of the General Shareholders' Meeting of EDP Renováveis, S.A., which establishes the principles of its organization and operation, and, that contain the rules governing the convening, preparation, information, attendance and development of the General Shareholders' Meeting, as well as the exercise of the corresponding rights of the shareholders when it is convened and held, all in accordance with the applicable regulations in force. These regulations are available at the website of the Company www.edpr.com. Any amendment to these Regulations shall require the resolution to be adopted by the General Shareholders' Meeting but not with qualified quorum.

a) Composition of the Board of the General Meeting

11. Board of the General Shareholders' Meeting

Since 2021, EDPR adopted the general practice followed under the personal law of the Company (Spanish one) that allows the Shareholders' Meeting to be chaired by the Chairperson of the Board of Directors, and in the absence thereof, to the Vice-Chairperson (in the absence of both of them, it will be assigned to the oldest director).

As such, the Chairperson of the Board of Directors – or whoever acting as substitute – together with the remaining members of the Board, shall constitute the Board of the General Shareholders' Meeting; and its Secretary will be the Secretary of the Board of Directors. Therefore, as of December 31th, 2022 the role of Chairperson of the Shareholders' Meeting corresponds to António Gomes Mota, - who was appointed as member of the Board for a three-year (3) term by the General Shareholders' Meeting held in April 12th, 2021, and for the position of Chairperson of the Board of Directors on its meeting subsequently held on the same date—and the role of the Secretary of the General Shareholders' Meeting corresponds to the Secretary of the Board of Directors, María González Rodriguez, who was appointed for that position on November 2nd, 2021.

Should be also highlighted that accordance with article 180 of the Spanish Companies' Law, all the Board of Directors' Members are obliged to attend the General Meetings.

The Chairperson 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, in 2022 the Company hired a specialized entity to give support to the meeting and to collect, process and count the votes submitted by the shareholders on the Ordinary Shareholders' meeting held on March 31st,2022.

b) Exercising the right to vote

12. Voting rights restrictions

Each EDPR share entitles its holder to one vote. Neither EDPR's Articles of Association, nor General Shareholders' Meeting Regulations establish any restriction regarding voting rights.

13. Voting rights

Neither EDPR's Articles of Association, nor General Shareholders' Meeting Regulations have any 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.

On 2022, the Board of Directors approved a Shareholder's Guide for the General Shareholders' Meeting held in March 31st, detailing among other matters, the procedure and requirements for the submission through mail and electronic communication of voting forms. This Guide was made available at the Company's website (www.edpr.com). As informed in the related Notice, 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. At this meeting the Regulations of the General Shareholders' Meeting were approved, and will thereinafter be the document that will rule all these procedures.

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 email 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 Shareholders' Meeting is published at the website of *Sociedade Gestora de Sistemas de Liquidação e de Sistemas Centralizados de Valores Mobiliários, S.A* ("Interbolsa") and on the website of the *Comissão do Mercado de Valores Mobiliários* ("CMVM") – at www.cmvm.pt - and of the *Comisión Nacional del Mercado de Valores* ("CNMV") – at www.cnmv.es. 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 was formally published, the following information and documentation related to the General Shareholders' Meeting was made available at the Company's website (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 of the letter of representation and the template of the ballot to be sent by mail, and also, the links to the electronic platform that the Company provides for 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).

In 2022, the Company included the English and Portuguese versions of the information and documents related to the Shareholders´ Meetings on its website (www.edpr.com) with the notice of the meetings 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 or sending the related filled and signed templates by email), and in any case providing the documentation indicated in the General Shareholders' Meeting Regulations.

Pursuant to the terms of article 15 of the Articles of Association and Article 24.7 of the General Shareholders' Meeting Regulations, 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 the General Shareholders' Meeting Regulations, 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, the Articles of Association and the General Shareholders' Meeting Regulations, 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 organization 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 13th, 2017 between the Comissão do Mercado de Valores Mobiliários ("CMVM" – Portuguese Securities Market Commission) and the IPCG, which was last reviewed in July 2020. 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, 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, Control and Related Party Transactions Committee. The organization 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 the 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, as of December 31st, 2022, 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 Audit, Control and Related-Party Transactions Committee, the Appointments and Remunerations Committee and the Environmental, Social and Corporate Governance 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 constitutes 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 (including but without limitation, the performance of their functions, their Chairmanship, periodicity of meetings, their functioning and the duties of their members) have been defined at the Articles of Association, the General Shareholders' Meeting Regulations, and Board of Directors and Delegated Committees Regulations (which are published at the website of the Company 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 procced 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. Besides the above, Secretary to the Board of Directors also provides necessary legal advice to the Governing Bodies. Finally, the minutes of all meetings of the Board of Directors and Delegated Committees are drawn and also circulated by the General Secretary.

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
- Audit, Control and Related Party Transactions Committee
- Appointments and Remunerations Committee
- Environmental, Social and Corporate Governance 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 organization of its activity, especially because it affords transparency and a healthy balance between the management and the supervisory functions.

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 Appointments 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 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. The appointment proposals shall be approved by majority.

Following the best Corporate Governance practices, in 2022 there were analysed and reviewed the possible criteria applicable in the selection of the new members of its Governing Bodies. For these purposes there were taken into account the market trends and the specific needs of EDPR, in order to ensure the suitability of the roles , the contribution of the new profiles to a better performance, and the aim of ensuring a balanced composition in the bodies of the Company. As a conclusion of this reflection, the Appointments and Remunerations Committee agreed to consider as a reference certain standards and requirements in accordance with the following:

- Individual attributes: education, competence, integrity, availability and experience.
- Diversity: to be considered as a wide criteria, analyzed in accordance with the nature and complexity of the businesses developed, as well as according to the social and environmental context from time to time, and that will include, among others, gender, age and culture.

It was expressly stated that this list should not be considered as an exhaustive nor limiting reference, and that in any case, depending on the needs and competences required, other criteria may be taken into account.

Based on the above criteria, after the previous advice of the Appointments and Remunerations Committee, the Board of Directors submits the related proposals to the General Shareholders' Meeting (including for sake of clarity, the curriculum vitae of the candidates, and the justifying report, which shall be publicly disclosed with the other supporting documents of the meeting in the terms referred in topic 13 above). For more information about the composition of the Board of Directors please check the Sustainability Chapter of the Annual Report at its topic GRI 405-1, 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 article 243 of the Spanish Companies Act, 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. Taking into account the size of EDPR and the complexity of the risks intrinsic to its activity, following the proposal of the Appointments and Remunerations Committee, the Board of Directors EDPR submitted to the Extraordinary Shareholders Meeting held on February 22nd, 2021 the proposal to adjust the number of Directors of the Company to a total of twelve (12) members. 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.

On January 17th, 2022, the Board acknowledged the resignation of Joan Avalyn Dempsey to her position as Director (with effects January 13th, 2022), and on its meeting held on February 9th 2022, the Appointments and Remunerations Committee analyzed the criteria drivers for the recruitment process to be launched to cover this position, concluding that the most adequate profile to be considered would be an American person of the less represented gender to be appointed as a non-executive an independent Director, which would be a profile difficult to find before the next Shareholders' Meeting. In this context, the General Shareholders' Meeting held on March 31st resolved the continuation of the existing vacancy on the Board of Directors, leaving the position unfilled, and expressly setting forth that the Board of Directors may fill it by co-option after that General Meeting had been held. It was on May 3th, 2022, when the Board of Directors, following the proposal presented by the Appointments and Remunerations Committee, appointed by co-option Kay Mc Call for this position (with effects June 1st, 2022). Therefore, as of December 31st, 2022, the Board of Directors was composed by the following Directors:

MEMBER	POSITION	FIRST APPOINTMENT	RE-ELECTION	END OF TERM
António Gomes Mota	Independent Chairperson	12/04/2021	-	12/04/2024
Miguel Stilwell d'Andrade	CEO & Executive Vice-Chairperson	19/02/2021	12/04/2021	12/04/2024
Rui Teixeira	CFO and Executive Director	29/10/2019	12/04/2021	12/04/2024
Vera Pinto	Director	26/02/2019	12/04/2021	12/04/2024
Ana Paula Marques	Director	19/02/2021	12/04/2021	12/04/2024
Miguel Setas	Director	12/04/2021	-	12/04/2024
Manuel Menéndez	Director	04/06/2008	12/04/2021	12/04/2024
Acácio Piloto	Director	26/02/2013	12/04/2021	12/04/2024
Allan J. Katz	Director	09/04/2015	12/04/2021	12/04/2024
Rosa García García	Director	12/04/2021	-	12/04/2024
José Manuel Félix Morgado	Director	12/04/2021	-	12/04/2024
Kay Mc Call	Director	1/06/2022	-	*Until the next General Shareholders' Meeting*
*Joan Avalyn Dempsey**	*Director*	*19/02/2021*		-

*Joan Avalyn Dempsey presented the resignation to her positions as Board Members with effects January 13th, 2022.

Likewise, since November 2nd, 2021, the Secretary non-member of the Board of Directors is María González Rodríguez and the Vice-Secretary of the Board of non-member is Borja Pérez Dapena.

18. Executive, Non-Executive and Independent Members of the Board

The independence of the Directors is evaluated according to the Company's personal law, and annually confirmed by each of the corresponding Directors through the signature of an independence declaration. Likewise, EDPR Board of Directors Regulations, and Article 20.2 of 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. In this sense, and provided that the independence criteria applicable to EDPR Directors are the ones established under its personal law, from a total of twelve (12) positions that composed of EDPR's Board of Directors as of December 31st, 2022, ten (10) were non-executive, being six (6) of them also independent. In accordance with the law and Articles of Association, it has been established that Non- Executive Directors can only be represented in the Board meetings by other Non- Executive Director.

As such, it has been concluded that the composition of the Board and its Delegated Committees is suitable for the size of the company and the complexity of the risks intrinsic to its activity mainly considering that enables a separation of duties, management and specialization of supervision at the same time that the non-executive and independent directors take part in all the decisions also at the Board of Directors level. Should be noted to this extent that the Board of Directors is composed by a majority of non-executive members, with a high percentage of independents; and that the Audit, Control and Related Party Transactions Committee, the Appointments and Remunerations Committee and the Environmental, Social and Corporate Governance Committee are entirely composed by non-executive and independent members. Likewise, the executive line of the Board is centralized in two directors, who are supported in the daily activity of the Company by the Members of a Management Team.

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 stated 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.

The following table includes the executive, non-executive and independent members of the Board of Directors as of December 31st, 2022:

BOARD MEMBER	POSITION
António Gomes Mota	Chairperson (non-Executive & independent)
Miguel Stilwell d'Andrade	CEO and Executive Vice-Chairperson
Rui Teixeira	CFO and Executive Director
Vera Pinto	Non-Executive Director
Ana Paula Marques	Non-Executive Director
Miguel Setas	Non-Executive Director
Manuel Menéndez	Non-Executive Director
Acácio Piloto	Non-Executive and independent Director
Allan J. Katz	Non-Executive and independent Director
Rosa García García	Non-Executive and independent Director
José Morgado	Non-Executive and independent Director
Kay Mc Call	Non-Executive and independent Director

19. Professional qualifications and biographies of the Members of the Board of Directors

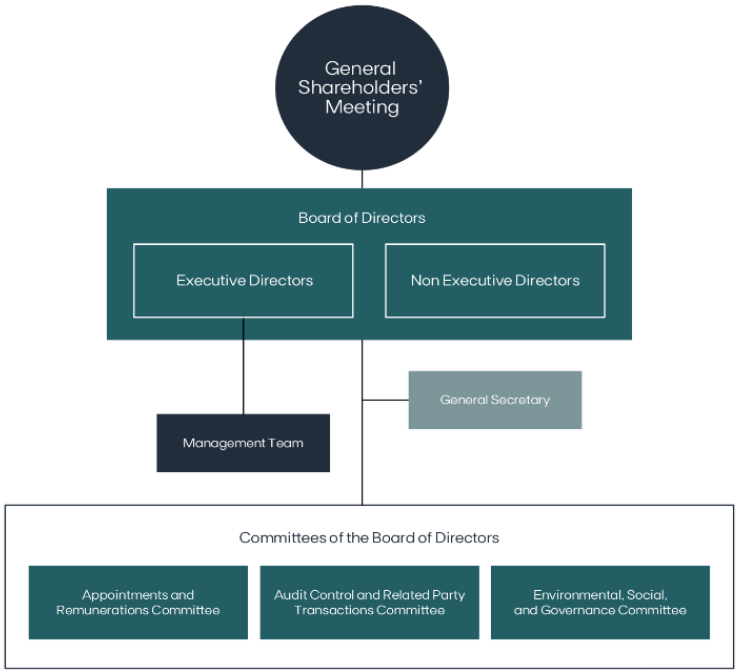
The skills and main positions held by the members of the Board of Directors, as well as those that they currently hold in Group and non-Group companies and other relevant curricular information details are available in the Annex I of this Chapter 5 of the Annual Report.

20. Family, professional and business relationships of the Members of the Board of Directorswith 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 31st, 2022, 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 Renováveis S.A., which are the following: Miguel Stilwell d' Andrade; Rui Teixeira; Vera Pinto; Ana Paula Marques; Miguel Setas and Manuel Menéndez.

21. Corporate bodies and 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 governing bodies and management structure:



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, in the General Shareholders' Regulations or in the applicable law.

Executive Directors: EDPR has two Executive Directors who are also Joint Directors, Miguel Stilwell de Andrade (CEO) and Rui Teixeira (CFO), to whom the Board agreed to delegate all the competences that can be delegated as per established under the Company Bylaws and the applicable law.

Delegated Committees: as regulated by the applicable Law and pursuant to the best corporate governance recommendations, EDPR has set up three additional specialized internal committees:

- The Audit, Control and Related Party Transactions Committee, whose main duties are the supervision of the financial information and internal control, risk management and Compliance systems. It also assumes the functions related to the analysis and, when applicable, the approval of the Related Party Transactions of the Company.

- The Appointments 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 Directors and Management Team members.

- The Environmental, Social and Corporate Governance Committee, whose main duties are the assistance and report to the Board of Directors in the alignment with the market trends and the company needs regarding Environmental, Social and Corporate Governance matters, with the aim of also providing the investors with more transparent and exhaustive information regarding matters related to Corporate Governance and Sustain ability.

Management Team: On January 2021 the Board of Directors agreed to create this body in order to assume the conduction and supervision of the daily activity and performance of the Company.

Considering the growing tendence of EDPR and its presence in new geographies, it has been concluded that in order to ensure the required support to the needs to be covered both in business and technical terms, the appropriate composition of the Management Team will be the CEO and CFO, the representatives of EDPR's Platforms (Europe, LaTam, APac and North America), and a member in charge of the coordination of the technical functions and Offshore business.

Therefore, as of 31st, 2022 the composition of the Management Team of EDPR was as follows:

- Miguel Stilwell d'Andrade (CEO)
- Rui Teixeira (CFO)
- Duarte Bello (COO Europe&LaTam)
- Pedro Vasconcelos (COO APac)
- Sandhya Ganapathy (COO NA)
- Bautista Rodríguez (CTO & Business Offshore)

b) Functioning

22. Board of Directors regulations

EDPR's Board of Directors Regulations were last amended on December 12th, 2022 and are available at Company's website (www.edpr.com), and at Company's headquarters at Plaza de la Gesta, 2, Oviedo, Spain.

23. Number of meetings held by the Board of Directors and attendance report

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 31st, 2022, 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 following table expresses the attendance percentage of the participation of the Directors to the meetings held during 2022:

BOARD MEMBER	POSITION	ATTENDANCE*
António Gomes Mota	Chairperson (non-Executive and independent)	100%
Miguel Stilwell d'Andrade	CEO and Executive Vice-Chairperson	100%
Rui Teixeira	CFO and Executive Director	100%
Vera Pinto	Non-Executive Director	100%
Ana Paula Marques	Non-Executive Director	100%**
Miguel Setas	Non-Executive Director	100%**
Manuel Menéndez	Non-Executive Director	100%**
Acácio Piloto	Non-Executive Director and independent Director	100%
Allan J. Katz	Non-Executive Director and independent Director	83,33%
Rosa García García	Non-Executive Director and independent Director	100%
José Félix Morgado	Non-Executive Director and independent Director	100%
Kay Mc Call	Non-Executive Director and independent Director	100%

*The percentage reflects the meetings attended by the Members of the Board during 2022, provided that Kay Mc Call was appointed by co-option on May 3rd, 2022 (with effects June 1st, 2022), thus the percentage shown in the table reflects the attendance calculated over the meetings celebrated since such date.
**Ana Paula Marques, Miguel Setas and Manuel Menendez were not able to attend to the Board of Directors meeting held on February 19th ,2022 but in line with the Company bylaws and the applicable law, they delegated their representation and votes into other non-executive member of the Board (António Gomes Mota).

Likewise, on February 7th, 2022 it was held a meeting of non- executive Directors in order to analyze and assess the organization, composition and functioning of the Board of Directors and its Committees.

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 and approved by the General Shareholder's Meeting.

Once the corresponding fiscal year is completed, the Appointments 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 applicable to Executive Directors

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 availability of the members of the Board of Directors is one of the individual attributes considered by EDPR in the selection processes, and a reference that is clearly being more observed and acquiring material relevance in the Market. As such, and with the aim of complying with the best governance practices, the Board of Directors resolved at its meeting held on October 25th, 2022 to rule under its Regulations the performance of EDPR Executive Directors when they have executive functions in entities outside the Group; in accordance to which it has been stablished hat: i) the Executive members of the Board of Directors may not exercise executive functions in more than two companies outside EDP Group.; and ii) the exercise of that functions will be subject to prior assessment of the Appointments and Remunerations Committee and of the approval by 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.

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 Board Delegates

27. Board of Directors' Committees

As previously exposed, in line with Spanish Law and as specifically foreseen in Article 10 of the Company's Articles of Association, the Board of Directors is entitled to create delegated bodies. The Board of Directors of EDPR has set up three committees:

- Audit, Control and Related-Party Transactions Committee
- Appointments and Remunerations Committee
- Environmental, Social and Corporate Governance Committee

The three Committees are composed exclusively by non-executive and independent members.

28. Details of the Executive Delegates of the Board

On January 19th, 2021, the Board of Directors agreed to appoint Miguel Stillwel d'Andrade and Rui Teixeira as Joint Executive Directors, delegating in them all the competences that can be delegated as per established under the Company Bylaws and the applicable law. On April 12th, 2022 the Board agreed to re-elect both of them as Joint Executive Directors, as well as to again delegate in them all the competences that can be delegated as per established under the Company Bylaws and the applicable law. The reserved matters of the Board of Directors are identified in topic 9 of this Chapter 5 of the Annual Report and article 9 of the Board of Directors Regulations.

29. Committees' competences

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.

Following the proposal submitted by the Appointments and Remunerations Committee, its Chairperson, Acacio Piloto, was first elected for this position on June 27th, 2018, and re-elected on April 12th, 2021.

The Audit, Control and Related Party Transactions Committee consists of three (3) non-executive and independent members, who as of December 31st 2022, are the following:

- Acacio Piloto, who is the Chairperson
- Rosa García García
- José Manuel Félix Morgado

Additionally, María González Rodríguez is the Secretary of the Audit, Control and Related Party Transactions Committee since November 2nd, 2021.

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, and 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, by delegation of the Board of Directors, the 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, evaluating those systems and proposing the adequate adjustments according to the Company necessities, as well as supervising the suitability of the preparation process and the disclosure of financial information by the Board of Directors, including suitable accounting policies, estimates, judgments, relevant disclosure and its consistent application between financial years in a duly documented and communicated form;
- Supervising internal audits, in particular: i) approving and supervising in coordination with the CEO, the Annual Internal Audit Plan; ii) approving and reviewing the Internal Audit Rule; and, iii) supervising in coordination with the CEO and Management Team the implementation of the recommendations issued by Internal Audit;
- 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;
- Approving and supervising, in coordination with the Management Team, the Annual Activity Plan of the Corporate Compliance Department;
- Appreciating and monitoring the recommendations on measures to be taken in situations of significant non-compliance;
- Supervising compliance with regulations and alignment of business processes with the requirements of the Compliance Management System in order to achieve a sustainable compliance culture throughout the Company.

B) Related Party Transactions functions:

- By delegation of the Board of Directors:
  i) Analyzing and, where appropriate, approving the (i) (a) intragroup transactions or (b) transactions performed between EDPR Group and EDP Group when their amount is below 10% of the total assets at the last annual balance sheet approved by the company, as long as they are in the ordinary management of the company and under market conditions; (ii) transactions executed under contracts with standardized

terms that are wholesale applied to a high number of clients under prices or tariffs generally established by the supplier of the goods or services, and which amount does not exceed the 0,5% of the net annual company turnover; and periodically informing the Board of Directors about the transactions approved by this Committee in the exercise of the above referred delegation, stating the fairness and transparency of such transactions, and as the case may be, the compliance with the applicable legal criteria;

i. Analyzing and informing about any modification of the Framework Agreement signed by EDP and EDP Renováveis on 7 May 2008;

ii. Submitting reports to the Board of Directors of the Company regarding the Related Party Transactions – that shall be approved by the Board of Directors of EDPR SA or by its Shareholder's Meeting in accordance with the law – and that shall include: (i) the information regarding the nature of the operation and the relation with the Related Party, (ii) the identity of the Related Party, the date and value or amount of the compensation of the transaction, and any other information necessary to appraise if the operation is fair and reasonable for the company and for the non-Related Party shareholders;

- Asking EDP for access to the information needed to perform its duties.

Functioning

In addition to the Articles of Association and the law, this committee is governed by its regulations (that were last amended on February 15th 2022), which are available at the Company's website (www.edpr.com).

The committee shall meet at least once a quarter and additionally whenever its Chairperson deems 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.

2022 Activity

In 2022 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 proposals of application of results for the fiscal year ended on December 31st 2021 and the distribution of dividends;
- Information about the independence of the External Auditor;
- Assessment of the external auditor's work, especially concerning the scope of work in 2022, approval of all "audit related" and "non- audit" services and analysis of external auditor's remuneration;
- Assessment on the policies and remunerations systems of the Company;
- 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;
- Issuance of an opinion about the individual and consolidated reports (including the Corporate Governance report) and accounts, in a quarterly, half year and yearly basis;
- Monitorization of Internal Audit Activity, including the supervision of the execution of the Audit Plan for 2022, its Budget and headcount and pre-approval of the draft prepared for the 2023 Internal Audit Plan;
- Monitorization 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, Compliance (including the supervision of the execution of the Activity Plan for 2022 for EDPR and OW and approval of the draft prepared for the 2023 Activity Plan) and Risk Management;
- Monitorization and evaluation of the risk management performed during 2022, issuing a report including the assessment about Internal Control System and Risk Management;
- Information about claims received regarding financial irregularities;
- Information about the contingencies affecting to the Group;
- Issuance of the report of its activities performed during 2021;
- Issuance of a self-assessment about its performance and an appraisal of the Internal Audit functions regarding fiscal year 2021;
- Attended to a specific internal training regarding the investment process in EDPR, in which among others, there were exposed the framework processes applicable to investment and divestments, the internal approval requirements and thresholds, and the next steps followed after the acquisition of a project;
- Following the best Corporate Governance practice, the Committee held a specific and complementary meeting with the External Auditors twice a year to discuss any remark in the process of the elaboration of the Company half year and year end accounts;
- On October 2022, the Audit, Control and Related Party Transactions Committee of EDPR organized a two-day event in Oviedo (headquarters of the Company) for the other Audit

Committees of the listed companies of EDP Group, in order to discuss the best practices related to Internal Audit, Risk, Compliance and Accounting &Tax functions, to analyze the most relevant challenges of the competences of Audit Committees, and to agree on the approaches and next steps for achieving the highest standards and targets on all these matters.

- Analyzed the impact of the Ukraine War (long-lasting effects across all economy sectors, impacting pool prices across all EU wholesale markets and the need to accelerate the green transition);
- Review of the legal opinion issued by King & Wood Mallesons regarding the status of Internal Audit in Ocean Winds;
- Considering the growing tendency and the services hired to the external auditor, it was agreed to submit for the Board of Directors consideration, the Regulation on the provision of Services by the External Auditor of EDPR (both audit and non- audit) , under which, they are regulated, among others, the provision of their services, and the relationship with the External Auditor;
- Concluded that it was advisable to consider the External Auditor appointed for EDPR S.A. as a preferred option for the other companies of its perimeter (including the new companies that are being acquired), provided that the independency of the External Auditor is guaranteed, as well as the quality of the scopes offered and the fees quoted;
- Analyzed the European whistleblowing Directive and the national transpositions that establish the new regulatory framework for whistle-blower channels, and agreed to set up the structure an Integrated Whistleblowing Management System in EDPR, and the incorporation of a single "Speak-up" channel;
- Approved, for its submission to the Board of Directors approval, the update to the Compliance standard, the Integrity Policy and Criminal Compliance Policy in order to include the reference to the sanctioning procedure and the Speak up Channel;
- Reviewed the organization, targets and challenges regarding H&S matters for 2022.

B) Related Party Transactions Activities:

In 2022, the Audit, Control and Related Party Transactions Committee revised, approved and submitted to the Board of Directors the transactions between related parties submitted to its consideration in accordance with its competences and the applicable law.

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 2022 is described at topic 35.

Appointments and Remunerations Committee

Composition

Pursuant to Article 29 of the Company's Articles of Association and Article 9 the Appointments 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 Chairperson.

In accordance with its personal law (Spanish law), with recommendation V.3.3. of the Corporate Governance Code of IPCG, and to the extent possible with recommendation V.2.1. of the Corporate Governance Code of IPCG (as considering that in Spain this committee shall be created by the Board and being entirely comprised by members of its Board of Directors), the Appointments and Remunerations Committee of EDPR is entirely integrated by Non-Executive and Independent Directors.

The Appointments and Remunerations Committee consists of three (3) non-executive an independent, as of December 31st 2022, are the following:

- António Gomes Mota, who is the Chairperson
- Rosa García García
- José Félix Morgado

Additionally, María González Rodríguez is the Secretary of the Appointments and Remunerations Committee since November 2nd, 2021.

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 Appointments 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 Appointments and Remunerations Committee has no executive functions. The main functions of this committee are to assist and report to the Board of Directors about appointments (including by co-option), re- elections, removals and remuneration of Directors and members of the Management Team. It also informs the Board of Directors on general remuneration 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 (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.

Likewise, until October 25th, 2022, this Committee assumed the functions related reflection on the Corporate Governance structure of the Company and on its efficiency, and of supervising the compliance with, and the correct application of, the corporate governance principles and standards in force. At that date, the Board resolved to create a specialized Committee focused on Environmental, Social, and Corporate Governance matters, and therefore, to assign to it these competences. Considering this new distribution of functions, it was also agreed to adjust the name of the Appointments, Remunerations and Corporate Governance Committee to eliminate references to the assumption of Corporate Governance matters (thereinafter Appointments and Remunerations Committee), and to also amend its Regulations accordingly.

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 Appointments 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.

In 2022 it was held one Shareholders' Meeting on March 31st, and the Chairperson of the Committee, Antonio Gomes Mota, attended.

Functioning

In addition to the Articles of Association, the Appointments and Remunerations Committee is governed by its Regulations (that were last amended on October 25th, 2022), which are available at the Company's website (www.edpr.com).

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.

2022 Activity

In 2022 the Appointments and Remunerations Committee held four (4) meetings, and the main activities performed were:

- Issued its opinion regarding the performance evaluation for year 2021 of the Board of Directors, the CEO, the CFO and the COO of Europe & LatAm, as well as of the Delegated Committees;
- Reviewed and approved the Corporate Governance Report related to 2021, to be submitted by the Board of Directors to the General Shareholders' Meeting;
- Reviewed and approved the Remunerations Report related to 2021, to be submitted by the Board of Directors to the General Shareholders' Meeting;
- Prepared a proposal of a new Remuneration Policy to be applied to the Board of Directors and its Delegated Committees for 2023-2025, to be submitted by the Board of Directors for approval by the General Shareholders' Meeting;

- Issued a report required under the Spanish Companies Act regarding the new Remuneration Policy proposed for the Board of Directors and its Delegated Committees for 2023-2025, to be published as additional supporting document to the General Shareholders' Meeting;
- Reviewed the General Shareholders' Meeting bylaws proposed for EDPR, to be submitted by the Board of Directors for approval by the General Shareholders' Meeting;
- Reviewed and approved the statutory amendment proposal to be submitted by the Board of Directors for approval by the General Shareholders' Meeting, in order to align its contents with the new Spanish Companies' Act, and with the updates incorporated during 2021 with regards to the Board of Directors and Committees competences included under its Regulations;
- Acknowledged the resignation to the position as Board Member presented by Joan Avalyn Dempsey (with effects January 13th, 2022), and analyzed the criteria drivers for the recruitment process to be launched to cover this position;
- Drafted the report of its activities performed during the year 2021;
- Issued a reflection on the Corporate Governance system adopted by EDPR during 2021;
- Analyzed of the most adequate candidates to cover the vacancy left by Joan Avalyn Dempsey, proposing to this end to the Board of Directors the appointment by co-option of Kay Mc Call as Independent Director;
- Defined the criteria to be considered in a Succession Plan for the Management Team, and agreed on a final proposal for the one applicable to the COOs (COO APac, COO Europe & LatAm, COO NA) and the CTO;
- Reviewed and approved the Development Program proposed for the Non-Executive Directors (including General Training Programs regarding Corporate Governance Matters and Board effectiveness; specific trainings regarding Committee's competences, and in-house programs to be defined);
- Reviewed the Remuneration of the Management Team, and agreed on a final proposal to be submitted to the Board of Directors regarding the new remuneration package for EDPR COOs (COO APAC, COO Europe & LatAm, COO NA) and CTO;
- Analyzed and approved the appraisal proposed of the KPIS established under the LTIP for year 2021 for the Management Team (notwithstanding that the final evaluation would be after completing 2023);
- Analyzed the convenience of incorporating a delegated committee specialized on Environmental, Social and Corporate Governance matters;
- Analyzed the most adequate names, competences, composition and remuneration for the members of an Environmental, Social and Corporate Governance Committee in EDPR, and agreed to submit to the Board of Directors a proposal to on these regards, as well as of the regulations applicable to the Committee;
- Considering that the Corporate Governance matters that were assigned to the Appointments, Remunerations and Corporate Governance Committee would be assigned to the new Environmental Social and Corporate Governance Committee, agreed to adjust the name and competences established under its regulations, in order to eliminate the reference to Corporate Governance functions;
- Agreed to submit to the Board of Directors a proposal regarding the new remuneration package for EDPR COOs (COO APAC, COO Europe & LatAm, COO NA) and CTO;
- Discussed and acknowledged the feedback received by the CEAM regarding the Corporate Governance report issued for 2021, and agreed with the action plan proposed;
- In order ensure the suitability of the roles in the Governing Bodies of the Company, their contribution to a better performance and to safeguard a balanced composition, reviewed the selection criteria applicable to members of the governing bodies of the Company considering: i) Individual attributes (education, competence, independence, integrity, availability and experience), and ii)diversity attributes (considered as a wide criteria, analyzed in accordance with the nature and complexity of the businesses developed, as well as under the social and environmental context from time to time, that among others, would include gender, age and culture);
- With the aim of complying with the best governance practices, agreed to propose to the Board of Directors to rule the performance of EDPR Executive Directors when they have executive functions in entities outside the group, by amending the Board of Directors Regulations to include the rules of this accumulation of functions;
- Analyzed the proposal of review of the IPCG Corporate Governance code launched in 2022;
- Approved to propose to the Board of Directors the update of the Management Services Agreement between EDP and EDPR through the execution of the 8th Amendment, in order to align its terms with the corresponding modifications in the remunerations that were approved at the time both for non-executive directors, as well as for the positions of CEO and CFO;
- Analyzed and approved the Succession Plan proposed for the Chairman of the Board of Directors and of the Chairman of the Audit, Control and Related Party Transactions Committee, for its submission to the Board of Directors;
- Analyzed the revised version of the Code of Ethics proposed for EDPR.

Environmental, Social and Corporate Governance Committee

Considering that Environmental, Social and Corporate Governance issues are gaining more relevance, that the new investor profiles demand more and better information on the sustainable performance of companies and that the new regulation trends that aim to get

commitment with the integration of these aspects, during 2022 it was analyzed the convenience of incorporating a delegated committee specialized on these matters.

It was on October 25th, when the Board of Director agreed, in accordance with the proposal submitted the Appointments and Remunerations Committee, to incorporate in EDPR an Environmental, Social and Corporate Governance Committee, and also specifically approving its competences, composition, remuneration of its members and the regulations applicable to the Committee.

Composition

Pursuant to Article 9 the Environmental, Social, and Corporate Governance Committee Regulations, this committee shall consist of no less than three (3) and no more than six (6) members, and the majority of them shall be independent. The Chairperson of the Environmental, Social, and Governance Committee shall be appointed by the Board of Directors amongst the Committee's members and must necessarily be an independent director.

The Environmental, Social, and Corporate Governance Committee consists of five (5) non-executive an independent, that as of December 31st 2022, are the following:

- Antonio Gomes Mota, who is the Chairperson
- Allan J. Katz
- Cynthia Kay Mc Call
- Rosa María García García
- José Manuel Félix Morgado

Additionally, María González Rodríguez is the Secretary of the Environmental, Social, and Corporate Governance Committee since its incorporation, on October 25th, 2022.

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 Environmental, Social, and Governance Committee is a specialized and delegated committee of a merely informative and consultative nature whose recommendations are not binding and that performs no executive functions. This Committee assists and reports to the Board of Directors in the alignment with the market trends and the company needs regarding Environmental, Social, and Governance matters, with the aim of also providing the investors with more transparent and exhaustive information regarding matters related to Corporate Governance and Sustainability. These functions include the following:

- Oversee the Company's key environmental, social and corporate governance key performance indicators included in the Business Plan and monitor their achievement.
- Propose to the Board of Directors EDPR's sustainability and environmental, social, and corporate governance policies and their update.
- Promote, steer, and oversee the Company's objectives, action plans and practices in health, safety and occupational risk prevention.
- Review and present to the Board of Directors the Annual Report (EINF). The Committee shall also monitor the Company's relationship and reporting to investors, indexes and rating agencies on sustainability issues.
- Monitor and conduct a regular review of the main environmental, social, and corporate governance trends and regulatory developments relevant to the Company's activity.
- Analyse the integration of environmental, social, and corporate governance risks and opportunities into the Company´s procedures and its Risk Management System.
- Update and inform the Board of Directors on the stakeholder relations and dialogue model, in order to understand the needs and expectations of all EDPR's stakeholders (employees, clients, suppliers, subcontractors, and others).
- Oversee and assess the Company's corporate image and its reputation with the various stakeholders, namely in terms of the market in general and consumers, investors and supervisory authorities, public and published opinion, monitoring the activity of the Company's competent services, taking into consideration the implemented strategies, policies, process and procedures implemented, privileging the spirit of service to the Community.
- Oversee and assess the suitability of the corporate governance model implemented by the Company and their compliance with internationally accepted models of corporate governance, forwarding any appropriate recommendations in this area to the Board of Directors.
- Supervise compliance with, and the correct application of, the corporate governance principles and standards in force, promoting and requesting the exchange of information necessary for this purpose.
- Any other functions assigned to it in the Articles of Association or by the Board of Directors.

Functioning

In addition to the Articles of Association, the Environmental, Social and Corporate Governance Committee is governed by its Regulations (approved on October 25th, 2022), which are available at the Company's website (www.edpr.com).

The committee shall meet whenever its Chairperson deems fit. The notices and supporting documents of the topics to be discussed in each meeting of this committee shall be 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.

2022 Activity

As the Committee was incorporated by the end of year 2022, this Committee has not met yet, but the first meeting is foreseen for February 2023.

III. Supervision

a) Supervision

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.

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) and at the Company's Headquarters at Plaza de la Gesta, 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 periodically 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 Internal Audit, Compliance and SCIRF, Company accounts, detection claims regarding financial irregularities, global risk management and audit and non–audit services provided by the External Auditor (including the appraisal about its independence). This regular interaction, in particular with regards to the periodical discussion of the development and status of the alignment of the level of risk and the accomplishment of objectives set by the Board of Directors, provides the committee with the necessary information for the development of its functions and in particular, for the assessments issued under the appraisal report over the functions of Internal Audit, and the Report regarding Risk Management and appraisal of the Internal Control System , that this committee issues for every fiscal year.

During 2022, the Audit, Control and Related Party Transactions Committee held a total of eleven (11) meetings, and as referred in paragraph above, in order to better perform its supervisory functions over the activities reported by the areas within its competences, the

committee invited the responsible teams of the related areas to several of these meetings to provide the updates of the status of their activity and accomplishment of targets. As such, the participation of these departments at these meetings in 2022 was as follows: Internal Audit participated in nine (8), Compliance and Internal Control in four (4), Global Risk in five (5), Planning and Control in four (4); Finance in three (3) and Administration, Consolidation and Tax in six (6). Likewise, the committee invited the External Auditors to six (6) of these meetings.

The following table reflect the attendance of the members of the Audit, Control and Related Party Transactions Committee to its meetings held during 2022:

MEMBER	POSITION	ATTENDANCE
Acacio Piloto	Chairperson	100%
Rosa García García	Vocal	100%
José Manuel Félix Morgado	Vocal	100%

Likewise, on January 28th, 2022, it was arranged a training for the Committee regarding the investment process in EDPR, in which among others, there were exposed: the framework processes applicable to investment and divestments, the internal approval requirements and thresholds, and the next steps to be followed after the acquisition of a project.

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

On July 2022, EDPR approved an internal regulation to rule the provision of services and relationship with the External Auditor, with regards to both audit and non-audit services to be hired, and the reporting and approval procedure to be applied. These regulations also establish the independence criteria to be considered.

In accordance to the rules included under this regulation, and in line with recommendation VII.2.1. 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 provision of non-audit services to be provided by the External Auditor and any related entity. This policy was strictly followed during 2022. This competence is also established under Article 8. A) b) of the Committee Regulations.

The analysis of the adequacy of the provision of non- audit services by the External Auditor and entities in a holding relationship (with or incorporated in the same network as the External Auditor) is performed considering 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 2022 such services reached only around 5.33% 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 additional competences of this committee were exercised during the 2022 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 20th, 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 20th, 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;
- Following the best Corporate Governance practice, the Committee held a specific and complementary meeting with the External Auditors twice a year to discuss any remark in the process of the elaboration of the Company half year and year end accounts;
- Considering the growing tendency and the services hired to the external auditor, it was agreed to submit for the Board of Directors consideration, the Regulation on the provision of Services by the External Auditor of EDPR (both audit and non- audit), under which, there are regulated, among others, the provision of their services, and the relationship with the external Auditor.

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 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 of EDPR 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 3rd, 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. The renewal of PricewaterhouseCoopers Auditores, S.L. as External Auditor of EDPR SA for years 2021, 2022 and 2023 was approved by EDPR's Shareholders Meeting on April 12th, 2021, and the audit partner in charge of EDPR is Iñaki Goiriena Basualdu .

43. Number of years of the External Auditor

PricewaterhouseCoopers Auditores, S.L. is in charge of the audit of EDPR S.A. accounts for the years 2021, 2022 and 2023, being 2018 the first year performing these duties.

44. Rotation Policy

Until year end of 2022, the personal Law of EDPR - the Spanish Law- and EDPR External Auditor Regulations, established the maximum term for an audit firm as the External Auditor of a listed company in a 10-year term. However, this reference was updated under the Spanish Law with effects January 2023, in order to establish that the maximum term will be a total of 20 years, provided that a public tender is launched after completing the tenth fiscal year.

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 April 3rd 2018, it was approved to appoint PricewaterhouseCoopers Auditores, S.L as EDPR's External Auditor for the years 2018, 2019 and 2020. The renewal of PricewaterhouseCoopers Auditores, S.L. as External Auditor of EDPR SA for years 2021, 2022 and 2023 was approved by EDPR's Shareholders Meeting on April 12th, 2021.

Likewise, the applicable regulation requires that in case of listed companies, every five (5) years since the initial contract, the person designated by the External Auditor as its signatory of the audit report shall also rotate. For these purposes, it is hereby stated that 2022 is the fifth year of Iñaki Goiriena Basualdu, current partner signing the audit report of the Group, as auditor of EDPR Group.

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 and in line with the rules established under the Regulations for the provision of services by the Statutory Auditor. 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 2022, according to the Audit, Control and Related Party Transactions Committee's competences and in line with Recommendation VII.2.2, this 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

As previously referred, on July, 2022, 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 .

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 is performed under the rules issued by the European Union on this matter, in particular under Regulation 537/2014 and the Spanish Auditing Law nº 22/2015, of 20th July, as well as when applicable, in line with the particularities of the local regulations where the service is to be provided.

During 2022 the non-audit services provided by the External Auditor of EDP Renováveis S.A (PricewaterhouseCoopers Auditores, S.L) consisted mostly on i) limited review as of March 31, 2022, June 30th, 2022 and September 30th, 2022 of the EDPR Interim Consolidated information; ii) review of the internal control system on financial reporting for the EDPR Group; iii) review of the non-financial information related to sustainability included in the EDPR Group's annual report; and iv) access to a repository of international accounting standards as well as to the PwC Accounting Manual in digital version. Other non-audit services provided by the External Auditor or its network to EDPR's subsidiaries mainly refer to i) agreed-upon procedures related to the review of covenants in the context of bank financing agreements; ii) IFRS adoption for some EDPR subsidiaries, iii) procedures for reviewing compliance with financing capacity in accordance with the criteria defined by the European Commission, within the framework of European Regulation 2021/2041 and iv) services in relation to compliance with the merger project of certain group companies.

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 2022 for EDP Renováveis S.A. and subsidiaries

SERVICE	EUROPE	NORTH AMERICA	LATAM	APAC	TOTAL	%
Audit and statutory audit of accounts	1,603,000€	1,795,000€	368,000€	994,000€	4.760,000€	94.67%
Other non-audit services	218,000€	12,000€	38,000€	-	268,000€	5.33%
Total	1,821,000€	1,807,000€	406,000€	994,000€	5,028,000€	100%

The amount of other non-audit services in Europe 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 EDPR Annual Report, which are invoiced to a European company. This amount also includes the limited review as of June 30th, 2022 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.

Total amount for Europe includes 857,000 Euros of services provided by PricewaterhouseCoopers Auditores S.L. from which 676,000 Euros refer to audit services and 181,000 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*"), and article 9 of the General Shareholders' Meeting Regulations ("*Competences*"). In accordance to the applicable law, and the internal regulations, 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.

In 2022 there was approved one amendment proposal to EDPR Bylaws at the General Shareholders' Meeting held on March 31st, in accordance to which there were adjusted article 1, article 12, article 13, article 14, article 15, article 22, article 23, article 26, article 27, article 28, article 29 and article 31 of corporate articles of association, mainly in order to:

i. Adapt them to the new developments deriving from the approval of the amendment of the Spanish Companies Act, approved by Royal Legislative Decree related to the promotion of the long-term involvement of shareholders in listed companies (Law 5/2021). For these purposes, it was adjusted the regulation established for the convening procedure and the competences of the General Meeting of shareholders, the mechanisms at the disposal of the shareholders for the exercising of the rights to information, attendance, representation and vote during the course thereof and the possibility of holding Meeting solely on an electronic basis; and the regulation of the Board of Directors and its Committees;

ii. Update the duties assigned to the Committees which report to the Board of Directors with a view to assigning them those duties required based on the best market practices and normative compliance, recommendations of good governance and reflecting those duties that each Committee was actually performing;

iii. Adapt the directors' remuneration system foreseen in the Articles of Association to the new Directors' Remuneration Policy of the Company for the period 2023-2025.

II. Reporting of irregularities

49. Irregularities communication channels

Speak up channel

EDPR has always carried out its activity by consistently implementing measures to ensure the good governance and the transparency of its companies, including the prevention of incorrect practices, giving voice to those who consider that certain conducts do not comply with ethical principles, legal provisions or internal regulations.

In this sense, EDPR believes that speaking openly about the concerns we have that relate to the way we act in the workplace is crucial for creating a good environment and increasing the psychological security of both individuals and teams.

With this goal and taking into account the need to adapt the whistleblowing channels to the requirements of the Directive (EU) 2019/1937 on the protection of persons who report violations of Union law, in 2022, EDPR has reviewed and merged all its whistleblowing channels and has launched the corporate channel "Speak up".

The "Speak Up" channel is a global channel, that welcomes the reporting of alleged violations, either of the Code of Ethics, or of any legal issues – among which are those provided for in the Directive (EU) 2019/1937– as well as internal policies and regulations.

Additionally, in geographies where required by local laws, EDPR has specific Speak Up channels.

These channels are published in the official website available to all the employees and also to any interested party (https://www.edpr.com/en/speak-up).

An essential aspect of the reporting process is the protection of the whistle-blowers, who can also make denounces in an anonymous way. This commitment is predicated on full respect for the principle that anyone who uses the reporting methods in good faith and with justification will be protected from censure or retaliation.

Processes have been designed and implemented to ensure that the complaints are handled and managed with total security, independence, integrity and privacy. All information exchanged is kept confidential and secured against unauthorised access, so that personal data protection is assured.

In 2022, there were nine (9) claims submitted through the Speak up channel or the previous existing channels: 4 of them were closed and the others 5 are under analysis.

Code of ethics

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.

This commitment is faithfully reflected in the Code of Ethics which is reviewed and updated every two years to guarantee compliance with current legislation and the integration of the challenges that EDPR has and may can come across.

The Code of Ethics has been reviewed and approved in October 2022 by the Ethics Committee and the Board of Directors of EDPR.

This review aims to comply with the Directive (EU) 2019/1937 on the protection of persons who report violations of Union law incorporation of the speak up channel and also to achieve a greater alignment with the purpose and strategy of EDP Group: "Changing Now Tomorrow".

The Code of Ethics applies, regardless of functions, geographical location or functional reporting to all employees of all EDPR companies. The employee's commitments set out in the Code are also applicable to proxies, as well as to agents and suppliers who are in any way empowered to act on behalf of EDPR.

Other suppliers are explicitly required to respect this Code, in accordance with the obligations arising from qualification procedures or signed contracts.

The Code of Ethics is an "action guide" reflecting the way EDPR believes one should work, therefore its enforcement is inevitably mandatory; and employees who do not comply with this Code should be subject to disciplinary actions under the terms of the applicable regulations. The Code is a privileged tool that helps to "do what we have to do well".

The Code of Ethics is published on the corporate website (https://www.edpr.com/en/edpr/our-company/ethics-compliance) and there is also a digital version available in the intranet. Annually all employees, including new hires, declare that they have received, read and understood the EDPR Code of Ethics, and they agree to comply with its provisions.

Likewise, this Code has been, in 2022, widely circulated to the employees of the Group through internal communications every month with the most relevant principles of the Code. Additionally, new hires receive a specific training on introduction to the Code of Ethics called *"Let's live our Code of Ethics"*

In order to support and achieve the 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 initiatives:

New Ethics Committee: in 2021, EDPR decided to review organization and functioning of its Ethics Commission, namely to:

- Ensure independence from executive management;
- Decrease the number of members for more efficient operation;
- Allow the analysis and decision on ethical complaints in a more restricted context;
- Allow more participatory debates on structuring Ethics themes, as well as on the annual Ethics Plan and its regular follow-up.

As a consequence, a new Ethics Committee was created with the following main functions:

- To establish guidelines for complying with the Code of Ethics;
- To propose to the Board of Directors multi-annual Ethics Programs and the relevant annual Plans prepared by the Compliance Area and the Ethics Ombudsperson;
- To appraise the quarterly Reports on the implementation of the Group's annual ethics plans prepared by the Compliance area and the Ethics Ombudsperson or other elements on ethical performance;
- To review the cases of infraction of the Code of Ethics instructed by the Ethics Ombudsperson with the support of the teams that manage complaints at EDPR and to issue a binding opinion thereon;
- To issue recommendations, when requested by any of the management bodies of the companies that make the EDPR Group, on practices or codes of conduct in the fields of ethics or deontology, developed within the framework of specific, legal, or regulatory needs;
- To continuously ensure that the Code of Ethics and the procedures deriving from it are appropriate to the needs of the EDPR Group and to promote reviews of that document, at least every two years, duly supported by a review report to be sent to the Board of Directors for approval.

In this sense, the new Ethics Committee is composed by:

i. The Chairperson of the Appointments and Remunerations Committee, who shall chair the Committee;
ii. The Chairperson of the Audit, Control, and Related Party Transactions Committee;
iii. The Ethics Ombudsperson;
iv. The Compliance Officer;
v. The Human Resources Director;
vi. The General Counsel & Compliance of EDPR North America LLC.;
vii. The Secretary of the Board of Directors, who shall also perform the duties of the Secretary of the Ethics Committee meetings.

Ethics Ombudsperson: is an external person from the Company that receives complaints and doubts submitted through the Speak Up 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 and approved by the Board of Directors.Its main functions are therefore as follows:

- To be an independent, impartial listener, respecting confidentiality, and anonymity, at the disposal of those who seek him/her to clarify any situations on allegedly ethical grounds, bearing in mind the framework and the provisions of the EDPR Code of Ethics;
- To receive communications of an ethical nature and, where appropriate, to instruct, document and submit the respective ethical infraction processes to the Ethics Committee;
- To monitor each of the infraction proceedings, until their adjournment, establishing, whenever necessary and appropriate, the liaison with the complainant;
- To regularly promote, jointly with the Compliance area, initiatives with the areas of the Group that are the subject of complaints, to improve procedures and practices that will enable future complaints to be avoided and especially, to promote behavior that is more in line with the EDPR Code of Ethics;
- Prepare with the Compliance Area initiatives to be included in the Compliance and Ethics Programmes and Annual Plans;
- To advice the Ethics Committee regarding strengthening the consistency of the Group´s Ethic Policy;
- To annually report on the activity with the scope of their assigned function;
- To annually review and update the procedure for managing all contacts addressed to them.

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

Other activities: in 2022, with the goal of reinforcing the ethics culture, EDPR has launched different communication campaigns to all the employees as the publication of the Ethics & Compliance Comic: "*Do the right thing*" and the celebration of the Global Ethics Day. Every month a comic story has been published on intranet and internal platforms where an ethical dilemma appeared and the employees could see the practical application of the principles of the Code of Ethics to resolve the dilemma. Regarding the Global Ethics Day (October 19th), different initiatives were performed as publication of news on the intranet, videos with messages from the Ethics Ombudsperson and the Compliance officer, different posts with the theme: "*Do you think you know everything about Ethics in our company?*". Additionally, a talk about mental health was took place with a known speaker specialist on the subject.

III. Internal Control and Risk Management

50. Internal Audit

EDPR's Internal Audit Department ("IAD") is composed by eleven (11) members.

Internal auditing is an independent, objective assurance and consulting activity designed to add value and improve an organization's operations. It helps an organization accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control and governance processes.

The Internal Audit department has the mission of enhance and protect organizational value by providing risk-based and objective assurance, advice and insight, covering the following areas of activity:

- Evaluate and issue recommendations to improve the Company's governance processes;
- Assist the organization to improve risk management processes and maintaining effective controls by evaluating their effectiveness and efficiency and by promoting continuous improvements covering the governance, operations and information systems of the organization, regarding to:
  - i) Achievement of the organization's strategic objectives;
  - ii) Reliability and integrity of financial, non-financial and operational information;
  - iii) Effectiveness and efficiency of operations and programs;
  - iv) Safeguarding assets;
  - v) Compliance with laws, regulations, policies, procedures and contracts.

The Internal Audit services can be divided into two categories: assurance services and consulting.

- Assurance services consist in objective analyses of evidence to provide an independent assessment of the organization's governance, risk management, and control.
- The consulting services performed at the specific request of the Company Governing Bodies or of any of its Officers. They consist of advisory activities and related services designed to add value and improve the organization's governance, risk management, and control processes without the internal auditor assuming any management responsibility.

The fulfillment of these objectives aims to reduce the risks in pursuing the activity and increase the creation of value for the Group. Therefore, approaches based on a proactive view of internal control measures geared to the relevant risks must be taken, making them a relevant support tool for management.

The IAD is not an executive body of EDPR, so it has no power in making management decisions in the Group's activities, nor any hierarchical or functional link with the audited units, thus maintaining a relationship of total independence and objectivity in relation to them. This positioning makes it possible to achieve the following objectives:

- Ensure the independence of the Internal Audit activity and fulfils its responsibilities;
- Ensure objectivity in obtaining the conclusions of work carried out and the resulting recommendations, as well improvement actions to be implemented.

As such, the Internal Audit, in development of its function, should be an instrument to support management with proactive view of internal control systems. In this sense, the collaboration of the entire Organization is essential to achieve the objective set.

The functions of the Internal Audit Department of EDPR were evaluated by the "Instituto de Auditores Internos" for the first time in 2020, obtaining the highest qualification.

51. Organisational structure of Internal Audit

The Internal Audit function in the EDPR Group is a corporate function, carried out by the Internal Audit Department (IAD), which has administrative dependence to the CEO of EDPR and functional dependence to the Audit, Control and Related Parties Committee which supervise the activities and to which Internal Audit activities are reported.

Administrative Dependence

In terms of the IAD's administrative dependence to the CEO of EDPR, the CEO of EDPR shall:

- Create adequate information flows that allow IAD to keep up to date on the company's activities, plans and initiatives;
- Support the internal audit function, positioning the IAD at an appropriate level within the EDPR's organization;
- Facilitate direct and open communication to the EDPR Group's Management and Administration bodies;
- Provide the appropriate technical, human, financial and information-gathering means that enable the IAD to fulfill its functions, in accordance with the approved Audit Plan;
- Request assurance and consultancy projects from IAD that it deems necessary considering the Organization's objectives and risks;
- Approve, annually, in coordination with the Audit, Control and Related Party Transactions Committee, the IAD Audit Plan, based on the EDPR's risk matrix and the Basic Standard for Internal Audit;
- Approve, whenever applicable, in coordination with the Audit, Control and Related Party Transactions Committee, the remuneration of the IAD Director and the process of his/her appointment, evaluation and removal.

Functional Dependence

In terms of the IAD's functional dependence to the Audit, Control and Related Party Transactions Committee, the Audit, Control and Related Parties Committee should:

- Approve, annually, in coordination with the CEO of EDPR, the IAD Audit Plan, based on the EDPR's risk matrix and the Basic Standard for Internal Audit. In this context, also approve the human and financial resources to be made available by EDPR to the IAD;
- Approve, in coordination with the CEO of EDPR, the remuneration of the IAD Director and the process for his/her appointment, evaluation and removal;
- Receive communications and individual reports and conclusions, issued by IAD, on the activity developed by IAD;
- Assess the activity and performance of the IAD and the adequacy of working conditions, namely in terms of human resources and technical and financial means, checking if there are limitations or interferences within the scope of the Internal Audit function or its budget that may make it impossible to IAD to fulfill its responsibilities;
- Overseeing the effectiveness of the internal audit systems and, if necessary, proposing improvement measures.

The functions of the Audit, Control and Related Party Transactions Committee regarding to Internal Audit are defined in its Internal Regulation.

The articulation between EDPR Internal Audit and EDP Internal Audit is carried out through the Functional Reporting of the EDPR Internal Audit Director to the EDP Internal Audit Corporate Director, in which the associated management function includes the promotion and harmonization of work policies and methodologies, the management of action plans and reporting activities to EDP Internal Audit Director.

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 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 submitted to the Management Team, which will inform the Board of Directors of the progress. 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 possible improvements to the measures and controls for mitigating potential risks identified within EDPR.

Market, counterparty, operational, business and strategic risks are identified and evaluated 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 2022, EDPR analyzed the impact of the current inflationary scenario on costs and revenues. On costs, it was considered the exposure to inflation of operating expenses, capital expenses and interest payments, while on revenues, the exposure of inflation-indexed PPAs and

merchant revenues. Different measures were put in place to balance inflation exposure, namely the increase in the duration of the corporate debt with EDP.

Moreover, a detailed analysis on the effects of the conflict between Ukraine and Russia was performed to determine which are the main risks to which EDPR is exposed and to define a contingency plan to reduce potential impacts. As a follow-up of this analysis, EDPR took some business continuity measures in bordering countries with Ukraine.

Also during 2022, EDPR reassessed the Operational Risk of the company, executing a bottom-up analysis across all departments, as stated in EDPR's Operational Risk Policy. Following the growth of the installed capacity at EDPR in recent years, together with the planned growth within the current Business Plan, it was agreed to adjust the Operational Risk threshold accordingly in EDPR's Operational Risk Policy and Enterprise Risk Management framework.

Finally, EDPR performed a deep-dive analysis on current and expected future Counterparty exposure to capital equipment suppliers, within the context of the main challenges faced by the industry, such as supply chain bottlenecks, inflationary pressures and increase in commodity prices, with individual counterparty risk limits adjusted accordingly. Additionally, EDPR also proposed to adjust its Portfolio risk limits to account for its Distributed Generation activity in Asia-Pacific, following EDPR's acquisition of a majority stake in Sunseap during 2022.

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:

- **Market Risk** – It refers to the risk to EDPR resulting from movements in market prices. Due to the relationship between wind production and energy price, production risk is considered within market risk. In particular, market risk consists of changes in energy prices, production, interest rates, foreign exchange rates, inflation and commodity prices (other than energy);
- **Counterparty Risk (credit and operational)** – Risk that a 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;
- **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), including the effect of a loss created by not being able to ensure business continuity;
- **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 energy prices and production are considered market risks;
- **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.

1. Market Risk

1. i) Energy price risk

EDPR faces limited energy 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 offtakers 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 and France) or a contract for differences remuneration scheme (Italy, UK or Greece). EDPR also operates in markets where, on top of the electricity price, it receives either a pre-defined regulated premium or a green certificate, whose price is achieved on a regulated market (Spain, Belgium, Poland or Romania).

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 or C&Is, 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, Colombian and Chilean 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.

In APAC, EDPR operates in markets where the selling price is defined by a feed-in-tariff (Vietnam, Japan, Malaysia and Taiwan) or through Power Purchase Agreements (Singapore, Cambodia, China, Malaysia and Thailand).

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 offtaker 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.

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 exposure through financial swaps or FTR (Financial Transmission Rights).

1. 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 28 markets: Spain, Portugal, France, Belgium, Poland, Romania, Italy, UK, Greece, Germany (no generation), Hungary (no generation), Netherlands (no generation), South Korea (no generation), Vietnam, Cambodia, China, Indonesia, Japan, Malaysia, Singapore, Taiwan, Thailand, US, Canada, Mexico, Colombia (no generation), Chile (no generation) and Brazil.

Nevertheless, 2022 was a year with generation above the one initially forecasted.

EDPR continues to analyze 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.

1. 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.

1. 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 15 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.

Moreover, during 2022, pre-hedges were carried out at EDP and EDPR level for corporate debt to protect against interest rate rises when refinancing debt for 2022-2025 horizon.

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 Management Team's approval.

1. 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, Colombian pesos. In APAC, main exposure comes from Singaporean dollar, but relatively small exposure to other southeast Asian currencies is still present. In addition, EDPR has a marginal fiscal exposure to MXN due to Mexican assets.

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 though 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.

1. 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.

1. 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 energy prices, interest rates, exchange rates or credit markets, which may change the expected cash flow from revenues, opex, margin calls or funding (due to credit downgrades).

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, commercial banks, multilateral organizations, 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 2022 financial year and those foreseen for 2023.

1.iv) Commodity price risk (other than energy)

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 and solar panel 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 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

Operational risk is 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). Moreover, it includes the risk of the business being disrupted due to internal or external causes (such as a pandemic, cyberattack or IT systems malfunctioning), affecting business continuity.

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 markets 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 the projects more resilient to permitting risks.

Additionally, EDPR mitigates development risk by generating optionality, with development activities in 28 different markets 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 Liquidated Damages (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 of the assets.

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.

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 2022, 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.

Moreover, business continuity is ensured by a Global Crisis Plan, which defines the procedure to follow for each level of crisis and frames individual emergency plans at activity or asset level. Also, a tool to oversee different events that could impact Business Continuity is being used to ensure correct management of crisis.

3. viii) ESG Risk

Identify climate-related risks and opportunities, such as those based on Task-Force on Climate-Related Financial Disclosures (TCFD) recommendations.

The impact of these risks and opportunities are assessed and mitigated through environmental measures, contingency plans and other related initiatives.

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 2022, the conflict between Ukraine and Russia led to record-high electricity prices, particularly in Europe, which led the EU to implement a cap on gas prices. Some countries, like Spain, Poland or Romania also implemented their own cap measures, with the aim of limiting electricity prices for 2022 and beyond.

In the US, the Inflation Reduction Act (IRA) was signed into law extending, at the Federal level, Production Tax Credits (PTC) for wind energy for an additional 3 years, for all projects beginning construction before the end of 2024. The phaseout of PTC incentives for wind projects placed in service after 2021 was also removed by the IRA. 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 regularly 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.

5. 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.

6. Strategic Risk

6. 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 organizations. 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 its existing portfolio. Mitigation measures may be decided when this risk is above a certain threshold.

In addition, EDPR uses a Security risk index to rank countries from a security and safety standpoint, establishing mitigation measures for employees when above a pre-defined threshold.

6. 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.

6. 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.

6. 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.

6. 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.

6. 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.

6. vii) Corporate Organization 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 organization in place with a special focus on transparency, where the management body (Board of Directors) is separated from the supervision and control duties (Audit, Control and Related Party Transactions Committee). Members of this Committee are invited to the General Risk Committee of EDPR.

6. 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 organizational functions, each on a different role: Strategy (Risk Profiler), Management (Risk Manager) and Controlling (Risk Controller).

RISK FUNCTIONS	DESCRIPTION
Strategy – General risk strategy & policy	Global Risk Department provides analytically supported proposals to general strategic issues. Responsible for proposing guidelines and policies for risk management within the company.
Management – Risk management & risk business decisions	Implement defined policies by Global Risk Responsible for day-to-day operational decisions and for related risk taking and risk.
Controlling – Risk monitoring	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.

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 selling energy (electricity price, 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 compliance with risk thresholds defined within risk policies (market risk, counterparty risk, operational risk and country risk).
- **Financial Risk Committee:** Held every quarter, it is held to review main financial markets risks (exchange rates, interest rates and inflation), liquidity risk, commodity risk and credit risk to financial institutions and discuss the execution of mitigation strategies.
- **Risk Committee:** Held every quarter, it is the forum where new strategic analysis is discussed, and new policies and procedures are proposed for approval to the Management Team. 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 Management Team.

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.

In addition, the SCIRF Standard was approved in 2022; the purpose of this Standard is to formalize the mission and responsibilities of the SCIRF function, as well as to define the principles and methodological rules governing the exercise of its function and the relationship model with all its stakeholders.

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 organization 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 IT Controls. These processes include review and approval activities of the financial information which are described in the processes of elaboration of individual and 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 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, setting due dates 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 by the Management Team 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 reporting 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 (General IT 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 Control Area assists the Audit, Control and Related Party Transactions Committee.

EDPR has an Internal Control area, integrated in the Compliance and Internal Control Department, which report to the CEO. The Audit, Control and Related Party Transactions Committee supervises the Internal Control area activities.

The main functions of the Internal Control area are set out in the SCIRF Manual, which includes, among others, the evaluation of the activities of internal control systems or support in the implementation and maintenance of the Internal Control system over Financial Reporting.

Internal Control 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 Control area, considering their impact on the financial information.

Also, in the year 2022, as in previous years, a process of self-certification was made by the owners of the various controls and Entity Level Control regarding proper documentation update on SCIRF controls and processes in their area of responsibility and the implementation of controls with corresponding evidence.

Additionally, in 2022, additional activities have been carried out for the integration of new platforms and businesses acquired by the company within the existing Internal Control System. In this regard, a specific identification of their associated risks and a review of the control matrix have been carried out.

Finally, in 2022, the Internal Control area, as part of its supervisory functions as a second line of defense, has carried out a monitoring activity of a selection of controls, reviewing their design and risks and reviewing the evidence of execution of the controls in order to verify that they are updated, in operation and that their design is adequate.

SCIRF evaluation

Besides the monitoring and evaluation activities described in the preceding paragraphs, 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 2022 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 this Annual Report.

Corporate Compliance

The implementation of a solid corporate culture of compliance, 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.

Taking into account the Group's priority, the Compliance Model has evolved over the years:

- During 2016 and 2017, the Compliance Officer position and the Criminal and Legal Risk Prevention Model (Specific Compliance Model) were created.
- During 2018, the Company completed the first update of the Criminal 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. In February 2020, with the commitment of strengthening the Compliance culture and to comply with the international standards in Corporate Governance, the area evolved to the Department of Compliance and Internal Control – a new department which reports, directly, to the CEO.
- In 2022, the Compliance Area has been working on the implementation of a Global Compliance Model with actions addressed to reinforce the establishing of a Ethic and Compliance culture in the whole Group.

Reinforcing what stated in the previous point, in 2022, the Compliance Areas has created the Ethics and Corporate Compliance Area (ECC) in the North America platform as support area of the Compliance Officer.

Global compliance model

In the definition of the Global Compliance Model, the Global Compliance structure has been defined, and a great effort has been made to develop a robust set of policies and procedures for the Group, which includes the following:

- The Compliance Standard, approved by the Board of Directors in November 2021 and reviewed and updated in October 2022, which establishes the basic principles, the methodological rules that govern the carrying out of the Compliance function and the specific Compliance functions of all employees.
- The Code of Conduct for Top Management and Senior Financial Officers, approved by the Board of Directors in July 2021, that reinforces and complements the Code of Ethics, and reflects the commitment of the people who have been given the responsibility and power to carry out the supervisory and administrative functions of the EDPR Group.

The Global Compliance Model integrates specific models depending on the risks affecting the Group:

- A specific Integrity Compliance Program focused on the prevention of corruption and bribery risks. EDPR has a zero-tolerance approach to bribery and corruption and is committed to act professionally, fairly and with integrity in all business dealings and relationships wherever the Group operates. For this reason, the specific Integrity Compliance Program has as its central axis the Integrity Policy, which replaces the previous Anticorruption Policy; was approved by the Board of Directors in July 2021 and reviewed and updated in October 2022. The Integrity Policy has been complemented by other procedures that facilitate the application of this Policy. Among others:

  i. The Donations and Sponsorships Procedure, approved by the Management Team in June 2021.
  ii. The Offers and Events Procedure, approved by the Management Team in June 2021 and reviewed and updated in December 2022.
  iii. The Conflict of Interest Procedure, approved by the Management Team in June 2021.
  iv. The Integrity Due Diligence Procedure and the Procedure for relationship with Public Officials and Politically Exposed Persons, approved on 2020 and developed during 2021 through different electronic platforms. The creation of a technological platform for third-party analysis, which can be used by all Group employees, is noteworthy. Both of them have been reviewed and updated in December 2022.
  v. The Intermediary Agreements Procedure, approved by the Management Team in July 2022.
  vi. A specific Criminal Compliance Program focused on the prevention of criminal risks in Spain taking into consideration the regulation in Spain.

- During this 2022 the Criminal Compliance Policy has been updated (initially approved in December 2017).
- The risk and control matrix has been updated. All the Areas/departments of EDPR Group have reviewed the assigned controls and have validated the applicable controls (self-assessment).
- A Control Audit Plan has been established and the controls assigned in the Plan have been audited by an independent third party.

In addition, the Risk Assessment Methodology has been updated in order to have a more objective risk assessment.

A specific Personal Data Protection Compliance Program focused on the protection of personal data to which EDPR has access and for which it is responsible. In this context, EDPR

has been strengthening its management system to ensure the compliance and adequacy of EDPR Group's entities to the applicable legal requirements regarding Data Protection in the different geographies. The specific Personal Data Protection Compliance Program has as its central axis in the principles reflected on the Personal Data Protection Policy, approved by the Board of Directors in 2020. The main matters involved this Program are periodically reviewed taking into account new requirements and the expansion of the Group in new geographies. The Cookie Policies across different geographies have been updated in 2022.

Since September 2022, the internal Data Protection Procedures and Methodologies, defined and developed at a group level in 2021, are being reviewed taking in to account the regulatory requirements established in the legislations of the new geographies in which EDPR has a presence.

In October 2022, EDPR started a Project for the review and identification of International Personal Data Transfers accompanied by the elaboration of a Gap Analysis and Action Plan for the subsequent regularization of those transfers that may require it.

In December 2022, EDPR has started the development of a new Master Data Protection Policy at a Group Level.

All this normative development has implied a strong work to make the new policies and procedures of the Group known, having made special focus this year in training and communication in the field of Compliance.

Training and communication

Training and communication are fundamental tools to strengthen and disseminate the ethic and compliance culture. In this sense, the following training courses have been developed:

- *Compliance at EDP* with the goal of showing all the employees how the EPDR's Compliance Management System works.
- *ComplianceFLIX "how I met integrity"* which aims to make employees reflect on situations that may involve illegal acts and improper/unethical conducts, and show them how they should act to comply with the EDPR Integrity Policy.
- *ComplianceFLIX The Personal Data Protection Lady* with the goal of reflecting on situations involving the processing of personal data, sometimes resulting in personal data incidents, and showing all the employees how they should act to comply with the law and internal regulations on data protection.
- *Follow Criminal Compliance* which contains the main guidelines of EDPR's Criminal Compliance Policy and the consequences of not complying with them. This training is addressed to new hires or employees who had not completed this training last year.
- *Ethics is value: Let's live our Code of Ethics,* which is based on different videos of the Directors of EDPR who describe the structure and the main elements of the Code of Ethics.
- Ethics for leaders to guarantee that middle management knows the relevant ethics tools to apply in the management of their teams.
- Specific trainings online to different areas (Procurement, M&A, Legal) and geographies in order to guarantees the correct implementation of the Integrity Due Diligence Process.
- Training sessions in person in different geographies (Italy, Greece, France, Romania, Brazil, Colombia and Hungary) in order to assure the correct acknowledge of all compliance policies and procedures.

These trainings have been complemented with communication activities as the (i) monthly Ethics and Compliance Comic which shows practices cases where apply the Code of Ethics and the Compliance policies and procedures,(ii) Global Ethics Day campaign, (iii) periodic posts on the intranet and internal platforms over compliance topics and (iv) different thematic campaigns as the Privacy Day, GRPD anniversary or Anticorruption day.

Reporting system

Lastly, the reporting system to Top Management and Senior Management has also been improved, establishing reports about the Global Compliance Model to: (i) the CEO (monthly), (ii) the Audit Control and Related Party Transactions Committee (CAUD) (quarterly), (iii) the Management Team (at least quarterly) and (iv) to the Board of Directors (yearly).

Operation, methodology and certifications

The entire operation and methodology for the management of the Criminal Compliance Program and the Integrity Compliance Program has been compiled in an internal departmental document called Integrated Management System for Criminal Compliance and Antibribery Handbook updated during 2022. Additional documents, for the support and documentation of this system, have been also drafted.

All this development has allowed EDPR, at the end of 2021, to obtain a double certification from AENOR that verifies and accredits that the company has developed a system of criminal and anti-bribery compliance that meets the requirements of reference standards UNE 19601 and ISO 37001.

With said recognitions, EDPR demonstrates that it has an effective anti-bribery management system (ISO 37001) and that its Spanish criminal risks Prevention Model complies with best practices to prevent crime, reduce risk, and foster an ethical and legally compliant business culture (UNE 19601).

In 2022, EDPR has renewed its AENOR certifications in Criminal Compliance and Anti Bribery, reinforcing, once more time, EDPR's commitment to promote a culture of compliance and strengthen values such as integrity, accountability and transparency.

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 2022, EDPR made more than 35 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 Miguel Viana and is located at the Company's head offices in Madrid, Spain. The department structure and contacts are as follows:

- Miguel Viana, Head ofInvestor Relations and Sustainability
- Calle Serrano Galvache, 56; Centro Empresarial Parque Norte; Edificio Olmo – 7th floor; 28033 – Madrid – España
- Website: www.edpr.com/en/investors
- E-Mail: ir@edpr.com
- Phone: +34 900 830 004

EDPR IR Department was in continuous contact with capital markets agents, namely shareholder and investors, along with financial analysts who evaluate the Company. In 2022, 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 2022, as far as the Company is aware of, there were 25 institutions elaborating research reports and following actively EDPR activity. As of December 31st 2022, the average price target of those analysts was of Euro 23.63 per share with 14 "Neutral", 8 "Buy" and 3 "Sell" recommendations.

COMPANY	ANALYST	PRICE TARGET	DATE	RECOMMENDATION
Bank of America	Mikel Zabala	€ 26.00	15-Feb-22	Buy
Barclays	Jose Ruiz	€ 20.30	15-Jul-22	Equalweight
Bestinver	Daniel Rodríguez	€ 24.50	1-Jul-22	Buy
Berenberg	Lawson Steele	€ 27.00	10-Oct-22	Buy
BNP Paribas	Manuel Palomo	€ 21.00	26-Oct-22	Neutral
CaixaBank BPI	Flora Trindade	€ 25.00	11-Oct-22	Neutral
Citi	Jenny Ping	€ 23.50	23-Sep-22	Neutral
Credit Suisse	Christopher Leonard	€ 22.00	16-Dec-21	Neutral
Deutsche Bank	Olly Jeffery	€ 22.00	13-Oct-22	Hold
Goldman Sachs	Alberto Gandolfi	€ 24.50	26-Oct-22	Neutral
HSBC	Charles Swabey	€ 28.00	9-Aug-22	Buy
Intermoney	Guillermo Barrio	€ 27.00	12-Jul-22	Buy
JB Capital	Jorge Guimarães	€ 24.20	17-Oct-22	Neutral
Jefferies	Skye Landon	€ 27.50	22-Jul-22	Buy
JP Morgan	Javier Garrido	€ 23.00	17-Oct-22	Overweight
Kepler Cheuvreux	Jose Porta	€ 27.50	28-Sep-22	Buy
Morgan Stanley	Arthur Sitbon	€ 23.00	7-Jun-22	Equalweight
Morning Star	Tancrede Fulop	€22,00	21-Sep-22	Neutral
MedioBanca	Sara Piccinini	€ 24.00	27-Oct-22	Neutral
Mirabaud	Sonia Ruiz de Garibay	€ 25.00	12-Dic-22	Buy
ODDO BHF	Philippe Ourpatian	€ 18.80	5-May-22	Neutral
RBC	Fernando Garcia	€ 19.00	2-Dic-22	Underperform
Redburn	Fawwaz Janjua	€ 22.20	21-Jul-22	Neutral
Santander	Bosco Muguiro	€ 22.24	26-Jul-22	Sell
Société Générale	Jorge Alonso	€ 22.00	15-Sep-22	Sell
UBS	Gonzalo Sanchez-Bordona	€ 21.00	24-Oct-22	Neutral

57. Market Relations Representative

EDPR representative for relations with the market at CNMV and CMVM is Rui Teixeira, Chief Financial Officer.

58. Information Requests

During the year, IR Department received more than 300 information requests and interacted more than 400 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 31st 2022 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

INFORMATION	LINK
Company information	www.edpr.com/en/who_we_are
Corporate by-laws and bodies/committees' regulations	www.edpr.com/en/investors/corporate-governance/company-data
Members of the corporate bodies and management structure	https://www.edpr.com/en/investors/corporate-governance/governing-bodies-and-management-structure
Market relations representative, IR department	www.edpr.com/en/investors
Information channels	www.edpr.com/en/edpr
Financial statements documents	www.edpr.com/en/investors/investors-information/reports-and-results
Corporate events Agenda	www.edpr.com/en/investors

D. Remuneration

I. Power to establish

66. Competences to determine the Remuneration of the Corporate Bodies and Executive Staff

The Appointments 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 Appointments and Remunerations Committee has no executive functions. The main functions of the Appointments and Remunerations Committee are to assist and inform the Board of Directors regarding the appointments (including by co-option), re-elections, dismissals, and the remuneration of the Directors and executive staff. It also informs the Board of Directors on general remuneration and incentive policies and incentives for Board members and executive staff.

As such, the Appointments and Remunerations Committee is the body responsible for proposing to the Board of Directors the remuneration of the Executive and Non-Executive Directors, the members of the Board Committees and the Executive Staff; the Remuneration Policy; the evaluation and compliance of the KPI's (Key Performance Indicators); the annual and multi annual variable remuneration, if applicable.

The Board of Directors is responsible for the approval of the above-mentioned proposals except 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, is then additionally submitted for the approval of the General Shareholders' Meeting.

The proposal on the Remuneration Policy is submitted by the Board of Directors for the approval of the General Shareholders' Meeting as an independent proposal, which will be in effect for a maximum of a three-year period. 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. Appointments and Remunerations Committee

67. Appointments and Remunerations Committee composition. Relevant service providers in 2022.

The composition of the Appointments and Remunerations Committee is reflected on topic 29 of this Chapter 5 of the Annual Report.

The Company has not stablished any restrictions within its Articles of Association, Regulations or internal policies limiting the competence of the Appointments and Remunerations Committee to hire any consulting services that may be considered 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.

In 2022 the Committee hired the services of Egon Zehnder for the identification of the best profiles to cover the vacancy left by Joan Avalyn Dempsey, and the provision of these services strictly complied with the referred requirements.

68. Knowledge and experience regarding Remuneration Policy

The members of the Appointments and Remunerations Committee have knowledge and experience regarding Remuneration Policy.

III. Remuneration structure

69. Remuneration Policy

Pursuant to Article 26 of the Company's Articles of Association the Directors shall be entitled to a remuneration which consists of a fixed amount to be determined annually by the General Shareholders' Meeting for the whole Board of Directors. The above-mentioned article also establishes the possibility of the Directors of receiving attendance fees or 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 shall not exceed the amount determined by the General Shareholders' Meeting.

Pursuant to Article 26.5 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 also established by the General Shareholders' Meeting.

For these purposes, the General Shareholders' Meeting held on May 13th, 2008 set a maximum annual amount for the Board of Directors for fixed remuneration of EUR 2,500,000; and at its meeting held on April 8th, 2014 also resolved to establish a maximum annual amount for variable remuneration of EUR 1,000,000 for executive directors.

For 2023 onwards, the maximum annual amount for fix and variable remuneration for the Board of Directors has been set in EUR 3,500,000 by the approval of the General Shareholders' Meeting held on March 31st, 2022. This amount results of the merge of the former EUR 2,500,000that was stablished for fix renumeration and the EUR 1,000,000 that was established for variable annual remuneration.

EDPR, in line with EDP Group corporate governance practices, has signed a 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 as Directors and a complement as Member or Chairperson of the Appointments and Remunerations Committee, and /or the Audit, Control and Related Party Transactions Committee and/or the Environmental, Social and Corporate Governance Committee. Such amounts are cumulative, except for the Chairman of the Board of Directors who does not receive any complement derived from his role at any Committee.

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.

In 2022, the Board of Directors Remuneration Policy in place for this term was duly applied. Additionally, the General Shareholders' Meeting held on March 31, 2022 approved the Renumeration Policy to be applied for 2023-2025 term, following the proposal of the Appointments and Remunerations Committee.

70. Remuneration Structure

The Remuneration Policy applicable for 2020-2022 was approved by the General Shareholders' Meeting (the "Remuneration Policy"). This Remuneration Policy maintains a structure with a fixed remuneration for all members of the Board of Directors, whereas for the Executive Directors also defines a fixed and a variable remuneration, with an annual component and a multi-annual component.

71. Variable Remuneration

Variable annual and variable multi-annual remuneration apply to the Executive Directors.

Variable annual and multi-annual remuneration will be a percentage of fixed annual component, with a superior weight for multiannual vs. annual component (120% vs. 80%). Thus, the value of the variable remuneration may range between 0% and 85% of the 80% in the case of the annual variable, and between 0% and 85% of the 120% in the case of the multi-annual variable. Such percentages are applied over the gross annual fixed remuneration. According to the Remuneration Policy approved by the General Shareholders' Meeting, the maximum variable remuneration (annual and multi-annual) is applicable if all the KPI's were achieved and the performance evaluation is equal or above 110%.

The key performance indicators (KPIs) used to determine the amounts of the annual and multi - annual variable remuneration for each year of the term are proposed by the Appointments, and Remunerations Committee with the aim of aligning them with the strategic pillars of the Company: growth, risk control and efficiency. The KPIs considered for the variable remuneration paid in 2022 (as a result of the performance developed in 2021), as well as those to be considered in 2023 for the appraisal of the performance of year 2022 were the following:

	WEIGHT		KEY PERFORMANCE INDICATOR	CEO/CFO WEIGHT	CEO/CFO EDPR RESULTS
Total Shareholder return	15%	100%	TSR vs. Wind peers & Psi 20	100%	100%
Shareholders	80%	60%	Operating Cash Flow (€ million)	10%	100%
			AR/Sell-down + Tax Equity (€ million)	10%	100%
			EBITDA+ sell down gains (€ million)	10%	100%
			Net Profit (€ million)	10%	100%
			Core Opex Adjusted (€ thousand/MW)	10%	100%
			Projects with FID (% of total '19-'22 additions in BP)	10%	100%
Clients		10%	Renewable Capacity Built (in MW)	10%	100%
Assets & Operations		10%	Technical Energy Availability (%)	5%	100%
			Capex per MW (€ thousand)	5%	100%
Environment & Commnunities		5%	Certified MW %	5%	100%
Innovation & partners		5%	H&S frequency rate (employees + contractors)	5%	100%
People[5] Management		10%	People Management	10%	100%
Remuneration Committee	5%	100%	Appreciation Remuneration Committee	100%	100%

[5] The policy has considered the labour conditions and the remuneration of the Company employees in order to define its terms, and in particular, has established this KPI, that includes the results of the Climate Survey launched to the employees in which the satisfaction level with the performance and applicable conditions is reflected.

72. Deferral period applicable to variable 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.

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.

No non-monetary benefits are paid by EDPR to its Board Members, except for a company car for the Chairman of the Board of Directors (whose total related cost for four years was borne and reported in in 2021) and the retirement savings plan for Executive Directors referred in the following section.

76. Retirement Savings Plan

The retirement savings plan applicable to 2022, which is included within the Remuneration Policy applicable for such term was defined and proposed by the Appointments and Remunerations Committee to the Board of Directors for its submission to the General Shareholder's Meeting, which was duly approved. For the Executive Directors of EDPR (Miguel Stilwell d' Andrade and Rui Teixeira) it was stablished in a 5% of the fixed fee under the Management Services Agreement. For the year 2022, EDPR paid a fee to EDP under the Management Services agreement of 19,200€ corresponding to the retirement saving plan of Miguel Stilwell d' Andrade, and of 14,500€ corresponding to the retirement saving plan of Rui Teixeira.

IV. Remuneration disclosure

77. Board of Directors remuneration

Below the list of EDPR Directors that composed the Board during 2022, and the amounts paid by EDPR either (i) as remuneration to them for their functions at the Board level or (ii) as fee to EDP under the Management Services Agreement for their services (not remuneration). The following figures reflect the period of 2022 in which each relevant Director was member of the Board:

DIRECTOR	REMUNERATION	FEES MANAGEMENT SERVICES AGREEMENT EDP-EDPR	
EXECUTIVE DIRECTORS		Fixed component	Variable component
Miguel Stilwell d' Andrade	-	384,000€*	173,664.84€
Rui Teixeira	-	290,000€*	131,153.13€
NON-EXECUTIVE DIRECTORS		Fixed component	
António Mota	230,000€		-
Vera Pinto	-	65,000€*	-
Ana Paula Marques	-	65,000€*	-
Miguel Setas	-	65,000€*	-
Manuel Menéndez	65,000€		-
Acácio Piloto(**)	65,000€		-
Allan J.Katz(**)	65,000€		-
Rosa García(**)	65,000€		-
José Morgado(**)	65,000€		-
Kay Mc Call (**) (***)	37,917€		-
Joan Avalyn Dempsey (****)	*2.446€*		
Sub- Total	595,363€	869,000€	304,817.97€
Total		1,769,180.97€	

*These amounts correspond to the service fee paid by EDPR to EDP under the Management Services Agreement for the services rendered in 2022 by such director. In addition, EDPR pays to EDP a 5% of such service fee which is applied to the retirement savings plan for Executive Directors described in topic 76 of this Chapter 5 of the Annual Report.

**These Directors also received remuneration for their participation in the Delegated Committees that is detailed at Chapter 6 of this Annual Report.

*****The remuneration reflected for this Director corresponds to 2022, provided that she was appointed by co-option on May 3rd, 2022 (with effects June 1st, 2022).*

****** Joan Avalyn Dempsey presented the resignation to her positions as Board Members with effects January 13th, 2022, and therefore the amounts indicated in the table above reflect the remuneration accrued in 2022 until her resignation.*

78. Remuneration from other Group Companies

The members of the Board of Directors as of end of December 2022 do not receive any payment from any company under EDPR control or subject to EDPR common control.

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 contract termination of Executive Board Members

In 2022 there was no compensation paid or owed to former Executive Directors concerning contract termination during the financial year.

Should be noted for these purposes that in 2022, the General Shareholders' Meeting approved the Remuneration Policy to be applied for 2023 -2025 under which, except as provided in section below, is specifically established 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 EDP.

Considering the terms laid down by law and market practice, and approved under the Remuneration Policy for 2023-2025, as on the remuneration of Executive Directors in the event of early termination of office it has been established that:

- 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.

- 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.

- 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.

81. Audit, Control and Related Party Transactions Committee Remuneration

Except in the case of the Chairperson of the Board of Directors, the directors that are also members/chairperson of the Delegated Committees receive for these functions a complement to their fixed remuneration as members of the Board. Below the list of members of the Audit, Control and Related Party Transactions Committee as of December 31st 2022, and the amounts paid by EDPR as remuneration to them for the functions performed at this body.

COMMITEE MEMBER	POSITION	REMUNERATION
Acacio Piloto	Chairman	55,000€
Rosa García García	Vocal	25,000€
José Félix Morgado	Vocal	25,000€

82. Remuneration of the Chairperson of the General Shareholders' Meeting

In 2021 it was decided to adopt the general practice followed under the personal law of the Company (Spanish one) that allows the Shareholders Meeting to be chaired by the Board of Directors Chairman. Therefore, there are no additional remunerations applies for the chairmanship of the General Shareholders' Meeting, as it is performed by the Chairperson of the Board of Directors (António Gomes Mota).

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

The Spanish Companies Act sets a the regulation and requirements for Related Party Transactions, including the definition of Related Party Transactions, and the approval and disclosure procedures of these type of operations.

This definition of Related Party Transactions under Spanish Law considers those performed by a company or its subsidiaries, with Directors, shareholders holding a 10% or more of the voting rights or represented at the Board of the company, or with whomever that shall be considered as related party under the International Accounting Standards.

With regards the competence to approve Related Party Transactions, as of such amendment, it has been stablished an assignation of competence to different governing bodies depending on the amount as follows:

- The Shareholders Meeting: transactions of an amount equal or above a 10% of the total assets according to the last annual balance sheet. These transactions shall be submitted together with a supporting report issued by the Audit Committee of the Company.
- The Board of Directors: transactions of an amount below a 10% of the total assets according to the last annual balance sheet. These transactions shall be also submitted together with a supporting report issued by the Audit Committee of the Company.
- Delegated Bodies: the Board of Directors may delegate the approval of: (i) transactions performed between companies of the same group that are performed in the ordinary management of the company and under market conditions, and (ii) that are executed under contracts with standardized terms that are wholesale applied to a high number of clients under prices or tariffs generally established by the supplier of the goods or services, the amount of which does not exceed the 0.5% of the net amount of the annual company business value.

The transactions approved by the delegated body will not require the issuance of the Audit Committee report, but the Board shall establish a periodic internal reporting and control procedure involving the Audit Committee, which will verify the fairness and transparency of the transactions and the compliance with the applicable legal criteria.

In light of the above, on July 27th, 2021, the Board of Directors approved to implement the necessary adjustments in the process of analysis and approval of Related Party Transactions, and in particular resolved to take the following decisions:

- To approve the delegation in the Audit, Control and Related Party Transactions Committee of the competence to approve Related Party Transactions that are delegable under the law;
- To approve a procedure for reporting and control of such transactions involving the Audit, Control and Related Party Transactions Committee;
- To approve a new definition of Related Party Transactions to be regulated under the Audit, Control and Related Party Transactions Committee, considering as Related Party the following:(i) any company of the EDP Group, (ii) any company in which both EDPR SA and a Related Party have a stake, (iii) any shareholder holding a 10% or more of the voting rights or with representation at the Board of the Company, and (iv) any party deemed as

ated Party under the International Accounting Standards, including without limitation, Board members, Key Employees[6] and Relatives[7].

- In order to formalize the above referred delegations, to amend article 8.B. ("Nature and Competence") of the Regulations of the Audit, Control and Related Party Transactions Committee including the necessary competences to perform its duties, as follows:

  i. Analise and, where appropriate, approve the (i) (a) intragroup transactions or (b) transactions performed between EDPR Group and EDP Group when their amount is below 10% of the total assets at the last annual balance sheet approved by the company, as long as they are in the ordinary management of the company and under market conditions; (ii) transactions executed under contracts with standardized terms that are wholesale applied to a high number of clients under prices or tariffs generally established by the supplier of the goods or services, and which amount does not exceed the 0,5% of the net annual company turnover, and

  ii. Periodically inform the Board of Directors about the transactions approved by this Committee in the exercise of the above referred delegation, stating the fairness and transparency of such transactions, and as the case may be, the compliance with the applicable legal criteria.

  iii. Analise and inform about any modification of the Framework Agreement signed by EDP and EDP Renováveis on 7 May 2008.[8]

  iv. Submit a report to the Board of Directors of the Company regarding the Related Party Transactions that shall be approved by the Board of Directors of EDPR SA or by its Shareholder's Meeting in accordance with the law, and that shall include: (i) the information regarding the nature of the operation and the relation with the Related Party, (ii) the identity of the Related Party, the date and value or amount of the compensation of the transaction, and any other information necessary to appraise if the operation is fair and reasonable for the company and for the shareholders that are not Related Parties.

  v. Request EDP for access to the information needed to perform its duties.

It should be also 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 at least every quarter (maximum period elapsed between Board of Directors Meeting in accordance with Article 22 of its Regulations).

90. Transactions subject to control during 2022

During 2022, 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 Audit, Control and 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 2022 incurred with or charged by the EDP Group was EUR 44,293,208 thousand corresponding to 10% of the total value of Supplies & Services for the year (EUR 438,973,930 thousand).

The most significant contracts in force during 2022 are the following:

Framework agreement

The framework agreement was signed by EDP and EDPR on May 7th 2008 and came into effect when the latter was admitted to trading. The purpose of the framework agreement is to

[6] To this extent the following shall be considered as Key Employees: (i) the members of the Management Team of EDP Renováveis, S.A., (ii) the General Secretary of the Company, (iii) the Directors of Internal Audit, Compliance and Internal Control, Global Risk, Finance, ACT, Planning and Control, Investor Relations, Legal, IT, as well as (iv) any other that the Audit, Control, and Related Party Transactions Committee may designate.

[7] To this extent the following shall be considered as Relatives: the spouse or assimilated partners of a Board Member and or/ of a Key Employee, the children of a Board Member and/or of a Key Employee, or of his/her spouse or assimilated partner, as well as the dependent individuals of the Board Member and/or Key Employee or of his/her spouses or assimilated partners.

[8] This Framework Agreement was signed between EDP and EDPR in order to regulate the transactions closed between companies of EDP Group and 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).

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.

Management services agreement

On November 4th, 2008 EDP and EDPR signed a 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 EDPR, including matters related to the day-to- day running of the Company. As of 31 December 2022, under this agreement EDP renders management services corresponding to five (5) people from EDP which are part of EDPR's Management: (i) two Executive Directors, who are also the CEO and CFO of EDPR, and (ii) three Non-Executive Directors, for which EDPR pays EDP an amount defined both by the Appointments and Remunerations Committee and by the Audit, Control and Related Party Transactions Committee, and approved by the Board of Directors and the Shareholders Meeting. Under this contract, EDPR incurred an amount of EUR 3,093,967,282 for the management services rendered in 2022.

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 ("EDPR SF" as the borrower) have loan agreements with EDP Finance BV and EDP Servicios Financieros España ("EDP SFE" as the lender), companies 100% owned by EDP. 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 31st 2022, such loan agreements totaled USD 3,093,967,282 and EUR 1,500,754,189.

Current account agreement

EDPR SF and EDP SFE signed an agreement through which EDP SFE manages EDPR SF's cash accounts. The agreement also regulates the current account scheme on arm's length basis. As of December 31st 2022, there are two different current accounts with the following balance and counterparties:

- in USD, for a total amount of USD 348,581,315.39 in favour of EDPR SF
- in EUR, for a total amount of 311,807,352.06 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 31st 2022, such counter-guarantee agreements totaled in EUR equivalent 446.921.823.

A counter-guarantee agreement was signed between EDPR Group and EDP Sucursal, 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 31st 2022, the amount of guarantees issued under this agreement totalled EUR 9,675,558.54.

Cross currency interest rate swaps

Due to the net investments in North America, Canada, Brazil, United Kingdom, Poland, Romania and in Colombian 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 31st 2022 the total amount of CIRS by geography and currency are as following:

- in USD/EUR, with EDP for a total amount of USD 3,142,365,770
- in CAD/EUR, with EDP for a total amount of CAD 139,148,471.50
- in BRL/EUR, with EDP for a total amount of BRL 72,500,000
- in GBP/EUR, with EDP for a total amount of GBP 35,100,000
- in PLN/EUR, with EDP for a total amount of PLN 771,408,528
- in COP/EUR with EDP for a total amount of COP 25,598,000,000

Hedge agreements – exchange rate

EDPR Group companies entered into several hedge agreements with EDP, with the purpose of managing the transactional exposure related to the short term or transitory positions, in Brazil, Colombian, Canada, Hungary, Chile, APAC, Polish, United Kingdom and other subsidiaries, with USD exposure, fixing the exchange rate mainly for USD and EUR, in accordance to the prices in the forward market in each contract date. As of December 31st 2022, the total amount of Forwards ("FWDs") and Non Delivery Forwards ("NDFs") by geography and currency are as following:

- APAC operations, for EUR/JPY, a total amount of EUR 6,840,154 (FWDs), for EUR/KRW a total amount of EUR 2,246,471 (NDF), for EUR/SGD a total amount of EUR 746,296,712 (FWDs plus NDFs), and for EUR/TWD a total amount of EUR 18,977,221.05 (FWDs plus NDFs)
- Brazilian operations, for EUR/BRL, a total amount of EUR 279,358,887 (NDFs) and, for USD/BRL, a total amount of USD 14,138,445 (NDF)
- Colombian operations, for EUR/COP, a total amount of EUR 83,323,119 (NDFs)
- Canada operations, for USD/CAD, a total amount of USD 257,796,000 (FWDs) and EUR/CAD, a total amount of EUR 51,005,363 (FWDs)
- Hungary operations, for EUR/HUF, a total amount of EUR 21,985,908.46 (FWDs) and HUF/USD, a total amount of USD 19.313.279 (FWDs)
- Polish operations, for EUR/PLN, a total amount of EUR 307,336,474 (FWDs plus NDFs) and for USD/PLN, a total amount of USD 99,439,309 (FWDs)
- United Kingdom operations, for GBP/EUR a total amount of EUR 178,463,478.40 (FWDs)
- Chile operations, for EUR/USD, a total amount of EUR 12,251,692 (FWDs) and other Subsidiaries operations, for EUR/USD, a total amount of EUR 884.420.715 (FWDs) and for USD/EUR, a total amount of USD 177.902.024.

Hedge agreements – commodities

EDP and EDPR EU entered into hedge agreements for 2022 for a total volume of 3,939,689.69 MWh (sell position) and 1,237,673 MWh (buy 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 4th 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 organizational 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 2022 the estimated cost of these services is EUR 13,403,800.59. 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 13th, 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 2022 is EUR 101,824.47.

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 GLOBAL SOLUTIONS - GESTÃO INTEGRADA de Serviços S.A.

On January 1st, 2003, EDPR – Promoção e Operação S.A., and EDP Global Solutions - Gestão Integrada De Serviços S.A. (hereinafter EDP Global Solutions), 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 Global Solutions 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 Global Solutions by EDPR Promoção e Operação S.A. and its subsidiaries for the services provided in 2022 totaled EUR 2,013,454.78. The initial duration of the agreement was five (5) years from date of signing on January 1st 2008, and tacitly renewable for equal periods of one (1) year. Either party may renounce the contract with one (1) year's notice.

Information techonology management services agreement between EDP Renováveis S.A. and EDP Energias de Portugal S.A.

There exists an IT management services agreement effective since January 1st, 2020, which supersedes the existing IT management services agreement from that date.

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 2022 totaled EUR 9,958,208.13.

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 organizational development.

The amount incurred by EDP Brasil for the services provided in 2022 totalled BRL 275.684.

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.

General Services Agreement between EDPR Renováveis S.A. and EDP Energías de Portugal, S.A. Sucursal en España

On October 1st, 2022, EDPR and EDP Sucursal signed a General Services Agreement.

The object of the agreement is the provision by EDPR of preventive and corrective maintenance of the offices leased by EDP in Serrano Galvache (Madrid), as well as the management of accuses to the facilities, the supply of food and the use of canteen.

The remuneration accrued by EDPR by EDP Sucursal for the services provided in 2022 under this agreement totaled EUR 15,941.28. The duration of the agreement is unlimited from date of signing.

Additional Transactions analysed in 2022

Likewise, in the development of the delegation made by the Board of Directors to the Audit, Control and Related Party Transactions Committee regarding the supervision of Related Party Transactions, during 2022, the following were analyzed and approved by this body, and further reported to the Board of Directors:

- PPA between EDPR through EDPR EU (Seller), and EDP (Buyer) to support the investment decision of the repowering of 2 wind farms in Portugal (SE Coentral – Safra, of 7,9 MW; and SE Alto de Coutada, of 22,8 MW);
- Update of the spreads applicable to medium and short term intercompany loans in USD and in EUR, executed between EDP Group (Lender) and EDPR SF (Borrower) in EUR and in USD;
- New Long Term Loan in USD between EDP Finance BV (Lender) and EDPR SF (Borrower) to renew USD 370M of loans with maturity on February 15th, 2022, and to cover the investment of USD 148M in a new opportunity in EDPR NA (Longroad – DG platform);
- Awarding to EDP Commercial the construction works of two High Voltage lines for the solar Project Cerca (Portugal);
- New long term loan in USD between EDP Finance BV (Lender) and EDPR SF (Borrower) of USD 500M for the repayment of the current account debt, and in accordance with the long term funding needs established under the Budget for 2022;
- Renegotiation of the cross-currency interest rate swap of EUR/USD 1.000 to a new tenor, between EDP Finance BV (payer in EUR) and EDPR SF (payer in USD);
- Memoradum of understading between (i) EDPR and (ii) EDP, EDP Produção, EDP España y Generaciones Eléctricas Andalucía to regulate the partnerships that may be implemented in relation to hybrid and conversion projects;
- Data Process Agreement between EDP Inovação and EDPR. in the frame of the contract regulating the relationship between EDPR and EDP Inovação dated May 13th, 2008;
- PPA between EDPR Europe (Seller) and EDP S.A (Buyer) for a wind portfolio of 40 MWs in Spain;
- Amendment to the current account Agreement between EDP SF. (Lender) y EDPR SF. (Borrower), to in include, with effects April 1st 2022, the terms applicable to: risk spread, maximum limits, prices applicable to positive and negative balance, as well as the implementation of a commitment fee;
- Incorporation of a Global Energy Management Platform (GEM) for the whole Group at EDP level to support the short- term and market access activities;
- Transfer of Access to Energy assets to EDP (including an internal team of 4 members, the stake in two companies - Solarworks! and Rensource-, two loans with Solarworks!, and a consultancy agreement with Tetra Tech);
- Internal services agreement between H2BU (Hydrogen Business Unit) and EDPP for the development of renewable hydrogen activities;
- PPA between EDPR (through Fotovoltaica Flutuante do Grande Lago, S.A.) as Seller, and EDP, as Buyer, for a floating solar (overpowering) of 12,4 MWac and a wind hybrid project of 50,4 MWac (Project Alqueva), located in Grande Lago (Portugal);
- PPA between EDPR (through EDPR SF) as Seller y and EDP as Buyer for the solar hybrid project of 19,6 MW Castillo de Garcimuñoz (Spain);
- Update of the spreads applicable to the long-term intercompany loans in EUR and USD, between companies of EDP Group to align with the trends of the market and the actual/real cost of funding;
- Market Representation Services Agreement between EDPR and EDP for Minas de Orgueirel, a solar PV hybridized Project located in Portugal;
- Amendment to the current account agreement signed between EDP SF (Lender) and EDPR SF (Borrower) to update the interest in accordance with the currents markets rates;
- PPA between EDPR (through EDPR PT) as Seller and EDP. - GEM – as Buyer for the volumes produced during 15 years by Minas de Orgueirel, Cesaredas y Charneca das Lebres three solar PV hybrid projects located in Portugal;
- Substitution of Las Sardas wind farm by Acampo Sancho in an already executed PPA between EDPR (through EDPR SF) as Seller and EDP as Buyer (but being AZSA the final costumer);
- PPA between EDPR, (through EDPR SF) as seller and y EDP – GEM - as Buyer, for Rocio, a solar project of 24.6 MW located in Spain;
- 8º Amendment to the Management Services Agreement between EDP and EDPR in order to formalize the updates approved for the remuneration of the non- Executive Directors, and the CEO and CFO;
- Market Representation Services Agreement (including balancing cost and ancillary services) between EDPR (through EDPR España and its SPVs) as Seller and EDP España as Buyer for EDPR wind portfolio in Spain (429 MW);
- New Long-Term Loans between EDP Group (as Lender) and EDP SF (as Borrower) of USD 994M combined, 5Y, 8Y AND 9Y tenor;
- Long Term hedge in Spain for operational assets between EDPR SF and EDP S.A. ;
- Methodology to be applied to the sale of guarantees of origin to GEM.

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 39 of the Financial Statements.

PART II – Corporate Governance Assessment

I. Details of the Corporate Governance code implemented

Following the protocol signed between the CMVM and the Portuguese Institute of Corporate Governance (IPCG) on October 13th, 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 1st, 2018, and that was reviewed in 2020.

For the purposes of the proper preparation of corporate governance reports for the year beginning in 2022, and to be reported in 2023, 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). 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 October 13th, 2017, which is available at the website of CMVM (http://www.cmvm.pt/). Likewise, the reviewed version Corporate Governance Code of the IPCG is published on the website of IPCG and of the Monitoring Committees (https://cam.cgov.pt/)

II. 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 Appointments 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 in the following table.

CORPORATE GOVERNANCE RECOMMENDATIONS – STATEMENT OF COMPLIANCE		
CHAPTER I – GENERAL PROVISIONS		
1.1. Company's relationship with investors and disclosure		
I.1.1		
The Company should establish mechanisms to ensure the timely disclosure of information to its governing bodies, shareholders, investors and other stakeholders, financial analysts, and to the markets in general.	Adopted	Section B – II, a) Topic 15 Section C) –III, Topic 55 Section C–IV, Topic 56 Section C–V, Topics 59 – 65
1.2. Diversity in the composition and functioning of the company's governing bodies		
I.2.1		
Companies should establish standards and requirements regarding the profile of new members of their governing bodies, which are suitable according to the roles to be carried out. Besides individual attributes (such as competence, independence, integrity, availability, and experience), these profiles should take into consideration general diversity requirements, with particular attention to gender diversity, which may contribute to a better performance of the governing body and to the balance of its composition.	Adopted	Section B–II, a) Topics 16 and 17
I.2.2		
The company's managing and supervisory boards, as well as their committees, should have internal regulations — namely regulating the performance of their duties, their Chairmanship, periodicity of meetings, their functioning and the duties of their members —, disclosed in full on the company's website. Minutes of the meetings of each of these bodies should be drawn out.	Adopted	Section B–II, a) Topic 15
I.2.3		
The composition and the number of annual meetings of the managing and supervisory bodies, as well as of their committees, should be disclosed on the company's website	Adopted	Section B–II, a) Topic 15 Section B–II b), Topic 23 Section B–II, c) Topic 29 Section B – III, b) Topic 35 Section C–V, Topics 59 – 65

CORPORATE GOVERNANCE RECOMMENDATIONS – STATEMENT OF COMPLIANCE		
I.2.4		
A policy for the communication of irregularities (whistleblowing) should be adopted that guarantees the suitable means of communication and treatment of those irregularities, with the safeguarding of the confidentiality of the information transmitted and the identity of its provider, whenever such confidentiality is requested.	Adopted	Section C-II, Topic 49
1.3. Relationships between the company bodies		
I.3.1		
The bylaws, or other equivalent means adopted by the company, should establish mechanisms that, within the limits of applicable laws, permanently ensure the members of the managing and supervisory boards are provided with access to all the information and company's collaborators, in order to appraise the performance, current situation and perspectives for further developments of the company, namely including minutes, documents supporting decisions that have been taken, calls for meetings, and the archive of the meetings of the managing board, without impairing the access to any other documents or people that may be requested for information.	Adopted	Section B-II, a) Topic 15
I.3.2		
Each of the company's boards and committees should ensure the timely and suitable flow of information, especially regarding the respective calls for meetings and minutes, necessary for the exercise of the competences, determined by law and the bylaws, of each of the remaining boards and committees.	Adopted	Section B-II, a) Topic 15 Section B-II, c) Topic 29
1.4 conflicts of interest		
I.4.1		
The members of the managing and supervisory boards and the internal committees are bounded, by internal regulation or equivalent, to inform the respective board or committee whenever there are facts that may constitute or give rise to a conflict between their interests and the company's interest.	Adopted	Section B-II, a) Topic 18

CORPORATE GOVERNANCE RECOMMENDATIONS – STATEMENT OF COMPLIANCE			
I.4.2			
Procedures should be adopted to guarantee that the member in conflict does not interfere in the decision-making process, without prejudice to the duty to provide information and other clarifications that the board, the committee or their respective members may request.	Adopted		Section B-II, a) Topic 18
1.5. Related party transactions			
I.5.1			
The managing body should disclose in the corporate governance report or by other means publicly available the internal procedure for verifying transactions with related parties.	Adopted		Section E-I, Topic 89
I.5.2			
The managing body should report to the supervisory body the results of the internal procedure for verifying transactions with related parties, including the transactions under analysis, at least every six months.	Not applicable	This procedure is now regulated by law (art 249ºA, nº1 of the Código dos Valores Mobiliarios) and therefore the recommendation has been surpassed by the Portuguese Law in force. Should be noted that applicable law to EDPR to this extent is the Spanish Law. The procedure implemented by EDPR for the approval of Related Party Transactions is described in topic 89 of this Chapter 5 of the Annual Report.	Section E-I, Topic 89
CHAPTER II – SHAREHOLDERS AND GENERAL MEETINGS			
II.1			
The company should not set an excessively high number of shares to confer voting rights, and it should make its choice clear in the corporate governance report every time its choice entails a diversion from the general rule: that each share has a corresponding vote.	Adopted	As per the split of multiple-recommendations, should be clarified that the part of this recommendation corresponding to II.1.(2) shall be considered as not applicable as each EDPR share corresponds to one vote.	Section B-I, b) Topics 12 and 13
II.2			
The company should not adopt mechanisms that make decision making by its shareholders (resolutions) more difficult, specifically, by setting a quorum higher than that established by law.	Adopted	Please note EDPR's personal law is the Spanish one, and as such, the majorities and quorums applicable for the Shareholders' Meeting resolutions are not the ones set under Portuguese Law, but those established under the Spanish one, with which is completely aligned.	Section B-I, b) Topic 14
II.3.			
The company should implement adequate means for the remote participation by shareholders in the general meeting, which should be proportionate to its size.	Not adopted	EDPR analyzed the needs and priorities of its shareholders worldwide, and therefore, since 2009, it is provided the possibility of fulfilling all the requirements necessary to validly exercise their right to vote by distance means (registry of intention to attend, submission of the certificate of titularity of shares, granting of representation proxies, and properly voting). The efficiency and interest of our	Section B-I, b) Topic 13

CORPORATE GOVERNANCE RECOMMENDATIONS – STATEMENT OF COMPLIANCE			
		shareholders in these initiatives was clearly proved, as nearly almost all of the participation is exercised by these means. In the same way, EDPR reviewed the track record of participation in the Shareholders' Meeting the day of its celebration (when generally all the votes are submitted beforehand by distance voting), the shareholding structure of the Company (under which a 75% is qualified shareholding held by EDP Energías de Portugal S.A and therefore the free float is only of 25%), and its shareholders' profiles; concluding that the implementation of a streaming system to digitally participate will imply a material cost where the demonstrated preferences of almost all EDPR shareholders is to submit their votes by distance means. Notwithstanding the foregoing, EDPR has deeply analyzed the market trends during this year, and also with the aim of improving the compliance commitment with Corporate Governance recommendations, has been considering the possibility of providing this option to its shareholders. Considering that under Spanish law it is required to specifically regulate under the Company's bylaws the option of celebrating telematic Shareholders' Meetings, EDPR approved it in 2022, so that would be able to offer this option in the next meetings to be held thereinafter, being planned to offer to EDPR shareholders the option of a telematic participation in streaming at the General Shareholders' Meeting to be held in 2023 (which is the first one in which EDPR will be legally able to offer it by its internal bylaws).	
II.4.			
The company should also implement adequate means for the exercise of remote voting, including by correspondence and electronic means.	Adopted		Section B-I, b) Topic 13
II.5.			
The bylaws, which specify the limitation of the number of votes that can be held or exercised by a sole shareholder, individually or in coordination with other shareholders, should equally provide that, at least every 5 years, the amendment or maintenance of this rule will be subject to a shareholder resolution — without increased quorum in comparison to the legally established — and in that resolution, all votes cast will be counted without observation of the imposed limits.	Not applicable		Section A-I, Topic 5 Section B-I, b) Topic 12
II.6.			
The company should not adopt mechanisms that imply payments or assumption of fees in the case of the transfer of control or the change in the composition of the managing body, and which are likely to harm the free transferability of shares and a shareholder assessment of the performance of the members of the managing body.	Adopted		Section A-I, Topic 4 Section D – IV, Topic 80 Section D – V, Topics 83- 84

CORPORATE GOVERNANCE RECOMMENDATIONS – STATEMENT OF COMPLIANCE			
CHAPTER III – NON-EXECUTIVE MANAGEMENT, MONITORING AND SUPERVISION			
III.1			
Without prejudice to the legal powers of the chair of the managing body, if he or she is not independent, the independent directors should appoint a coordinator from amongst them, namely, to: (i) act, when necessary, as an interlocutor near the chair of the board of directors and other directors, (ii) make sure there are the necessary conditions and means to carry out their functions; and (iii) coordinate the independent directors in the assessment of the performance of the managing body, as established in recommendation V.1.1.	Not applicable	Since, April 12th, 2021 EDPR has an independent Chairperson, António Gomes Mota.	Section B-II, a) Topic 18
III.2			
The number of non- executive members in the managing body, as well as the number of members of the supervisory body and the number of the members of the committee for financial matters should be suitable for the size of the company and the complexity of the risks intrinsic to its activity, but sufficient to ensure, with efficiency, the duties which they have been attributed. The formation of such suitability judgment should be included in the corporate governance report.	Adopted	As per the split of multiple-recommendations, should be clarified that the part of this recommendation corresponding to III.2.(3) is not applicable, as EDPR does not have a German Governance Model.	Section B-II, a) Topic 18
III.3			
In any case, the number of non-executive directors should be higher than the number of executive directors.	Adopted		Section B-II, a) Topic 18
III.4			
Each company should include a number of non-executive directors that corresponds to no less than one third, but always plural, who satisfy the legal requirements of independence. For the purposes of this recommendation, an independent person is one who is not associated with any specific group of interest of the company, nor under any circumstance likely to affect his/her impartiality of analysis or decision, namely due to: i. having carried out functions in any of the company's bodies for more than twelve years, either on a consecutive or nonconsecutive basis;	Not applicable	The independence criteria applicable to EDPR are those stablished under its personal law (Spanish law) that are materially equivalent to those identified in the IPCG Code. These criteria are the following: a) Not being employed or an executive director in the group, unless either 3 or 5 years respectively have elapsed; b) Not receiving from the company or company of the group, sum or benefit other than the remuneration of director, unless it is not material; c) Not being o have been during the last 3 years, a partner at the external auditors or responsible for the audit report, when the audit was carried out during said period in the listed company, or any other company in its group; d) Not being an executive director or senior management at other company where an executive director or senior management of the company is external director;	Section B-II, a) Topic 18

CORPORATE GOVERNANCE RECOMMENDATIONS – STATEMENT OF COMPLIANCE			
ii. having been a prior staff member of the company or of a company which is considered to be in a controlling or group relationship with the company in the last three years; iii. having, in the last three years, provided services or established a significant business relationship with the company or a company which is considered to be in a controlling or group relationship, either directly or as a shareholder, director, manager or officer of the legal person; iv. having been a beneficiary of remuneration paid by the company or by a company which is considered to be in a controlling or group relationship other than the remuneration resulting from the exercise of a director's duties; v. having lived in a non-marital partnership or having been the spouse, relative or any first degree next of kin up to and including the third degree of collateral affinity of company directors or of natural persons who are direct or indirect holders of qualifying holdings, or vi. having been a qualified holder or representative of a shareholder of qualifying holding.		e) Not maintaining or have maintained during the last year, a significant business relationship with the company or any company in its group, whether in their own name or as a significant shareholder, director or senior manager at an entity that maintains or has maintained said relationship; f) Not being a significant shareholder, executive director or senior management at an entity that receives or has received in the last 3 years, donations from the society or its group; g) Not being spouse or close relative of a similar nature or up to second degree kinship of who is executive director or senior manager at the company; h) Not having been proposed for appointment or renewal by the appointments committee; i) Not have been a director for a continuous period of more than 12 years; j) Not being a person that with regards to any significant shareholder or representative on the board, finds themselves in any of the scenarios detailed in aforementioned a), e), f) or g). In the case of the relationships detailed in point g), the limitation shall apply not just to the shareholder but also to their proprietary directors in the investee company	
III.5			
The provisions of paragraph (i) of recommendation III.4 does not inhibit the qualification of a new director as independent if, between the termination of his/her functions in any of the company's bodies and the new appointment, a period of 3 years has elapsed (cooling-off period).	Not applicable	The independence criteria applicable to EDPR are those stablished under its personal law (Spanish law).	Section B-II, a) Topic 18
III.6			
The supervisory body, in observance of the powers conferred to it by law, should assess and give its opinion on the strategic lines and the risk policy prior to its final approval by the management body.	Adopted		Section A -II, Topic 9
III.7			
Companies should have specialised committees, separately or cumulatively, on matters related to corporate governance, appointments, and performance assessment. In the event that the remuneration committee provided for in article 399 of the Commercial Companies Code has been created and should this not be prohibited by law, this recommendation may be fulfilled by conferring	Adopted		Section B – II, a) Topic 15 Section B-II, c), Topics 27 and 29

CORPORATE GOVERNANCE RECOMMENDATIONS – STATEMENT OF COMPLIANCE		
competence on such committee in the aforementioned matters.		
CHAPTER IV – EXECUTIVE MANAGEMENT		
IV.1		
The managing body should approve, by internal regulation or equivalent, the rules regarding the action of the executive directors applicable to their performance of executive functions in entities outside of the group.	Adopted	Section B-II, b) Topic 26
IV.2		
The managing body should ensure that the company acts consistently with its objects and does not delegate powers, namely, in what regards; i)the definition of the strategy and main policies of the company; ii) the organization and coordination of the business structure; iii)matters that should be considered strategic in virtue of the amounts involved, the risk, or special characteristics.	Adopted	Section A -II, Topic 9
IV.3		
In the annual report, the managing body explains in what terms the strategy and the main policies defined seek to ensure the long-term success of the company and which are the main contributions resulting therein for the community at large.	Adopted	Chapter 2.2. of the Management Report
CHAPTER V – EVALUATION OF PERFORMANCE, REMUNERATION AND APPOINTMENT		
V.1 Evaluation of performance		
V.I.I		
The managing body should annually evaluate its performance as well as the performance of its committees and executive directors, taking into account the accomplishment of the company's strategic plans and budget plans, the risk management, the internal functioning and the contribution of each member of the body to these objectives, as well as the relationship with the company's other bodies and committees.	Adopted	Section A -II, Topic 9 Section B-II b), Topic 24 Section D – I Topic 66 Section D – III, Topic 71

CORPORATE GOVERNANCE RECOMMENDATIONS – STATEMENT OF COMPLIANCE		
V.2 Remuneration		
V.2.I		
The company should create a remuneration committee, the composition of which should ensure its independence from the management, which may be the remuneration committee appointed under the terms of article 399 of the Commercial Companies Code.	Adopted	Section B – II, c) Topic 27 Section B– II, c) Topic 29 Section D – I, Topic 66
V.2.2		
The remuneration should be set by the remuneration committee or the general meeting, on a proposal from that committee.	Adopted	Section D – I, Topic 66 Section D – III, Topic 69
V.2.3		
For each term of office, the remuneration committee or the general meeting, on a proposal from that committee, should also approve the maximum amount of all compensations payable to any member of a board or committee of the company due to the respective termination of office. The said situation as well as the amounts should be disclosed in the corporate governance report or in the remuneration report.	Adopted	Section D – IV, Topic 80
V.2.4		
In order to provide information or clarifications to shareholders, the chair or, in case of his/her impediment, another member of the remuneration committee should be present at the annual general meeting, as well as at any other, whenever the respective agenda includes a matter linked with the remuneration of the members of the company's boards and committees or, if such presence has been requested by the shareholders.	Adopted	Section B-I, a) Topic 11 Section B-II, a) Topic 29
V.2.5		
Within the company's budgetary limitations, the remuneration committee should be able to decide, freely, on the hiring, by the company, of necessary or convenient consulting services to carry out the committee's duties.	Adopted	Section D – II Topic 67

CORPORATE GOVERNANCE RECOMMENDATIONS – STATEMENT OF COMPLIANCE		
V.2.6		
The remuneration committee should ensure that those services are provided independently and that the respective providers do not provide other services to the company, or to others in controlling or group relationship, without the express authorization of the committee.	Adopted	Section D – II Topic 67
V.2.7		
Taking into account the alignment of interests between the company and the executive directors, a part of their remuneration should be of a variable nature, reflecting the sustained performance of the company, and not stimulating the assumption of excessive risks.	Adopted	Section D – III, Topics 70 -72
V.2.8		
A significant part of the variable component should be partially deferred in time, for a period of no less than three years, being necessarily connected to the confirmation of the sustainability of the performance, in the terms defined by a company's internal regulation.	Adopted	Section D – III, Topic 72
V.2.9		
When variable remuneration includes the allocation of options or other instruments directly or indirectly dependent on the value of shares, the start of the exercise period should be deferred in time for a period of no less than three years.	Not applicable	Section D – III, Topics 73 and 74
V.2.10		
The remuneration of non- executive directors should not include components dependent on the performance of the company or on its value.	Adopted	Section D – III, Topic 69 Section D – IV, Topic 77
V.3 Appointments		
V.3.I		
The company should, in terms that it considers suitable, but in a demonstrable form, promote that proposals for the appointment of the members of the company's governing bodies are accompanied by a justification in regard to the suitability of the profile,	Adopted	Section B-II, a) Topics 16, 17

CORPORATE GOVERNANCE RECOMMENDATIONS – STATEMENT OF COMPLIANCE		
the skills and the curriculum vitae to the duties to be carried out.		
V.3.2		
The overview and support to the appointment of members of senior management should be attributed to a nomination committee unless this is not justified by the company's size.	Adopted	Section B- II, c) Topic 29
V.3.3		
This nomination committee includes a majority of non- executive, independent members.	Adopted	Section B- II, c) Topic 29
V.3.4		
The nomination committee should make its terms of reference available, and should foster, to the extent of its powers, transparent selection processes that include effective mechanisms of identification of potential candidates, and that those chosen for proposal are those who present a higher degree of merit, who are best suited to the demands of the functions to be carried out, and who will best promote, within the organisation, a suitable diversity, including gender diversity.	Adopted	Section B-II, a) Topics 16, 17
CHAPTER VI – INTERNAL CONTROL		
VI.I		
The managing body should debate and approve the Company's strategic plan and risk policy, which should include the establishment of limits on risk-taking.	Adopted	Section A -II, Topic 9 Section C) - III, Topic 52
VI.2		
The supervisory board should be internally organised, implementing mechanisms and procedures of periodic control that seek to guarantee that risks which are effectively incurred by the company are consistent with the company's objectives, as set by the managing body.	Adopted	Section B -III,b), Topic 35 Section C– II, Topic 52
VI.3		
The internal control systems, comprising the functions of risk management, compliance, and internal audit should be structured in terms adequate to the size of the company and the complexity of the inherent risks	Adopted	Section B- II, c) Topic 29 Section B- III, Topic 30 Section B -III, b), Topic 35 Section C– III, Topics 50-55

CORPORATE GOVERNANCE RECOMMENDATIONS – STATEMENT OF COMPLIANCE		
of the company's activity. The supervisory body should evaluate them and, within its competence to supervise the effectiveness of this system, propose adjustments where they are deemed to be necessary.		
VI.4		
The supervisory body should provide its view on the work plans and resources allocated to the services of the internal control system, including the risk management, compliance and internal audit functions, and may propose the adjustments deemed to be necessary.	Adopted	Section B- II, c) Topic 29 Section B – III, b) Topic 35
VI.5		
The supervisory body should be the recipient of the reports prepared by the internal control services, including the risk management functions, compliance and internal audit, at least regarding matters related to the approval of accounts, the identification and resolution of conflicts of interest, and the detection of potential irregularities.	Adopted	Section B- II, c) Topic 29 Section B – III, b) Topic 35
VI.6		
Based on its risk policy, the company should establish a risk management function, identifying (i) the main risks it is subject to in carrying out its activity; (ii) the probability of occurrence of those risks and their respective impact; (iii) the devices and measures to adopt towards their mitigation; and (iv) the monitoring procedures, aiming at their accompaniment.	Adopted	Section C) – III, Topics 52 – 55 Chapter 2 of this Annual Report
VI.7		
The company should establish procedures for the supervision, periodic evaluation, and adjustment of the internal control system, including an annual evaluation of the level of internal compliance and the performance of that system, as well as the perspectives for amendments of the risk structure previously defined.	Adopted	Section C) -III, Topics 52, 54, 55

CORPORATE GOVERNANCE RECOMMENDATIONS – STATEMENT OF COMPLIANCE		
CHAPTER VII – FINANCIAL INFORMATION		
VII.1 Finantial information		
VII.1.1		
The supervisory body's internal regulation should impose the obligation to supervise the suitability of the preparation process and the disclosure of financial information by the managing body, including suitable accounting policies, estimates, judgments, relevant disclosure and its consistent application between financial years, in a duly documented and communicated form.	Adopted	Section B- II, Topic 29 Section B – III, b) Topic 35
VII.2 Statutory Auditor, Accounts and Supervision		
VII.2.1		
By internal regulations, the supervisory body should define, according to the applicable legal regime, the monitoring procedures aimed at ensuring the independence of the statutory audit.	Adopted	Section B- II, c) Topic 29 Section B – III, c) Topics 37 and 38 Section B – IV-V, Topics 45, 46 and 47
VII.2.2		
The supervisory body should be the main interlocutor of the statutory auditor in the company and the first recipient of the respective reports, having the powers, namely, to propose the respective remuneration and to ensure that adequate conditions for the provision of services are ensured within the company.	Adopted	Sections B – II, c) Topic 29 Section B – V, Topics 45, 46
VII.2.3		
The supervisory body should annually assess the services provided by the statutory auditor, their independence and their suitability in carrying out their functions, and propose their dismissal or the termination of their service contract by the competent body when this is justified for due cause.	Adopted	Section B – II, c) Topic 29 Section B – III a), Topic 30 Section B – III, c) Topics 37 and 38 Section B- IV- V, Topic 45

Annex I

Curriculum vitae of the Board of Directors EDP Renováveis S.A.



Full Name	ANTÓNIO GOMES MOTA
Position	• Chairman of the Board of Directors – EDP Renováveis, S.A. • Chairman of the Appointments, Remunerations and Corporate Governance Committee – EDP Renováveis, S.A.
Academic Qualifications	• PhD in management – ISCTE, University Institute of Lisbon • MBA – Nova School of Business and Economics • Bachelor's degree in management – ISCTE, University Institute of Lisbon
Skills and Experience	• Non-executive director and Chair of Nominations and Remuneration Committee – CIMPOR • Non-executive director as member of the Supervisory Board and Chair of the Audit Committee – EDP • Non-executive director as Chair of the Audit Committee and then as Chairman of the Board – CTT • Dean – ISCTE Business School • He has been a consultant for large corporations in the areas of corporate restructuring and valuation, regulation, corporate governance and remuneration policies • President – Portuguese Institute of Corporate Governance • He is the author of several books in the areas of corporate finance, investments and risk management and a regular invited speaker at professional and industry conferences
Current External Appointments	• Full Professor of finance – ISCTE Business School • Chair of the Audit Committee – MYSTICINVEST HOLDING • Chair of the Remuneration Committee – PHAROL, SGPS



Full Name	MIGUEL STILWELL D'ANDRADE
Position	• Vice-Chairman of Board of Directors and CEO – EDP Renováveis, S.A.
Academic Qualifications	• MBA - MIT Sloan (2003) • MEng with Distinction - University of Strathclyde (1998)
Skills and Experience	• CEO – EDP Energias de Portugal S.A. ("EDP") (current) • Interim CEO - EDP. (2020-2021) • CFO - EDP. (2018-2021) • Member of Executive Board of Directors - EDP (since 2012) • Member of Board of Directors – EDP - Energias do Brasil (2018-2020) • CEO - EDP Comercial – Comercialização de Energia, S.A and EDP Soluções Comerciais, S.A. (2012-2018) • CEO – EDP España, S.A.U (formerly Hidroelétrica del Cantábrico) (2012-2018) • CEO – Naturgás Energia Grupo (2012-2015) • Member of Board of Directors - E-Redes (2009-2012) • Member of Board of Directors – EDP Inovação, S.A. (2007 -2012) • Strategy, M&A and Corporate Development - EDP (2000-2001 and 2003-2009) • UBS Investment Bank (1998-2000)
Current External Appointments	• Member of the Executive Committee of WBCSD • Member of the General Board - AEM - Association of Listed Companies • Member of the Board of Governors – St. Julian's School



Full Name	RUI MANUEL RODRIGUES LOPES TEIXEIRA
Position	• CFO – EDP Renováveis, S.A.
Academic Qualifications	• Advanced Management Programme – Harvard Business School (2013) • MBA – Nova University, Lisbon (2001) • Naval Architecture and Marine Engineering Graduate – Instituto Superior Técnico, Lisbon (1995)
Skills and Experience	• CFO – EDP Energias de Portugal S.A. ("EDP") (current) • Member of Executive Board of Directors – Ocean Winds (current) • Member of Board of Directors – EDP - Energias do Brasil, S.A (current) • Member of Executive Board of Directors – EDP (since 2015) • CEO – EDP España S.A.U. (2018-2021) • CEO – EDP - Gestão da Produção de Energia, S.A. (2015-2020) • Member of Board of Directors – EDP Renováveis, S.A. (2008-2015) • Head of Corporate Planning and Control – EDP (2004-2007) • Consultant - McKinsey & Company (2001-2004) • Project Manager - Det Norske Veritas (1997-2001) • Gellweiler – Sociedade de Equipamentos Marítimos e Industriais, Lda (1996-1997)
Current External Appointments	• Board Member – OMIP SGPS, S.A. and OMEL • Strategic Board Member – ISEG MB



Full Name	VERA DE MORAIS PINTO PEREIRA CARNEIRO
Current Position	• Member of the Board of Directors - EDP Renováveis, S.A.
Academic Qualifications	• Executive Education Program – Harvard Business School (2021) • MBA - INSEAD Fontainebleau (2000) • Economics Degree and Post-Graduate Degree - Nova University, Lisbon (1996 and 1998)
Skills and Experience	• Member of Executive Board of Directors – EDP - Energias de Portugal S.A. (current) • CEO – EDP Comercial – Comercialização de Energia, S.A. (current) • CEO – Fundação EDP (current) • Member of Board of Directors – EDP Energias do Brasil, S.A. (current) • Member of Board of Directors – EDP España S.A.U. (current) • Executive Vice-President and General Director Portugal & Spain and Member of Executive Leadership Team Europe & Africa – Fox Networks Group (2014-2018) • Member of Board of Directors – Pulsa Media (2014-2018) • Head of TV Business Unit – MEO (2007-2014) • Head of TV Business Unit – TV Cabo – PT Multimédia (2003-2007) • Founder – Innovagency Consulting (2001-2003) • Mercer Management Consulting (today Oliver Wyman) (1996-1999)
Current Main External Appointments	• Board Member – Charge Up Europe • Board Member – Fundação Alfredo de Sousa • Board Member – Portuguese Institute of Corporate Governance



Full Name	ANA PAULA MARQUES
Position	• Member of Board of Directors - EDP Renováveis, S.A.
Academic Qualifications	• Executive Education Program – IMD in Lausanne and Harvard Business School (2009, 2008, 2005) • MBA – INSEAD (2002) • Degree in Economics – Faculdade de Economia do Porto (1991-1996)
Skills and Experience	• Member of Executive Board of Directors – EDP - Energias de Portugal S.A. (current) • CEO – EDP - Gestão da Produção de Energia, S.A. (current) • CEO – EDP España, S.A.U. (current) • CEO – EDP Labelec - Estudos, Desenvolvimento e Actividades Laboratoriais, S.A. (current) • Chairman of Board of Directors – EDP Inovação, S.A.(current) • Member of Board of Directors – EDP Energias do Brasil, S.A. (current) • Executive Vice-President – NOS (2019-2021) • Executive Board Member – NOS (2013-2019) • Non-Executive Board Member – SportTV (2016-2020) • President – APRITEL (Portuguese Association of Telecom Operators) (2011-2014) • Executive Board Member – Optimus (2010-2013) • Marketing and Sales Director (Mobile Residential Business Unit) and Brand Director – Optimus (2002-2008) • SMEs Business Unit Director – Optimus (1998-2001) • Marketing – Procter & Gamble (1996-1998)
Current External Appointments	• Board Member – Eurelectric • President of the Board – Elecpor • Member of the Executive Committee - AELEC • Board Member – ENERCLUB • Member of the Executive Committee - Enerclub (Club Español de la Energía) • Board Member – COTEC Portugal • Board Member – Portuguese Institute of Corporate Governance • Board Member – Porto Business School • Guest Professor – Faculdade de Economia do Porto & Porto Business School



Full Name	MIGUEL NUNO SIMÕES NUNES FERREIRA SETAS
Position	• Member of the Board of Directors - EDP Renováveis, S.A.
Academic Qualifications	• Executive Training – Harvard, Wharton, IESE, CEIBS (2019) • MBA – Nova University, Lisbon (1996) • Electrical and Computing Engineering Masters – Instituto Superior Técnico (1995) • Physics Engineering Degree – Instituto Superior Técnico (1993)
Skills and Experience	• Member of Executive Board of Directors – EDP - Energias de Portugal S.A. ("EDP") (current) • Chairman of Board of Directors – EDP - Energias do Brasil, S.A. (current) • Chairman of Board of Directors – EDP Redes España (current) • Member of Board of Directors – EDP España, S.A.U. (current) • Member of Executive Board of Directors – EDP (since 2015) • CEO – EDP – Gestão da Produção de Energia, S.A. (2020-2021) • CEO – EDP Energias do Brasil, S.A. (2014-2021) • Vice-Chairman of Board of Directors – EDP - Energias do Brasil, S.A. (2008-2013) • Member of Executive Board of Directors – EDP Inovação, S.A. (2007-2008 and 2012-2014) • Member of Executive Board of Directors – EDP Comercial – Comercialização de Energia, S.A. (2007-2008) • Chief of Staff to the CEO – EDP - Energias de Portugal, S.A. (2006-2007) • Member of Board of Directores – Comboios de Portugal (2004-2006) • Strategic Marketing Director – Galp Energia (2001-2004) • Member of Executive Board of Directors – Lisboagás (2000-2001) • Member of Board of Directors – Setgás (1999-2001) • Corporate Director – GDP Gás de Portugal (1998) • McKinsey & Company (1995-1997)
Current External Appointments	• Vice-Chairman of the Board – BCSD Portugal • Independent Board Member of the Brazilian Petroleum and Gas Institute



Full Name	MANUEL MENÉNDEZ
Position	• Member of the Board of Directors – EDP Renováveis, S.A.
Academic Qualifications	• PhD in Economic Sciences - University of Oviedo • Degree in Economics and Business Administration -University of Oviedo
Skills and Experience	• CEO – Unicaja Banco, S.A. • CEO - Liberbank, S.A. • Chairman - Cajastur • Chairman - EDP España, S.A.U. • Chairman - Naturgás Energía Grupo, S.A. • Member of the Board - Confederación Española de Cajas de Ahorro (CECA) • Member of the Board - AELÉC • Member of the Board of Directors - EDP Renewables Europe, S.L.U. • University Professor in the Department of Business Administration and Accounting - University of Oviedo
Current External Appointments	• CEO – Unicaja Banco, S.A.



Full Name	ACÁCIO PILOTO
Position	• Member of the Board of Directors – EDP Renováveis, S.A. • Chairman of the Audit, Control and Related-Party Transactions Committee – EDP Renováveis, S.A.
Academic Qualifications	• Trainee – International Division of Bayerische Hypoteken und Wechsel Bank • Professional education courses mostly in banking, financial and asset management – International Banking School, the Asset and Liability Management Program (Merrill Lynch International) and the INSEAD Executive Program (Fontainebleau) • Executive Program on Corporate Governance and Leadership of Boards – Nova SBE • Post- Graduate degree in European Community Competition Law – Max Planck Institut • Post-Graduation in Economic Law – Ludwig Maximilian University (Scholar Hanns Seidel Foundation, Munich) • Degree in Law – Lisbon University
Skills and Experience	• International Division – Banco Pinto e Sotto Mayor • International and Treasury Division – Banco Comercial Português • Head – BCP International Corporate Banking • Member of the Executive Committee – AF Investimentos SGPS • Chairman & CEO – AF Investimentos SGPS group companies: AF Investimentos, Fundos Mobiliários; AF Investimentos, Fundos Imobiliários; BPA Gestão de Patrimónios; BCP Investimentos International; AF Investimentos Internacional and Prime International • Member – BCP Group Investment Committee • Executive Board Member – BCP – Banco de Investimento, in charge of Investment Banking • Treasurer and Head of Capital Markets – Millennium BCP Group • Millennium BCP Chair – Group ALCO • CEO – Millennium Gestão de Ativos SGFIM • Chairman & CEO – Millennium SICAV, Luxembourg • Chairman & CEO – BII International, Luxembourg • Member of the Board of Directors and Member of the Audit Committee – INAPA IPG, S.A. • Member of the Supervisory Board and Chairman of the Risk Committee – Caixa Económica Montepio Geral. • Member of the Nominations and Remunerations Committee – EDP Renováveis, S.A. • Member of the Related-Party Transactions Committee – EDP Renováveis, S.A.
Current External Appointments	• Member of the General Board – Instituto Português de Corporate Governance (representing EDP Renováveis, S.A.)



Full Name	ALLAN KATZ
Position	• Member of the Board of Directors – EDP Renováveis, S.A.
Academic Qualifications	• JD – Washington College of Law at American University in Washington DC (1974) • Degree – UMKC (1969)
Skills and Experience	• National Director of the Public Policy practice group –firm of Akerman Senterfitt • Assistant Insurance Commissioner and Assistant State Treasurer – State of Florida • Legislative Counsel – Congressman Bill Gunter and David Obey • General Counsel – Commission on Administrative Review of the US House of Representatives • Member of the Board – Florida Municipal Energy Association • President – Brogan Museum of Art & Science in Tallahassee, Florida • Board member – Junior Museum of Natural History in Tallahassee, Florida City of Tallahassee Commissioner • First Chair – State Neurological Injury Compensation Association • Member – State Taxation and Budget Commission • City of Tallahassee Commissioner • Ambassador of the United States of America to the Republic of Portugal • Distinguished Professor – University of Missouri Kansas City • Board Member – International Relation Council of Kansas City
Current External Appointments	• Founder – the American Public Square • Executive Committee Chair of the Academic and Corporate Board – ISCTE Business School in Lisbon Portugal • Board Member – WW1 Commission Diplomatic Advisory Board • Creator – Katz, Jacobs and Associates LLC (KJA) • Frequent speaker and moderator on developments in Europe and on American Politics



Full Name	ROSA MARÍA GARCÍA
Position	• Member of the Board of Directors – EDP Renováveis, S.A. • Member of the Audit, Control, and Related Party Transactions Committee – EDP Renováveis, S.A. • Member of the Appointments, Remunerations and Corporate Governance Committee – EDP Renováveis, S.A.
Academic Qualifications	• Bachelor's degree in Mathematics – Universidad Autónoma de Madrid
Skills and Experience	• She has more than thirty years of international experience in the fields of Information Technology, Energy, Infrastructure, and Manufacturing. The majority of her career was spent at Microsoft and at Siemens • Director of Corporate Strategy – Microsoft working at the company's headquarters in Redmond United States (1996–1999) • General Manager – Microsoft Worldwide Partner Group. She directed Microsoft's worldwide strategy for more than 640,000 independently owned-and-operated partner companies (1999–2002) • Executive Chair – Microsoft in Spain (2002–2008) • Consumer & Online Vice-President – Microsoft Western Europe (2008– 2011) • Executive Chair – Siemens in Spain (2011–2018) • Non-Executive Chair – Siemens Gamesa immediately after the merger of Siemens Wind Power and Gamesa (2017–2018) • She has more than ten years of experience as a Non-Executive Director of the Board for several IBEX companies including Banesto, Bolsas y Mercados Españoles, Acerinox and Bankinter. In every company, she has been either a member of the audit and control committee or of the nominations and remuneration committee • Non-Profit work: Member of the Board at the Asociación para el Progreso de la Dirección (2002–2019). President of the German Chamber of Commerce in Spain (2016–2018). Member of the Advisory Board for the Universidad Europea de Madrid and Vice-president of Consejo Social de la Universidad Carlos III de Madrid (2008–2018) • Awarded by AED (the most prestigious Spanish CEO association) as "Spanish CEO of the Year" • Awarded by the President of Germany the Cross of Merit, one of the highest civilian honor that can be granted in the country
Current External Appointments	• Member of the Board – Mapfre and Sener • Non-Executive Chair – Exolum



Full Name	JOSÉ MANUEL FÉLIX MORGADO
Position	• Member of the Board of Directors - EDP Renováveis S.A. • Member of the Audit, Control, and Related Party Transactions Committee - EDP Renováveis S.A. • Member of the Appointments and Remunerations Committee - EDP Renováveis, S.A. • Member of the ESG Committee - EDP Renováveis, SA
Academic Qualifications	• Postgraduate degree in Corporate Governance - Universidade de Lisboa – Law Department and the International Directors Programme – IDP Certification Corporate Governance at INSEAD in Fontainebleau • Degree in Business and Management - Universidade Católica
Skills and Experience	• Employed in the investment banking arm of Midland Bank and HSBC (1984) • Joined BCP Investimento in Lisbon as an investment banker and within Banco Comercial Português (1997-1999) • Member of the Board and Chief Financial Officer - Seguros e Pensões SGPS, and member of the board of the insurance companies of the group in Portugal and Mozambique as well as Chairman of the Board of Império Vida y Diversos, SA (2000-2005) • Vice President and Chief Financial Officer - ONI SGPS (2005-2007) • CEO - INAPA IPG SGPS (2007-2015) • Chairman - EUGROPA, European Paper Merchant Association in Brussels (2012-2015) • Board Member – REN - Redes Energéticas Nacionais SGPS (2011 – 2012) • Chairman of the Board - OZ Energia SA (2011-2015) • CEO - Banco Montepio (2015 – 2018) • Member of the Board - Associação Portuguesa de Bancos (2015 – 2018)
Current External Appointments	• Chairman of the Board – VERLINGUE - Corretores de Seguros • Member of the Board - NORFIN – SGOIC • Corporate Governance adviser of family-owned groups



Full Name	KAY McCALL
Position	• Member of the Board of Directors – EDP Renováveis, S. A.
Academic Qualifications	• Juris Doctor and Bachelor of Arts degrees – University of Houston • Certificates in Sustainable Energy Development (2020), ESG for Energy Companies (2021) and the Hydrogen Economy (2021) –University of Houston
Skills and Experience	• Senior energy industry executive – with broad expertise, including strategy, operational optimization, acquisitions, and governance; with more than a decade of experience in the renewable energy industry working in the conventional power, engineering and construction, and capital equipment manufacturing industries • President, CEO and Board Member – Noble Environmental Power, LLC (2010–2018), a wind energy company backed by private equity • Senior Vice President, General Counsel and Chief Compliance Officer – Noble Environmental Power, LLC (2008–2010) • Member of the leadership team entrusted with addressing global governance and compliance issues – General Electric Company
Current External Appointments	• Chairperson Board of Directors – Flexitallic Group • Chairperson Board of Directors – Renewable Energy Alliance Houston • Board member, Clean Energy Services LLC • Member of the Board of Advisors – University of Houston Bauer College of Business – Gutierrez Energy Management Institute • Guest lecturer – on topics of leadership in energy at Texas A&M University, Rice University, and the University of Houston



Full Name	MARÍA GONZÁLEZ RODRÍGUEZ
Position	• Secretary of the Board of Directors – EDP Renováveis, S.A.
Academic Qualifications	• Bachelor of Laws (LL.B.) and Bachelor Degree in Economics – Universidad Pontificia de Comillas (ICADE) • Executive Program – IE Business School • International Directors Program – INSEAD
Skills and Experience	• Between 1997 and 2000 she worked as Corporate Lawyer at the Madrid office of Squire, Sanders & Dempsey LLP (American law firm) • Between 2000 and 2008 she worked as Senior Lawyer at Duro Felguera, S.A. (Spanish EPC contractor, listed at the Spanish Stock Exchange) being responsible for its international legal area • Joined EDPR in 2008 and has since then worked at the General Secretary area, serving from 2019 as Vice-Secretary of the Board of Directors and Board Committees • Member and/or Secretary of several Boards of Directors of EDPR's subsidiaries • Executive Director – EDPR Legal Department, in charge of the Legal Business Development area which manages Procurement, Finance and Energy Management legal activities of EDPR in all its geographies
Current External Appointments	–

Annex II

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 December 2022 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 December 2022 EDP Renováveis Group had an effective system of internal control over financial reporting.

The SCIRF of EDP Renováveis Group at 31 December 2022 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

Miguel Stilwell De Andrade



Chief Financial Officer

Rui Manuel Rodrigues Lopes Teixeira

Independent Reasonable Assurance Report On The Design And Effectiveness Of The System Of Internal Control Over Financial Reporting (SICFR)

To the Board of Directors of EDP Renováveis, S.A.:

We have carried out a reasonable assurance engagement to report on the design and effectiveness of the System of Internal Control over Financial Reporting (hereinafter SICFR) and the description thereof included in the accompanying Report that forms part of the corresponding section of the Corporate Governance Report, prepared in accordance with applicable Portuguese legislation, of the consolidated management report accompanying the consolidated financial statements of EDP Renováveis, S.A and subsidiaries (hereinafter the EDRP Group) at 31 December 2022. This system is based on the criteria and policies defined by the EDPR Group pursuant to the guidance of the *Committee of Sponsoring Organizations of the Treadway Commission* (COSO) provided in its "*Internal Control-Integrated Framework*" report.

A System of Internal Control over Financial Reporting is a process designed to provide reasonable assurance on the reliability of financial information, in accordance with the applicable financial reporting framework and includes those policies and procedures that: (i) permit the maintenance, in reasonable detail, of records that accurately reflect the transactions performed; (ii) provide reasonable assurance that the transactions are appropriately recorded to permit the preparation of financial information, in accordance with the applicable financial reporting framework and that these transactions are only performed pursuant to the pertinent authorisation; and (iii) provide reasonable assurance in relation to the timely prevention or detection of unauthorised acquisitions, use or disposals of the Group's assets which could have a material effect on the financial information.

Inherent limitations

In this respect, it should be borne in mind that in view of the inherent limitations of all Systems of Internal Control over Financial Reporting, irrespective of the quality of their design and operation, they may only provide reasonable assurance but not absolute assurance, in relation to the objectives pursued. Therefore errors, misstatements or fraud may not be detected. Also, projections of any evaluation of the internal control to future periods are subject to the risk that controls may become inadequate because of future changes in applicable conditions or that the degree of compliance with the policies or procedures may deteriorate.

Responsibility of the Directors

The directors of EDP Renováveis, S.A. are responsible for taking the measures that are necessary to reasonably ensure the implementation, maintenance and supervision of an adequate system of internal control over financial reporting, as well as for the development of improvements to this system and the preparation and generation of the content of the accompanying Information concerning the SICFR.

Our responsibility

Our responsibility is to issue a reasonable assurance report on the design and effectiveness of the System of Internal Control over Financial Reporting of the EDPR Group, based on the work carried out and evidence obtained. We have performed our reasonable assurance engagement in accordance with International Standard on Assurance Engagements 3000 (ISAE 3000) (Revised), "Assurance Engagements other than Audits or Reviews of Historical Financial Information", issued by the International Auditing and Assurance Standards Board (IAASB) of the International Federation of Accountants (IFAC).

R. M. Madrid, hoja 87.250-1, folio 75, tomo 9.267, libro 8.054, sección 3ª.
Inscrita en el R.O.A.C. con el número S0242 - CIF: B-79 031290

A reasonable assurance engagement includes understanding the System of Internal Control over Financial Reporting, assessing the risk that there may be material internal control weaknesses, and that controls are not adequately designed or do not operate effectively, performing tests and evaluations of the design and effective application of that system, based on our professional judgement, and carrying out those other procedures which may be considered necessary.

We consider that the evidence obtained provides a sufficient and appropriate basis for our opinion.

Independence and Quality Control

We have complied with the independence requirements and other ethical requirements of the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (the IESBA Code), which is based on the fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

Our firm applies the International Standard on Quality Control 1 (ISQC 1) and therefore has in place a comprehensive quality control system which includes documented policies and procedures designed to ensure compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Opinion

In our opinion, at 31 December 2022 the EDPR Group maintained, in all material respects, an effective System of Internal Control over Financial Reporting for the year ended 31 December 2022, which is based on the criteria and policies defined by EDPR Group management in accordance with the guidance from the *Committee of Sponsoring Organizations of the Treadway Commission* (COSO) provided in its "*Internal Control – Integrated Framework" report.*

Similarly, the description of the accompanying SICFR Report at 31 December 2022 has been prepared, in all material respects, in accordance with the requirements established in the IPCG Code of Recommendations and Appendix I of CMVM Regulation No. 4/2013 for the purposes of describing SICFR in Corporate Governance Reports.

Our work does not constitute an audit and is not subject to prevailing auditing regulations in Spain. We do not therefore express an audit opinion in the terms envisaged in said Law.

PricewaterhouseCoopers Auditores, S.L.

Iñaki Goiriena Basualdu

28 February 2023

Our action



Remuneration Report

6

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Remuneration Report

In compliance with both the Portuguese Securities Code, and the Spanish Companies Act, EDP Renováveis S.A. ("EDPR" or "Company") issues this Remuneration Report with the aim to provide a comprehensive view of the remuneration received by the members of its Governing Bodies, including all benefits, regardless of their form, attributed or due during the 2022 financial year.

The Remuneration Policy of EDPR for 2022 was defined by its Appointments and Remunerations Committee, and presented to its Board of Director for its final approval at the Shareholders' Meeting level.

Approval procedure of the Remunerations Policy of the Board of Directors

The definition of the proposal of the Remuneration Policy for the members of the Board of Directors of EDPR is incumbent on the Appointments and Remunerations Committee which is a delegated body of the Board of Directors, that in order to avoid any conflict of interest, is entirely composed by non- executive and independent members. Under such competences this Committee takes the responsibility for proposing to the Board of Directors the determination of the remuneration of the Executive Directors of the Company; the Remuneration Policy, the evaluation and compliance of the KPI's (Key Performance Indicators); the annual and multi annual variable remuneration, and also proposes the remuneration of the Non-Executive Directors and members of the Board Committees.

As such, this Committee prepares a proposal that defines the remuneration to be attributed to Directors, with the purpose that it reflects the performance of each of them, establishing for the Executive Directors a variable component which is consistent with the maximization of the Company's long term performance (variable annual and multi-annual remuneration for a three-year period), for the achievement of the most challenging objectives of the business plan, thereby guaranteeing the alignment of the performance of the governing bodies with the interests of the shareholders.

The Board of Directors is responsible for the approval of the above-mentioned proposals except to the extent it concerns the Remuneration Policy which is approved by the General Shareholders' Meeting as an independent item of the agenda.

As a Company integrated in a multinational business group, EDPR aims to maintain a solid culture that ensures the management, monitoring, control and supervision of the risks that the Group, its shareholders, employees, customers and, in general, all its stakeholders face, including those arising from the remuneration systems it adopts. EDPR adopts the transversal remuneration practices applied in EDP group, consistent and based on common principles that comply with the regulations applicable in the jurisdictions where it operates.

As such, the remuneration systems applied, including those applicable to the Executive Directors, are defined to promote a culture of merit and high performance that ensures that people and teams are recognized, encouraged and awarded on the basis of responsibility, availability, loyalty and competence placed at Group's service, ensuring actions aligned with the long-term interests of shareholders and promoting sustainable initiatives.

The proposal for remuneration policy of the Executive Directors also aimed at simplifying, and provide transparency and clarity, favouring a complete understanding of the framework of principles and rules that constitute it, and which will be applied and evaluated by the Appointments and Remunerations Committee.

Definition, revision and renewal of the Policy

The definition of the Remuneration Policy of EDPR is submitted for approval by the General Meeting, on a proposal from the Board of Directors, based on the proposal presented by the Appointments and Remunerations Committee. Likewise, and in line with EDP Group corporate governance practices, EDPR has signed an 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 (Executive and Non-Executive) to the extent their services are devoted to EDPR; and the Audit, Control and Related Party Transactions Committee (which is also entirely composed by non-executive and independent members) is involved in any revision and/or amendment of this agreement.

The definition and possible proposals for revision of the Remuneration Policy by the Appointments and Remunerations Committee are based on the articulation of EDPR long-term objectives, measured according to its strategic plan at all times, in the conclusions of comparative remuneration studies with national listed companies and with foreign sectoral

peers and on an articulation of principles with the remuneration plan of other employees of the Group.

The Appointments and Remunerations Committee may hire the external consultants and support necessary for the performance of comparative remuneration studies within the framework of directors' remuneration policies, assessing their conditions of independence for the provision of the services that may be requested.

Regulatory Framework and principles of the Remuneration Policy applied in 2022

EDPR is a Spanish Company listed in a regulated stock exchange in Portugal. The corporate organization 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"). 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 Remuneration Policy applied in 2022 (duly approved by its Shareholders' Meeting) complies with Article 26 - C of the Securities Code (as amended by Law No. 99 A/2021 of 31st December), with article 529 novodecies of the Spanish Companies Act, with the IPCG Corporate Governance Code adopted by EDPR and with the international good practices, being aligned and consistent with the remuneration policy and remuneration practices applied to all employees of the Group.

Total remuneration, and the remuneration model in general, should be competitive, aligned with the practices of the international electricity sector and the renewables market, facilitating the attraction and retention of talent, and the commitment to the challenges and ambitions of the company.

A. Remuneration structure and disclosure

Pursuant to Article 26 of the Company's Articles of Association the Directors shall be entitled to a remuneration which consists of a fixed amount to be determined annually by the General Shareholders' Meeting for the whole Board of Directors. This article also establishes the possibility of the Directors of receiving attendance fees or 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 remuneration policy applicable for 2022 defines a structure with a fixed remuneration for all members of the Board of Directors, whereas for the Executive Directors defines a fixed and a variable remuneration, with an annual component, and a multi-annual component.

The Non-Executive Directors only receive a fixed remuneration, which is calculated on the basis of their work exclusively as Directors or, if such is the case, considering their membership/chairmanship of the Appointments and Remunerations Committee, the Audit, Control and Related Party Transactions Committee and the Environmental, Social and Corporate Governance Committee. Except in the case of the Chairperson of the Board of Directors, the directors that are also members/chairperson of the Delegated Committees receive for these functions a complement to their fixed remuneration as members of the Board.

As already indicated, EDPR has signed a 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. In 2022 these Directors were Miguel Stilwell d'Andrade and Rui Teixeira (Executive Directors), and Vera Pinto, Ana Paula Marques and Miguel Setas (non-Executive Directors).

The total amount of the remunerations that the Company will pay to its Directors shall not exceed the amount determined by the General Shareholders' Meeting. For these purposes, the General Shareholders' Meeting held on May 13th, 2008 set a maximum annual amount for the Board of Directors for fixed remuneration of EUR 2,500,000; and at its meeting held on April 8th, 2014 also resolved to establish a maximum annual amount for variable remuneration of EUR 1,000,000 for executive directors.

For 2023 onwards, the maximum annual amount for fix and variable remuneration for the Board of Directors has been set in EUR 3,500,000 by the approval of the General Shareholders' Meeting held on March 31st, 2022. This amount results of the merge of the former EUR 2,500,000that was stablished for fix renumeration and the EUR 1,000,000 that was established for variable annual remuneration.

I) Remuneration of EDPR Directors for their functions as Members of the Board

This section includes the information regarding the remuneration received by EDPR Board members in 2022 for their functions at the Board of Directors.

a) Fixed component – base remuneration

Conditions

The fixed remuneration of the members of the Board of Directors is aligned with the basic remuneration practiced by a number of companies comparable to EDPR, the national market and the international electricity sector; in terms of size, market capitalization, risk profile, relevance and geographical implementation, while also considering, at all times, the complexity of the functions performed, the remuneration conditions of its employees and the non-increase of the average market pay gap between workers and administrators.

The Non-Executive Directors only receive a fixed remuneration, which is calculated on the basis of their work as Directors and if such is the case, a complement as Member or Chairperson of the Appointments and Remunerations Committee, the Audit, Control and Related Party Transactions Committee and/or the Environmental, Social and Corporate Governance Committee. Such amounts are cumulative, except for the Chairman of the Board of Directors who does not receive any complement derived from his role at any Committee.

Figures 2022

Hereunder it is detailed the list of EDPR Directors that composed the Board during 2022, and the amounts paid by EDPR either (i) as remuneration to them or (ii) as fee to EDP under the Management Services Agreement for their services (not remuneration), for their functions performed at the Board of Directors level:

	FIXED COMPONENT	
DIRECTOR	REMUNERATION	FEES MANAGEMENT SERVICES AGREEMENT EDP-EDPR
EXECUTIVE DIRECTORS		
Miguel Stilwell d' Andrade	-	384,000€*
Rui Teixeira	-	290,000€*
NON-EXECUTIVE DIRECTORS		
António Mota	230,000€	
Vera Pinto	-	65,000€*
Ana Paula Marques	-	65,000€*
Miguel Setas	-	65,000€*
Manuel Menéndez	65,000€	-
Acácio Piloto(**)	65,000€	-
Allan J.Katz(**)	65,000€	-
Rosa García(**)	65,000€	-
José Morgado(**)	65,000€	-
Kay Mc Call (**) (***)	37,917€	-
Joan Avalyn Dempsey (****)	*2.446€*	
Sub- Total	595,363€	869,000€
Total	1,464,363€	

*These amounts correspond to the service fee paid by EDPR to EDP under the Management Services Agreement for the services rendered in 2022 by such director. In addition, EDPR pays to EDP a 5% of such service fee which is applied to the retirement savings plan for Executive Directors described in topic 76 of this Chapter 5 of the Annual Report.

**These Directors also received remuneration for their participation in the Delegated Committees that is detailed at section A) II) of this Chapter 6 of the Annual Report.

***The remuneration reflected for this Director corresponds to 2022, provided that she was appointed by co-option on May 3rd, 2022 (with effects June 1st, 2022).

**** Joan Avalyn Dempsey presented the resignation to her positions as Board Member with effects January 13th, 2022, and therefore the amounts indicated in the table above reflect the remuneration accrued in 2022 until her resignation.

b) Variable component

Conditions

The annual variable remuneration has the nature of incentive/performance premium linked to financial and non-financial objectives (linked to the Business Plan and budget) of short-term, evaluated annually, reflecting in the year under analysis and possible repercussion in the following years, being paid in cash.

The amount of the annual performance premium shall be determined within three months of the approval of EDPR's accounts at the ordinary General Meeting in each year, by reference to the previous year/annual performance period.

Variable annual and multi-annual remuneration will be a percentage of fixed annual component, with a superior weight for multiannual vs. annual component (120% vs. 80%). Thus, the value of the variable remuneration may range between 0% and 85% of the 80% in the case of the annual variable, and between 0% and 85% of the 120% in the case of the multi-annual variable. Such percentages are applied over the gross annual fixed remuneration. According to the Remuneration Policy approved by the General Shareholders' Meeting, the maximum variable remuneration (annual and multi-annual) is applicable if all the KPI's were achieved, and the performance evaluation is equal or above 110%.

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 wilful illicit action, known after the appraisal and which endangers the sustainable performance of the company.

The key performance indicators (KPIs) used to determine the amounts of the annual and multi - annual variable remuneration for each year of the term are proposed by the Appointments, and Remunerations Committee with the aim of aligning them with the strategic pillars of the Company: growth, risk control and efficiency. The remuneration policy establishes that the indicators shall be set in accordance with 6 clusters: (i) Shareholders, (ii) People, (iii) Environment & Communities, (iv) Assets and Operations, (v) Innovation & Partners, and (vi) Clients; each of such clusters shall have at least one indicator. The KPIs considered for the variable remuneration paid in 2022 (as a result of the performance developed in 2021), as well as those to be considered in 2023 for the appraisal of the performance of year 2022, were the following:

	WEIGHT		KEY PERFORMANCE INDICATOR	CEO/CFO WEIGHT	CEO/CFO EDPR RESULTS
Total Shareholder return	15%	100%	TSR vs. Wind peers & PSI 20	100%	100%
Shareholders	80%	60%	Operatin Cash Flow (€ million)	10%	100%
			AR/Sell-down + Tax Equity (€ million)	10%	100%
			EBITDA+ sell down gains (€ million)	10%	100%
			Net Profit (€ million)	10%	100%
			Core Opex Adjusted (€ thousand/MW)	10%	100%
			Projects with FID (% of total '19-'22 additions in BP)	10%	100%
Clients		10%	Renewable Capacity Built (in MW)	10%	100%
Assets & Operations		10%	Technical Energy Availability (%)	5%	100%
			Capex per MW (€ thousand)	5%	100%
Environment & Commnunities		5%	Certified MW %	5%	100%
Innovation & part-ners		5%	H&S frequency rate (employees + contractors)	5%	100%
People[1] Management		10%	People Management	10%	100%
Remuneration Committee	5%	100%	Appreciation remuneration committee	100%	100%

[1] *The policy has considered the labour conditions and the remuneration of the Company employees in order to define its terms, and in particular, has established this KPI, that includes the results of the Climate Survey launched to the employees in which the satisfaction level with the performance and applicable conditions is reflected.*

Figures 2022

The variable remuneration only applies to Executive Directors, and the evaluation of compliance with the indicators and related level of performance is appraised by the Appointments and Remunerations Committee, which in turn submits it to the Board of Directors for approval.

- *Variable Annual*

As of December 31st 2022, the Executive Directors of EDPR were Miguel Stilwell d'Andrade and Rui Teixeira. As a result of the analysis of their performance, the following amounts were paid in 2022 by EDPR to EDP as management fee, for the variable annual component amounts accrued for their services provided in 2021:

	VARIABLE COMPONENT
DIRECTOR	FEES MANAGEMENT SERVICES AGREEMENT EDP-EDPR
EXECUTIVE DIRECTORS	
Miguel Stilwell d' Andrade	173,664.84€
Rui Teixeira	131,153.13€
Total	304,817.97€

- *Variable multiannual*

The multiannual variable component (three years) applies to Executive Directors. As the current Executive Directors of EDPR (Miguel Stilwell d' Andrade and Rui Teixeira) were appointed in 2021, no multiannual variable component was still paid to them for their functions performed at EDPR.

Non-Monetary Benefits

No non-monetary benefits are paid by EDPR to its Board Members, except for a company car for the Chairman of the Board of Directors, (whose total related cost for four years was borne and reported in 2021) and the retirement savings plan for Executive Directors referred in the following section.

Retirement Savings Plan

The retirement savings plan applicable to 2022, which is included within the Remuneration Policy applicable for 2022, was defined and proposed by the Appointments and Remunerations Committee to the Board of Directors for its submission to the General Shareholder's Meeting. For the Executive Directors of EDPR (Miguel Stilwell d' Andrade and Rui Teixeira) it was stablished in a 5% of the fixed fee under the Management Services Agreement. For the year 2022, EDPR paid a fee to EDP under the Management Services agreement of 19,200€ corresponding to the retirement saving plan of Miguel Stilwell d' Andrade, and of 14,500€ corresponding to the retirement saving plan Rui Teixeira.

II) Remuneration of EDPR Directors for their functions as Members of the Delegated Committees

Conditions

In line with Spanish Law and as specifically foreseen in Article 10 of the Company's Articles of Association, the Board of Directors of EDPR is entitled to create delegated bodies. The Board of Directors of EDPR has set up three committees that are composed exclusively by non-executive and independent members:

- Audit, Control and Related-Party Transactions Committee
- Appointments and Remunerations Committee
- Environmental, Social and Corporate Governance Committee

Except in the case of the Chairperson of the Board of Directors, the directors that are also members/chairperson of the Delegated Committees receive for these functions a complement to their fixed remuneration as members of the Board.

Figures 2022 – Audit, Control and Related Party Transactions Committee

Below the list of members of the Audit, Control and Related Party Transactions Committee as of December 31st 2022, and the amounts paid by EDPR as remuneration to them for the functions performed at this body in 2022:

COMMITEE MEMBER	POSITION	REMUNERATION
Acácio Piloto	Chairperson	50,000€
Rosa García García	Vocal	25,000€
José Félix Morgado	Vocal	25,000€

Figures 2022 – Appointments and Remunerations Committee

Below the list of members of the Appointments and Remunerations Committee as of December 31st 2022, and the amounts paid by EDPR as remuneration to them for the functions performed at this body in 2022. As indicated at the beginning of this section, the Chairman of this Committee, António Gomes Mota, does not receive a complement to its remuneration as Chairperson of the Board for the functions performed at this Committee:

COMMITEE MEMBER	POSITION	REMUNERATION
António Gomes Mota	Chairperson	0
Rosa García García	Vocal	10,000€
José Félix Morgado	Vocal	10,000€

Figures 2022 – Environmental, Social and Corporate Governance Committee

Below the list of members of the Environmental, Social and Corporate Governance Committee as of December 31st 2022, and the amounts paid by EDPR as remuneration to them for the functions performed at this body in 2022. This Committee was incorporated on October 25th, 2022, and therefore the amounts indicated reflect the remuneration perceived for the services provided to this body since that date until year end. Likewise, as indicated at the beginning of this section, the Chairman of this Committee, António Gomes Mota, does not receive a complement to its remuneration as Chairperson of the Board for the functions performed at this Committee:

COMMITEE MEMBER	POSITION	REMUNERATION
António Gomes Mota	Chairperson	0
Rosa García García	Vocal	1,667 €
José Félix Morgado	Vocal	1,667 €
Allan J.Katz	Vocal	1,667 €
Kay Mc Call	Vocal	1,667 €

B. Alignment of the application of the remuneration with the Remuneration Policy adopted. Contribution of the Remuneration Policy to the long-term performance of the Company and criteria taken into account.

In 2022, the Board of Directors Remuneration Policy in place for this term was duly applied.

As a summary of all the above breakdowns detailed, it is hereby provided a summary table including the total amounts paid by EDPR in 2022 either (i) as remuneration to them for Director functions at the Board level and Delegated Committees or (ii) as fee to EDP under the Management Services Agreement for their services (not remuneration):

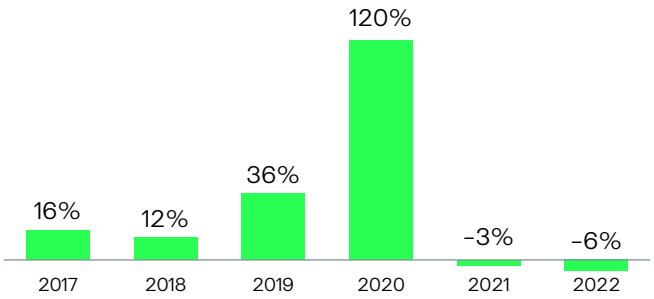
DIRECTOR	(i) REMUNERATION	(ii) FEES MANAGEMENT SERVICES AGREEMENT EDP-EDPR		
EXECUTIVE DIRECTORS		FIXED COMPONENT	ANNUAL VARIABLE COMPONENT	RETIREMENT SAVINGS PLAN
Miguel Stilwell d'Andrade	-	384,000€*	173,664.84€	19,200€
Rui Teixeira	-	290,000€*	131,153.13€	14,500€
NON - EXECUTIVE DIRECTORS				
António Mota	230,000€			
Vera Pinto	-	65.000€		
Ana Paula Marques	-	65,000€		
Miguel Setas	-	65,000€		
Manuel Menéndez	65,000€			
Acácio Piloto	120,000€			
Allan J.Katz	66,667€			
Rosa García	101,667€			
José Morgado	101,667€			
Kay Mc Call	39,583€			
Joan Avalyn Dempsey	*2,446€*			
Sub- Total 1	727,030€	869,000€	304,818€	33,700€
Sub- Total 2	727,030€		1,207,518€	
Total		1.934.548€		

The total amount paid by EDPR in 2022 either (i) as remuneration and (ii) as fee to EDP under the Management Services Agreement, for the services performed by its Directors as members of its Board (including the retirement savings plan) was of 1,629,730€, which is below the maximum amount agreed by the Shareholders' Meeting for 2022 (2,500,000€). Likewise, the total amounts that were paid as fee to EDP under the Management Services Agreement for the variable remuneration paid to the Executive Directors in 2022 was of 304,818€ which is also aligned with the maximum amount agreed by the General Shareholders' Meeting for these purposes (1,000,000€).

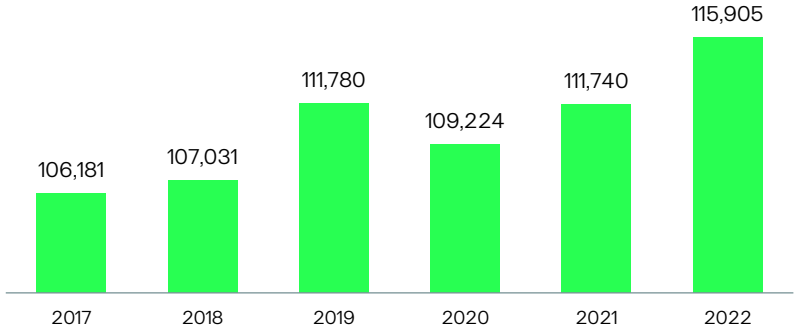
The remuneration policy adopted by EDPR for 2022 included key elements to enhance a Company's management performance not only focused on short-term objectives, but also incorporate as part of its results the interests of the Company and of shareholders in the medium and long term. These elements are: (i) the definition of the indicators in accordance with the 6 clusters, (ii) the relative weight assigned to each KPIs to calculate annual and multiannual variable remuneration (iii) the relevance associated with the achievement of such KPIs (iv) the three-year term considered for determining the value of variable multi-annual component of the remuneration (v) the deferral in three years for the payment of the variable multi-annual as recommended by CMVM as a good corporate governance practices, as well as conditioning its payment to the fact of there has not been unlawful actions known after the performance evaluated that may jeopardize the sustainability of the company's performance, (vi) the use of the qualitative criteria focused on a strategic and medium term perspective of the development of the Company, and (vii) the existence of a maximum limit for the variable remuneration.

C. Performance of the company and remuneration average of the employees

Total shareholder return



Employee average remuneration (€)



Please note that this data has been restated due to an improvement in the calculation methodology.

D. Remuneration from other Group Companies

The members of the Board of Directors as of end of December 2022 do not receive any payment from any company under EDPR control or subject to EDPR common control.

E. Share-allocation and/or Stock Option Plans

EDPR does not have any Share-Allocation and/or Stock Option Plans.

F. Refund of a variable remuneration

In line with corporate governance practices, the Remuneration Policy of EDPR 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.

G. Compliance with the applicable Policy during 2022

The remuneration policy for 2022 was applied without exceptions since its approval.

Other remunerations

i) Remuneration of the Chairman of the General Shareholders' Meeting

Since 2021, EDPR decided to adopt the general practice followed under the personal law of the Company (Spanish one) that allows the Shareholders Meeting to be chaired by the Board of Directors Chairman. Therefore, there are no additional remunerations applies for the chairmanship of the General Shareholders' Meeting, as it is performed by the Chairperson of the Board of Directors (António Gomes Mota).

ii) External Auditor remuneration in 2022 for EDP Renováveis S.A. and subsidiaries

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.

As a result of a competitive process launched in 2017, and following the proposal of the Audit, Control and Related Party Transactions Committee to the Board of Directors, PricewaterhouseCoopers Auditores, S.L. was appointed as EDPR SA External Auditor by the Shareholder's Meeting held on April 3rd, 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. The renewal of PricewaterhouseCoopers Auditores, S.L. as External Auditor of EDPR SA for years 2021, 2022 and 2023 was approved by EDPR's Shareholders Meeting on April 12th, 2021, and the audit partner in charge of EDPR is Iñaki Goiriena.

On July 2022, EDPR approved an internal regulation to rule the provision of services and relationship with the External Auditor, with regards to both audit and non-audit services to be hired, and the reporting and approval procedure to be applied. These regulations also establish the independence criteria to be considered.

Figures 2022

SERVICE	EUROPE	NORTH AMERICA	LATAM	APAC	TOTAL	%
Audit and statutory audit of accounts	1,603,000€	1,795,000€	368,000€	994,000€	4.760,000€	94.67%
Other non-audit services	218,000€	12,000€	38,000€	-	268,000€	5.33%
Total	1,821,000€	1,807,000€	406,000€	994,000€	5,028,000€	100%

The amount of other non-audit services in Europe 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 EDPR Annual Report, which are invoiced to a European company. This amount also includes the limited review as of June 30th, 2022 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.

Total amount for Europe includes 857.000 Euros of services provided by PricewaterhouseCoopers Auditores S.L. from which 676.000 Euros refer to audit services and 181.000 Euros refer to non-audit services.

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 paragraph 1 of Article 29-G of Decree-Law no. 486/99 of November 13, in sub-paragraph a) of paragraph 1 of Article 8 of the Royal Decree 1362/2007 of October 19th, and other documents relating to the submission of accounts required by current regulations (including, among others, article 253 of the *Spanish Companies' Act* and article 44 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 companies included in its scope of consolidation and the management report fairly presents the business evolution, the performance, the business results and the position of EDP Renováveis, S.A. and the companies included in its scope of consolidation, containing a description of the principal risks and uncertainties that they face.

That the Consolidated Annual Financial Statements and the Consolidated Management Report submitted, including the Non-Financial Statements, were drawn up by the Board of Directors following the single electronic format and mark up requirements set under the Commission Delegated Regulation (EU) 2019/815 of December 17th, 2018, at its meeting held on February 27th 2023.

Madrid, February 27th, 2023.

Antonio Sarmento Gomes Mota
Chairman

Miguel Stilwell de Andrade
Vice Chairman

Rui Manuel Rodrigues Lopes Teixeira
Director

Vera de Morais Pinto Pereira Carneiro
Director

Ana Paula Garrido de Pina Marques
Director

Miguel Nuno Simões Nunes Ferreira Setas
Director

Manuel Menéndez Menéndez
Director

Acácio Jaime Liberado Mota Piloto
Director

Allan J. Katz
Director

Rosa María García García
Director

José Manuel Félix Morgado
Director

Cynthia Kay Mc Call
Director

Ms. María González Rodríguez, Secretary non director of the Board of Directors of EDP Renováveis, S.A.

HEREBY CERTIFIES

That on February 27th, 2023 a meeting of the Board of Directors of EDP Renováveis, S.A. was held in Madrid, being present or represented all the Directors: Mr. Antonio Sarmento Gomes Mota, Mr. Miguel Stilwell de Andrade, Mr. Rui Manuel Rodrigues Lopes Teixeira, Ms. Vera de Morais Pinto Pereira Carneiro, Ms. Ana Paula Garrido de Pina Marques, Mr. Miguel Nuno Simões Nunes Ferreira Setas, Mr. Manuel Menéndez Menéndez, Mr. Acacio Liberado Mota Piloto, Mr. Allan Katz, Ms. Rosa María García García, Mr. José Manuel Félix Morgado and Ms. Cynthia Kay Mc Call.

That it was unanimously agreed to drawn up the Individual and Consolidated Annual Financial Statements and the Individual and Consolidated Management Report (including the Non-Financial Information Report which is incorporated in the same) of EDP Renováveis, S.A. and its subsidiaries for the fiscal year 2022, expressly stating the approval and without any disconformity being raised.

That the Individual Annual Financial Statements and the Individual Management Report submitted, were drawn up following the single electronic reporting format requirements set under the Commission Delegated Regulation (EU) 2019/815 at the referred Board of Directors meeting.

That the Consolidated Annual Financial Statements and the Consolidated Management Report (including the Non-Financial Information Report which is incorporated in the same) submitted, were drawn up following the single electronic reporting format and mark up requirements set under the Commission Delegated Regulation (EU) 2019/815 also at the referred Board of Directors meeting.

That Individual and Consolidated Annual Financial Statements and the Individual and Consolidated Management Report for the financial year 2022 submitted are consistent with those audited, and that the Auditor's Reports attached to the xHTML files (including the Independent Verification Report ("EINF") and the report about the Internal Control System over Financial Reporting ("SCIIF")) are copy of the original signed by the Auditor.

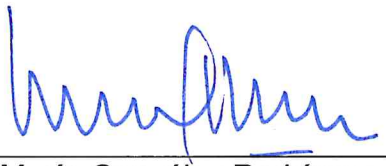
That the documentation described above was signed by all the members of the Board (either by those who were present, or by the related representatives) except in the case of Ms. Vera de Morais Pinto Pereira Carneiro; Mr. Allan J. Katz and Ms. Cynthia Kay Mc Call, that attended the meeting by video conference as permitted under the By Laws, but expressly stating their agreement with drawing up the Individual and Consolidated Accounts. In that sense, the relevant minutes contains the favorable vote of such drawing up, issued by each of the Directors

(either by those present or through the related representatives) during the meeting.

That EDP Renováveis S.A. is hereby submitting its Individual and Consolidated Annual Financial Statements and the Individual and Consolidated Management Reports for the fiscal year 2022 in ESEF format which were drawn up both in Spanish and English languages and duly drawn up by the Board of Directors of the company at its meeting held on February 27th, 2023.

This certification, the authenticity of which I hereby guarantee, is issued at Madrid on February 27th, 2023.

Secretary Non-director



María González Rodríguez

Our change



Concepts and definitions

Concepts and definitions

A

Asset Rotation

Strategy aimed at crystallizing the value of a project by selling a minority stake in an asset and reinvesting the proceeds in another asset, targeting greater growth.

Availability

The percentage of time a wind turbine is technically available to capture the wind resource and convert it to electricity.

B

Blades

The large "arms" of wind turbines that extend from the hub of a generator. Most turbines have either two or three blades. Wind blowing over the blades causes the blades to "lift" and rotate.

BOP

Balance of plant. All the supporting components and auxiliary equipment of the wind farm other than the generating unit.

BP

Business Plan.

BU

Budget.

C

CAGR

Compound annual growth rate.

Carbon leakage

Occurs when due to the higher costs related with climate change policies (for example taxes or other penalties on carbon emissions), the companies decide to move their production to countries with more relaxed policies, therefore leading to higher carbon emissions ex-post.

Capex

Capital Expenditure. Funds used by a company to acquire or upgrade physical assets such as property, industrial buildings, or equipment (ex: construction of wind farms).

Cash-flow

Amount of cash generated and used by a company in a given period. Cash flow can be used as an indication of a company's financial strength.

CfD

Contract for difference. Remuneration scheme based on the difference between the market price and an agreed "strike price" where if the "strike price" is higher than the market price, the CfD. Counterparty pays the generator the price difference.

CO_2

Carbon dioxide. A heavy colorless gas that does not support combustion, dissolves in water to form carbonic acid, is formed especially in animal respiration and in the decay or combustion of animal and vegetable matter, is absorbed from the air by plants in photosynthesis, and is used in the carbonation of beverages.

COD

Commercial Operating Date. Date at which the project starts officially operating, after the testing and commissioning period.

Core opex

Includes costs of supplies and services and with personnel, costs that are controllable by the company.

Critical suppliers

Includes suppliers of turbines, balance of plant and O&M.

Curtailment

The forced shut-down of some or all the wind turbine generators within a wind farm to mitigate issues associated with turbine loading export to the grid, or certain planning conditions. Curtailment is controlled by the regional transmission operator.

CO2e avoided (by renewables)

Emissions that would have occurred if the electricity generated by renewable energy sources in each geography was produced from the mix of thermoelectric power plants in that geography.

D

Dividend pay-out ratio.

Measures the percentage of a company's net income that is given to shareholders in the form dividends. (Total Annual Dividends per Share / Earnings per Share).

Dividend policy

Set of guidelines a company uses to decide how much of its earnings it will pay out to shareholders.

E

EBITDA

An accounting measure calculated using a company's net earnings, before interest expenses, taxes, depreciation and amortization are subtracted, as a proxy for a company's current operating profitability.

EMS

Environmental Management System. System that assures the protection of the environment through a proactive environmental management of the facilities in operation.

EPS

Earnings per share. The portion of a company's profit allocated to each outstanding share of common stock.

Equity consolidation

Accounting process of treating equity investments, in associate companies. Equity account is usually applied where the entity holds 20-50% of voting stock.

F

Feed in tariffs

Remuneration framework that guarantees that a company will receive a set price from their utility, applied to all of the electricity they generate and provide to the grid.

Financial investment

An asset in which to put money into with the expectation of obtaining gains or an appreciation into a larger sum of money.

Forex/FX

The market in which currencies are traded.

Full scope

Scheme of maintenance in which a third-party supplier is directly responsible for the full maintenance of the project. The project pays a fixed fee and assumes low risk.

G

GC

Green certificate. Tradable commodity proving that certain electricity is generated using renewable energy sources.

GCF

Gross Capacity Factor – The ratio of a site's gross output over a period of time, to its potential output if it were possible for it to operate at full capacity continuously over the same period of time.

GHG

Greenhouse gases. Gases that trap the heat of the sun in the Earth's atmosphere, producing the greenhouse effect; the two major greenhouse gases are water vapor and carbon dioxide; lesser greenhouse gases include methane, ozone, chlorofluorocarbons, and nitrogen oxides.

GO/GoO

Guarantee of Origin. Tracking instrument that guarantees that electricity has been produced from renewable energy sources. Those GO are traded and used by suppliers to sell green energy.

Gross profit

An accounting measure calculated using a company's revenue minus its cost of goods sold. Gross profit is a company's residual profit for selling a product or service and deducting the cost associated with its production and sale.

GW

Unit of electric power equal to 1,000 MW.

GWh

Equal to 1,000 MW used continuously for one hour.

H

Hedging

Risk management strategy used in limiting or offsetting probability of loss from fluctuations in the prices of commodities, currencies, or securities.

I

IFRS16

Regulatory standard of operating leases that requires the recognition of lease commitments for the entire duration of contracts into the balance sheet liabilities as well as the recognition of a new asset "Right of Use Asset" as counterparty.

Installed capacity

Capacity installed and ready to produce energy.

ISO 14001

ISO 14001:2015 – Environmental Management Certification is an international standard for designing and implementing an effective environmental management system (EMS) to enhance the company's environmental performance.

ISO 45001

ISO 45001:2018 - Specifies requirements for an occupational health and safety (OH&S) management system, and gives guidance for its use, to enable organizations to provide safe and healthy workplaces by preventing work-related injury and ill health, as well as by proactively improving its OH&S performance.

ITC

Investment tax credit. Tax incentive in the US which differ from the Production Tax Credit in the sense that the Tax Equity Investor receives a one shot tax credit that covers a percentage of the investment.

L

LCOE

Levelized cost of electricity. Provides a common way to compare the cost of energy across technologies. LCOE takes into account the installed system price and associated costs such as financing, land, insurance, transmission, operation and maintenance, and depreciation. The LCOE is a true apples-to-apples comparison of electricity costs and is the most common measure used by electric utilities or purchasers of power to evaluate the financial viability and attractiveness of a wind energy project.

M

M3

Modular maintenance model. Maintenance scheme which is halfway between the self-perform and a full scope maintenance, with some activities being performed in- house.

MW

Unit of electric power equal to 106 watts.

MWh

Equal to 106 watts of electricity used continuously for one hour.

N

Net capacity factor (NCF)

The ratio of a plant's actual output over a period of time, to its potential output if it were possible for it to operate at full nameplate capacity continuously over the same period of time. Also known as Load Factor.

Net debt

A metric that shows a company's overall debt situation calculated using company's total debt less cash on hand.

Net investment

Equals (Capex + Financial investments – Financial divestments).

O

O&M

Operations and maintenance. All the activities necessary to run the wind farm in a reliable, safe and economical way including for instance maintenance, repair, monitoring and operation.

PPA

Power purchase agreement. A legal contract between an electricity generator (provider) and a power purchaser (host). The power purchaser buys energy, and sometimes also capacity and/or ancillary services, from the electricity generator.

PTC

Production tax credit. The result of the Energy Policy Act of 1992, a commercial tax credit in the US that applies to wholesale electrical generators of wind energy facilities based upon the amount of energy generated in a year.

R

Renewable energy

Energy that is derived from resources that are regenerative or that cannot be depleted including wind energy, solar, biomass, geothermal, and moving water. Also known as alternative energy.

REC

Renewable energy credit. Represents the property rights to the environmental, social, and other non-power qualities of renewable electricity generation. A REC can be sold separately from the electricity associated with a renewable energy generation source.

RES

Renewable energy sources.

RCF

Retained cash-flow. The amount to pay dividends to shareholders and/or to fund new investments and includes EBITDA after paying interests and tax equity investor's costs and after paying distributions to equity partners and taxes.

ROIC Cash

Return on Invested Capital (based on Cash Flows). Represents a measure of the profitability and value creation of a project or company.

RPS

Renewable Portfolio Standard. Regulation in the US that places an obligation in certain states on electricity supply companies to source a specific percentage of their energy from renewable sources.

S

Self-perform

Maintenance scheme in which all the maintenance works are done in-house which means that the project assumes the whole risk.

Sell-down

Divestment strategy by which the company sells majority stakes of projects in operation or under development to recycle capital, with up-front cash flow crystallization, and creates value by reinvesting the proceeds in accretive growth, while continuing to provide operating and maintenance services.

SF_6

Sulfur hexafluoride. Colorless, odorless, non-flammable and potent greenhouse gas which is used in the electrical industry especially in gas insulated switchgear power installations.

Solar DG

Solar Distributed Generation. Facilities that generate electricity by means of solar power through Distributed Generation (DG), a system that generates power near the point of consumption.

Solar PV

Solar photovoltaic. Plant that generates electricity by means of solar power through photovoltaics, consisting of an arrangement of several components, including solar panels to absorb and convert sunlight into electricity, a solar inverter, cables and other electrical accessories.

T

TSR

Total Shareholder Return. Measures the return that the stock provides to the shareholder, including dividends paid and the stock price appreciation.

Tax equity

Financing structure (US) where the tax equity investor contributes capital in exchange of tax benefits and cash distributions during the 1st ten years the park operates, or until investment is recovered.

TEI

Tax Equity Investor – Financing structure (US) where the tax equity investor contributes capital in exchange of tax benefits and cash distributions during the 1st ten years the park operates, or until investment is recovered.

Transition risks

Climate risks related to the transition to a lower-carbon economy, that may entail extensive policy, legal, technology and market changes to address mitigation and adaptation requirements related to climate change. Depending on the nature, speed, and focus of these changes, transition risks may pose varying levels of financial and reputational risk to organizations.

UN SDG

United Nation's Sustainable Development Goal.

W

WATT (W)

The rate of energy transfer equivalent to one ampere under an electrical pressure of one volt. One watt equals 1/746 horsepower, or one joule per second. It is the product of voltage and current (amperage). Watts are the yardstick for measuring power.

Wind energy

Power generated by converting the mechanical energy of the wind into electrical energy using a wind generator.

Wind farm

Used in reference to the land, wind turbine generators, electrical equipment, and transmission lines for the purpose of generating wind energy and alternative energy.

Y

YoY

Year-on-Year.

YTD

Year-to-date.


edp
Renewables