Welcome to your CDP Climate Change Questionnaire 2023

C0. Introduction

C0.1

(C0.1) Give a general description and introduction to your organization.

EDP – Energias de Portugal, S.A. (EDP) is a listed, multinational vertically integrated utility company, whose ordinary shares are publicly traded in the Euronext Lisbon. The company is established and headquartered in Portugal, being organized under Portuguese laws.
Throughout its more than 40 years of history, EDP has been building a relevant presence in the world energy scene, being present in 4 regional hubs (Europe, APAC, South and North America). EDP has around 13.2 thousand employees and is present throughout the whole value chain of electricity and in the activity of gas supply: power generation, distribution and supply of electricity in Portugal, Spain and Brazil, electricity transmission in Brazil and gas supply in Portugal and Spain. Through its subsidiary EDP Renewables, EDP is also one of the largest wind power operators worldwide, with on-shore wind farms in Europe (Iberian Peninsula, France, Belgium, Italy, Poland, Romania, Greece and the UK), North America (United States of America, Canada and Mexico) and South America (Brazil), and developing off-shore wind projects in Portugal, UK, Belgium, France, Poland, USA and South Korea. Additionally, EDP generates power from photovoltaic plants, either distributed or centralised, in Portugal, Spain, Italy, Romania, Poland, USA, Mexico, Brazil, Vietnam, Singapore, China, Taiwan and Thailand.
EDP supplies around 9 million customers. In 2022, the company generated about 61 TWh of electricity worldwide, of which 74% from renewable energy sources and, by year end, had an installed capacity of around 26 GW (79% renewable).
Highlighting its renewable energy portfolio, it is well positioned for the challenges of the energy transition.
EDP's vision is to be a global energy company, leading the energy transition to create superior value. Our values are Innovation, Sustainability and Humanization and our commitments are towards accelerated and sustainable growth, building a future-proof organization and ESG excellence and attractive returns.
The company assumes the power sector's key role in the transition to a low-carbon economy and sets a strategic agenda based on organic growth focused on renewables and low exposure to CO2 and sustainability risks. EDP publishes detailed information on its financial and sustainability performance and governance practices in its Integrated Annual Report, available on www.edp.com.

Key financial figures in 2022:
Turnover: EUR 20,651 million
EBITDA: EUR 4,524 million
Net profit: EUR 679 million
Net investment: EUR 4,706 million
Net debt: EUR 13,223 million
Total assets: EUR 58,816 million
ISIN: PTEDP0AM0009
SEDOL: 4103596

C0.2

(C0.2) State the start and end date of the year for which you are reporting data and indicate whether you will be providing emissions data for past reporting years.

Reporting year

Start date

janeiro 1, 2022

End date

dezembro 31, 2022

Indicate if you are providing emissions data for past reporting years

No

C0.3

(C0.3) Select the countries/areas in which you operate.

Belgium
Brazil
Canada
Chile
China
France
Greece
Italy
Mexico
Poland
Portugal
Romania
Singapore
Spain
Taiwan, China
Thailand
United Kingdom of Great Britain and Northern Ireland
United States of America

Viet Nam

C0.4

(C0.4) Select the currency used for all financial information disclosed throughout your response.

EUR

C0.5

(C0.5) Select the option that describes the reporting boundary for which climate-related impacts on your business are being reported. Note that this option should align with your chosen approach for consolidating your GHG inventory.

Financial control

C-EU0.7

(C-EU0.7) Which part of the electric utilities value chain does your organization operate in? Select all that apply.

Row 1

Electric utilities value chain

Electricity generation
Transmission
Distribution

Other divisions

Smart grids / demand response

C0.8

(C0.8) Does your organization have an ISIN code or another unique identifier (e.g., Ticker, CUSIP, etc.)?

Indicate whether you are able to provide a unique identifier for your organization	Provide your unique identifier
Yes, an ISIN code	PTEDP0AM0009

C1. Governance

C1.1

(C1.1) Is there board-level oversight of climate-related issues within your organization?

Yes

C1.1a

(C1.1a) Identify the position(s) (do not include any names) of the individual(s) on the board with responsibility for climate-related issues.

Position of individual or committee	Responsibilities for climate-related issues
Director on board	A Director on EDP's Corporate Executive Board has formal responsibility over sustainability issues (CSO), including climate change. The Director currently in charge is assigned with all the company's cross-cutting critical themes, namely risk management and sustainability. This Director is responsible for: submitting to Board's approval the company's climate targets, policies and actions; ensuring inclusion of climate risks in the company's risk profile (e.g. impact of transition risks in EDP's business as well as acute and chronic physical risks in electricity generation and distribution assets) ; integrating climate-related issues into Business Plan development and investment/divestment analysis (e.g. forecast of carbon price impact on new generation assets profitability); reporting on climate-related issues to EDP's General and Supervisory Board (GSB), the highest-level corporate body below the General Shareholders Meeting, which includes a Corporate Governance and Sustainability Committee, headed by the GSB chairman. The most relevant example of a climate-related decision made by the Board within the last two years is the establishment of the decarbonisation strategy implicit in the Strategic Updates, the last one corresponding to the Business Plan 2023-2026, supported on a coal-free decision by 2025, 100% "Green" electricity by 2030 and Net-Zero by 2040. Among other objectives, EDP committed to reduce by 95% the Group's emissions intensity (scope 1 and 2) by 2030 and 96% by 2040 from 2020 levels. EDP also committed to reduce absolute scope 3 emissions by 45% in 2030 and 90% in 2040. These targets have been approved by the Science Based Target initiative under the new Net-Zero standard.

C1.1b

(C1.1b) Provide further details on the board's oversight of climate-related issues.

Frequency with which climate-related issues are a scheduled agenda item	Governance mechanisms into which climate-related issues are integrated	Please explain
Scheduled – some meetings	Reviewing and guiding annual budgets Overseeing major capital expenditures	The Executive Board of Directors, in the person of the Director responsible for sustainability (CSO), is briefed at least monthly by the company's Corporate Sustainability Global Unit – coordinating, whenever needed, with the Corporate Risk Management Global

	Overseeing acquisitions, mergers, and divestitures Reviewing innovation/R&D priorities Overseeing and guiding employee incentives Reviewing and guiding strategy Overseeing and guiding the development of a transition plan Monitoring the implementation of a transition plan Overseeing the setting of corporate targets Monitoring progress towards corporate targets Overseeing and guiding public policy engagement Overseeing value chain engagement Reviewing and guiding the risk management process	Unit and the company's Business Units – on sustainability issues, including climate change. Reports include: i) regular updates on the implementation of the company's climate-related policies, actions and targets (e.g. performance against CO2/kWh targets in electricity generation business units; performance against client energy savings from energy services in electricity supply business unit); ii) results of in-depth climate risk analysis (e.g. extensive yearly exercise of assessing climate related risks and opportunities, aligning the climate strategy with the recommendations of the Task Force for Climate-related Financial Disclosures - TCFD; iii) inputs for analysis of investments or divestments on electricity generation, impacting business plans and annual budgets (e.g. impact of changing CO2 prices); iv) proposal for new climate policies, actions and targets, namely science-based, aligned with EDP's corporate sustainability strategy. The Executive Director in charge of sustainability regularly takes the most relevant climate-related issues to the Executive Board meetings. The Executive Director also reports on climate-related issues to EDP's General and Supervisory Board, oversees the Corporate Sustainability and Risk Management Global Units and chairs the Sustainability Committee, where the top management of the most relevant business units discuss the Group's environmental performance and its annual Operational Environment and Sustainability Plan. Additionally, The CEO and CSO chair the Environment and Sustainability Board, an external advisory Board dependent on the Executive Board of Directors, which comprises 5 experts elected at the general shareholders' meeting. This corporate body is periodically consulted for advising and supporting corporate sustainability strategy, with Climate Change being a constant issue for debate. From 2021 on, the General and Supervisory Board requires a monthly flash with the most relevant ESG performance indicators, including actual and previous year CO2 emissions (absolute and specific).

C1.1d

(C1.1d) Does your organization have at least one board member with competence on climate-related issues?

	Board member(s) have competence on climate-related issues	Criteria used to assess competence of board member(s) on climate-related issues
Row 1	Yes	The criteria used to assess the board member's competence in climate change issues is his proven experience in the field. The current Director has over 28 years of experience, 25 years of which in the energy sector. In the last 15 years, he assumed responsibilities in EDP Brasil, first as Vice-President responsible for New Business Development, Commercialization and Renewables, and in 2014 as CEO of EDP Energias do Brasil, with responsibility for its corporate sustainability office. These responsibilities included a close oversight of climate change management, both from an operational point of view (business) and from an environmental point of view (availability and impacts). He also was President of the Board of Directors of EDP Gestão da Produção de Energia, since July 2020, in Portugal. He has currently formal responsibility over the corporate sustainability and the risk global units. Additionally, the Corporate Governance and Sustainability Committee, from the General and Supervisory Board, includes an independent board member with more than 26 years of experience on sustainability issues, including climate change and energy.

C1.2

(C1.2) Provide the highest management-level position(s) or committee(s) with responsibility for climate-related issues.

Position or committee

Other C-Suite Officer, please specify

Head of Corporate Sustainability Global Unit

Climate-related responsibilities of this position

Developing a climate transition plan
Implementing a climate transition plan
Setting climate-related corporate targets
Monitoring progress against climate-related corporate targets
Managing public policy engagement that may impact the climate
Managing climate-related risks and opportunities

Coverage of responsibilities

Reporting line

Reports to the board directly

Frequency of reporting to the board on climate-related issues via this reporting line

More frequently than quarterly

Please explain

Highest-level management position (i.e below Executive Board level) for climate-related issues lies with the Head of EDP's Corporate Sustainability Global Unit (SUST). Corporate global units are structures of EDP Corporate Centre, headed by the company's most senior managers, who report directly to the company's Executive Board of Directors. The Head of the SUST is responsible for assisting the Executive Board in defining corporate sustainability policies, actions and targets, including those related to climate, and for monitoring their implementation at Business Unit level. The SUST works in close collaboration with the company's Corporate Risk Management Global Unit, thus facilitating the integration of climate-related transition and physical risks into the company's risk profile and risk management procedures (assessment, integrated analyses of return-risk, mitigation strategies and monitoring). The Head of SUST reports directly, at least monthly, to the company's Executive Board Director in charge of sustainability. Reports include updates on the implementation of climate-related policies, actions and targets (e.g. corporate CO2 reduction targets; results of in-depth climate risk analysis (e.g. value at risk from climate change-induced structural change in water and/or wind volumes, affecting the operation of renewable electricity generation assets); climate-related inputs for analysis of investments/divestments; and proposal for new climate policies, actions and targets. Another important organizational structure is the Environment and Sustainability Board (ESB), an external advisory Board dependent on the Executive Board of Directors. The ESB comprises 5 experts elected at the general shareholders' meeting. This corporate body is periodically consulted for advising and supporting corporate sustainability strategy, including climate action. The SUST also reports to the General and Supervisory Board, on a monthly basis, the ESG key performance indicators, including CO2 emissions performance.

Position or committee

Other C-Suite Officer, please specify

Head of Corporate Risk Management Global Unit

Climate-related responsibilities of this position

Assessing climate-related risks and opportunities

Managing climate-related risks and opportunities

Coverage of responsibilities

Reporting line

Reports to the board directly

Frequency of reporting to the board on climate-related issues via this reporting line

More frequently than quarterly

Please explain

Highest-level management position (i.e below Executive Board level) for climate-related risks and opportunities issues lies with the Head of EDP's Corporate Risk Management Global Unit (RISK). Corporate global units are structures of EDP Corporate Centre, headed by the company's most senior managers, who report directly to the company's Executive Board of Directors. The Head of the RISK is responsible for assisting the Executive Board in managing and assessing corporate risks and opportunities, including those related to climate, and for monitoring their implementation at Business Unit level. The RISK works in close collaboration with the company's Corporate Sustainability Global Unit, thus facilitating the integration of climate-related transition and physical risks into the company's risk profile and risk management procedures (assessment, integrated analyses of return-risk, mitigation strategies and monitoring). The Head of the RISK reports directly, at least monthly, to the company's Executive Board Director in charge of risk management. Reports include updates on in-depth climate risk analysis (e.g. value at risk from climate change-induced structural change in water and/or wind volumes, affecting the operation of renewable electricity generation assets), which is carried out on a yearly basis involving all relevant business units.

C1.3

(C1.3) Do you provide incentives for the management of climate-related issues, including the attainment of targets?

	Provide incentives for the management of climate-related issues	Comment
Row 1	Yes	Incentives apply to the members of the Executive Board of Directors, Business Units managers, as well as all employees. Please see description of incentives in question C1.3a

C1.3a

(C1.3a) Provide further details on the incentives provided for the management of climate-related issues (do not include the names of individuals).

Entitled to incentive

Board Chair

Type of incentive

Monetary reward

Incentive(s)

Bonus - % of salary

Performance indicator(s)

Board approval of climate transition plan
Achievement of a climate-related target
Company performance against a climate-related sustainability index (e.g., DJSI, CDP Climate Change score etc.)
Other (please specify)
Increased share of renewable electricity in power generation

Incentive plan(s) this incentive is linked to

Both Short-Term and Long-Term Incentive Plan

Further details of incentive(s)

The CEO and the other members of EDP's Executive Board of Directors (EBD), in accordance with EDP's policy of remuneration for EBD members, have their variable annual performance factored into the Group's sustainability performance based on the Dow Jones Sustainability Index score and their multiannual variable remuneration based on: i) CO2 emissions reduction; and ii) increased share of renewable energy production. These incentives plans have already been enforced since 2007) and are independent from the business plan update cycle. Given the specificity of the targets, climate related and embedded in the company's strategy, and that are linked to these incentive plans, it is likely that this approach will be followed in the long term.

Explain how this incentive contributes to the implementation of your organization's climate commitments and/or climate transition plan

These KPIs include, among others, the attainment of the explicit CO2 reduction targets committed by the company and the alignment with the TCFD recommendations. These targets are operationalized through the commitments made in the Business Plan 2023-26 and reinforced in EDP's Climate Transition Plan:
1- Coal-free by 2025;
2- All green by 2030;
3- 95% CO2 emissions intensity (scope 1 and 2) reduction by 2030;
4- Net-zero by 2040.

Entitled to incentive

Business unit manager

Type of incentive

Monetary reward

Incentive(s)

Bonus - % of salary

Performance indicator(s)

Company performance against a climate-related sustainability index (e.g., DJSI, CDP Climate Change score etc.)

Incentive plan(s) this incentive is linked to

Both Short-Term and Long-Term Incentive Plan

Further details of incentive(s)

EDP has a KPIs evaluation model (perform - structure), approved for the FY2022, establishing that the business units and teams are evaluated through structured KPIs, organized in three clusters, with defined weights and goals: 1. Attractive returns (60%); 2. ESG excellence (20%); 3. Future-proof people & organization (20%). As far as climate change is concerned, all EDP employees have monetary compensation linked to two KPIs:
- Sustainability Performance Index based on the combined score in the following indices: DJSI, FTSE4Good, MSCI and Sustainalytics.
- CDP/TCFD: CDP Climate Change performance, with overall score A as the baseline, and depending on the scoring level (A, A- ou B) in the 11 categories' scores.
Given the track-record of participation in these indexes and the relevance that they pose to EDP's sustainability strategy, it is likely that this approach will be followed in the long term.

Explain how this incentive contributes to the implementation of your organization's climate commitments and/or climate transition plan

These KPIs include, among others, the attainment of the explicit CO2 reduction targets committed by the company and the alignment with the TCFD recommendations. These targets are operationalized through the commitments made in the Business Plan 2023-26 and reinforced in EDP's Climate Transition Plan:
1- Coal-free by 2025;
2- All green by 2030;
3- 95% CO2 emissions intensity (scope 1 and 2) reduction by 2030;
4- Net-zero by 2040.

Entitled to incentive

All employees

Type of incentive

Monetary reward

Incentive(s)

Bonus - % of salary

Performance indicator(s)

Company performance against a climate-related sustainability index (e.g., DJSI, CDP Climate Change score etc.)

Incentive plan(s) this incentive is linked to

Both Short-Term and Long-Term Incentive Plan

Further details of incentive(s)

As far as climate change is concerned, all EDP employees have monetary compensation linked to two KPIs:

- Sustainability Performance Index based on the combined score in the following indices: DJSI, FTSE4Good, MSCI and Sustainalytics.
- CDP/TCFD: CDP Climate Change performance, with overall score A as the baseline, and depending on the scoring level (A, A- ou B) in the 11 categories' scores.
Given the track-record of participation in these indexes and the relevance that they pose to EDP's sustainability strategy, it is likely that this approach will be followed in the long term.

Explain how this incentive contributes to the implementation of your organization's climate commitments and/or climate transition plan

These KPIs include, among others, the attainment of the explicit CO2 reduction targets committed by the company and the alignment with the TCFD recommendations. These targets are operationalized through the commitments made in the Business Plan 2023-26 and reinforced in EDP's Climate Transition Plan:
1- Coal-free by 2025;
2- All green by 2030;
3- 95% CO2 emissions intensity (scope 1 and 2) reduction by 2030;
4- Net-zero by 2040.

C2. Risks and opportunities

C2.1

(C2.1) Does your organization have a process for identifying, assessing, and responding to climate-related risks and opportunities?

Yes

C2.1a

(C2.1a) How does your organization define short-, medium- and long-term time horizons?

	From (years)	To (years)	Comment
Short-term	0	4	Focus is until 2025. Timeframe allows foresight of the most immediate consequences of possible transition and physical risks and opportunities.
Medium-term	4	10	Focus is until 2030. Timeframe allows foresight of possible transition and physical risks and opportunities, with an impact on the company's strategy. Currently, this time horizon corresponds to the 2025-2030 period, for which EDP still has several targets defined.
Long-term	10	30	Focus is on the long-term company strategy (until 2050). Long-term horizon corresponds to the period between 2030 and 2050. This timeframe is in line with the global objective set by the Paris Agreement to avoid dangerous climate change by limiting global

			warming to well below 2°C and pursuing efforts to limit it to 1.5°C, in the second half of the century. It foresees long-term structural risks and opportunities for the company. For the transition risks/opportunities, the focus is mainly on how governments can structure viable roadmaps towards carbon neutrality (policies and regulation) and the role companies such as EDP can play in supporting this transition with the knowledge and the technology required to deliver these roadmaps, under certain economic conditions. For the physical risks and opportunities, the main driver is resilience. Anticipate and adapt to what can be the consequences of structural changes in climate patterns, such as chronic physical impacts which are not immediate and can only be truly assessed in the long-term.

C2.1b

(C2.1b) How does your organization define substantive financial or strategic impact on your business?

A substantive financial impact with materiality for EDP Group considers risks over 1M€, equivalent to around 1% of the business activity with lower EBITDA. This ensures that all relevant risks, as of today and prospectively, are included.

EDP Group is composed of several business units across the energy market value chain (generation, transmission, distribution, retail & services). Each business has its own particularities and climate risks. Recognizing the relevance of climate change impacts in its businesses, EDP established an annual procedure for the climate risks and opportunities assessment in order to know more about its climate resilience and adjust strategic plans accordingly. The climate-related risks quantification process considers expected loss (average scenario) and maximum loss (worst case scenario), which allows for the prioritization of risks according to their materiality, across different timeframes and different climate scenarios (based on a bundle of international scenarios, namely IEA, Aurora, Baringa, among others, and IPCC-RCP climate scenarios).

Because all BUs have their own realities and risks, the assessment of climate risks is the result of individual assessments at BU level, which are consolidated at Group level prioritizing the most relevant climate risks and opportunities.

In terms of quantification, for each BU a substantive financial annual impact considers risks over 1M€.

EDP discloses risks publicly broke down by the level of impact expected in its annual EBITDA in three categories: <50M€, 50-100M€ and >100M€.

As an example, a climate risk with relevant impact is the chronic risk of average precipitation decrease impacting hydropower generation. This risk affects several business units with relevant expression in EDP Group consolidated EBITDA (~0.5%-1% depending on the climate scenario), namely EDP Produção (Portuguese generation unit) and EDP Brasil, with a reduction of hydro plant profitability of ~10-15% in PT and ~10-40% in BR (2050 estimates). EDP's most recent assessment concluded the company is quite resilient to climate change with no risks >100M€ (~2% of 2022 EBITDA, in terms of P95%, assuming a 10y impact of RCP 2.6 scenario).

Climate risks assessment is presented to the Risk Committee and approved by the Executive Board of Directors and the conclusions are ultimately publicly reported in EDP's Sustainability Report or Annual Report according to the TCFD recommendations.

C2.2

(C2.2) Describe your process(es) for identifying, assessing and responding to climate-related risks and opportunities.

Value chain stage(s) covered

Direct operations
Upstream
Downstream

Risk management process

Integrated into multi-disciplinary company-wide risk management process

Frequency of assessment

More than once a year

Time horizon(s) covered

Short-term
Medium-term
Long-term

Description of process

Climate Risk Assessment and Quantification – it is an annual dedicated process, streamlined by the corporate Risk Management Global Unit and the corporate Sustainability Global Unit, that seeks to assess the main physical and transition climate risks and opportunities in all Business Units, in which the EDP Group has a material and consolidated turnover, namely EDP Produção, E-REDES, EDP Comercial, EDP Spain, EDP Renewables (EDPR), and EDP Brasil. The following time horizons were selected: 2025 and 2030 for transition scenarios and 2030 and 2050 for physical scenarios. The process includes:
(1) review of risk and opportunities taxonomy (based on TCFD recommendations and aligned with the corporate risk management taxonomy);
(2) definition of climate scenarios (aggregated physical and transition scenarios);
(3) definition of risk physical parameters and market variables (physical and transition);
(4) quantification through stochastic analysis of physical and transition risks and opportunities at BU level (e.g., reduction of hydro availability, increase of extreme weather events – storms, cyclones, floods, wildfires – additional taxes, exposure to litigation, uncertainty in market signs, use of new technologies, access to new markets, among others); and
(5) consolidation of results and estimation through stochastic and parametric analysis of Climate Value at Risk (EBITDA at Risk related with climate).
In addition, the Risk Management Department develop every 3-months Risk Report and

Risk Appetite Dashboard, with the aim to follow up on more volatile risks and update EDP's exposure to the key sources of risk (strategic, markets, regulatory, financial and operational). There is a follow up on climatic conditions by addressing physical and transition risks. Hereafter we present a few case studies following the STAR approach (S- Situation; T- Task; A- Action; R- Result).

Case study 1:
(S) In order to assess how precipitation will impact EDP Group business, key physical and transition variables are updated, such as annual average precipitation in mm and pool price, considering 3 different climate scenarios and over 3 different time horizons: 2025 and 2030 for transition scenarios and 2030 and 2050 for physical scenarios. (T) Once we have the new physical and transition assumptions updated, the impacted BUs consider their exposure (in terms of generation MWh planned) and quantify how their generation can be reduced given the decreasing precipitation, in average and worst-case scenario. (A) To evaluate the impact in EBITDA, the reduction previously assessed is priced by the pool price, calculating overall cost in EBITDA of precipitation reduction. (R) As result, EDP has been adjusting its portfolio, reducing its exposure to hydro generation in regions where experts are expecting a significant decrease of precipitation – in 2021 EDP sold 1.6GW of hydro generation in Portugal and in 2022 0.2GW of hydro generation in Brazil (reducing the exposure in Portugal ~25% in terms of hydro installed capacity).

Case study 2:
(S) Transition risks are more uncertain than physical risks, and however the core business of EDP is not carbon intensive, market variables change (e.g., carbon price) may test EDP's resilience (particularly EDPR). A carbon price increase will lead to a disincentive of carbon-intensive generation and a medium-term change in generation mix – prevailing renewable generation and decreasing pool price. (T) A structural decrease on price impacts the profitability of several PPA contracts that are based in assumptions of a different price evolution. (A) The end of PPAs with higher contracted price and exposure to lower market prices will reduce EDPR profitability impacting EDP Group (in 2020 EDPR had 94% of contracted generation in terms of TWh, and the BU represented ~40% of EDP Group EBITDA). Besides diversification, EDP has a continuous adjusted hedging structure to maximize value.
(R) As result, EDPR is entering in new markets (Sunseap deal in Asia & Pacific, acquiring 92.28% of stake, and a sizeable porfolio at different stages of development of about 10 GW), where business opportunities exist, and in a portfolio perspective offsetting the cost of lower value PPAs.

Case study 3:
(S) Although climate physical changes are long term, hydro availability has also a short-term impact. (T) For that reason, EDP has a periodical overview of hydro volumes (highly correlated with precipitation). (A) The periodical follows up through the processes previously described allows a structured view on trends that, accompanied with long term projections, provide hints on assets profitability/ precipitation vulnerability. (R) As result, due to high volatility on hydro plants in Portugal and in line with low risk strategic

aspirations, there was a portfolio adjustment through the sale of 1.6GW of hydro generation in 2021 in Portugal and 0.2GW of hydro generation in Brazil (reducing the exposure in Portugal ~25% in terms of hydro installed capacity).

Value chain stage(s) covered

Direct operations
Upstream
Downstream

Risk management process

Integrated into multi-disciplinary company-wide risk management process

Frequency of assessment

Annually

Time horizon(s) covered

Short-term

Description of process

Risk map (Group and Business Unit-level) – annual exercise with quarterly interim updates. Identification of the most relevant risks within budget and business plan time horizons (including business, financial, and operational) and their mapping according to expect loss (average scenario) and maximum loss (worst case scenario). The time horizon for this process is 0-4 years. This allows for the prioritization of risks according to their materiality and for the setting of a risk agenda focused on relevant topics. Climate-related strategic physical risks (e.g. structural reduction of hydro productivity) and transition risks (e.g. change in renewables support regulation; changes in CO2 trading schemes; technological breakthroughs) are assessed through sensitivity and stochastic analysis at Group level. At operational level, risks related to generation and distribution asset losses and damages from increased frequency of extreme weather events are also assessed.

Case study 1:
(S) the physical risk of hydro availability, by reduction of inflows or precipitation, (T) is assessed through stochastic simulation and/or sensitivity analysis. (A) The various paths are analysed, the value at risk for the 95% percentile is identified and its impact on EDP's EBITDA is assessed and evaluated (a reduction of 1TWh has an impact of 60M€, considering a pool price of 60€/MWh). (R) This quantification is then used to determine the price hedging strategy of the company in order to avoid the risk of having a misaligned energy integrated position. Additional mitigation measures also include geographical and technological diversification to decrease exposure, in relative terms, to hydro generation.

Case study 2:
(S) Given decarbonization ambition, the pricing CO2 is a relevant driver to force businesses to decarbonize, and EDP is exposed to this price mostly in terms of impact

in electricity pool price. (T) The price of CO2 that is identified and modelled through stochastic analysis, assuming the estimated price, and considering the volatility calculated based on its historical series. (A) The impact of the CO2 price variation is evaluated in the company's EBITDA, and its exposure to each Business Unit is also calculated. (R) As a result, energy markets risks represent more than 50% of total annual EBITDA@Risk of the Group. In terms of mitigation measures, in addition to a diversified portfolio focused on renewable energies, EDP has also in place a defined limit structure for the CO2 exposure and regularly hedges this exposure to avoid price shocks on its open position.
Besides the current response throughout the year, this analysis also informs on the risk of capital allocation and M&A strategies, that can result in the reshuffling or disposal of some assets. One example is the sale of hydro assets to reduce the exposure to hydro risk (physical risk) and the sale of CCGTs in Spain that also allows to reduce exposure to transition risks (e.g., CO2 prices) that might reduce the economic value of these assets in the future.

Value chain stage(s) covered

Direct operations
Upstream
Downstream

Risk management process

Integrated into multi-disciplinary company-wide risk management process

Frequency of assessment

Annually

Time horizon(s) covered

Short-term

Description of process

Budget – annual exercise that identifies possible transition risks for the next year with impact on EDP's results through sensitivity and stochastic analysis to several indicators (e.g., impact of hydro coefficient variation under several sensitivity scenarios). The time horizon for this process is 0-4 years.

Case study 1:
(S) the physical risk of hydro availability, by reduction of inflows or precipitation, (T) is assessed through stochastic simulation and/or sensitivity analysis. (A) The various paths are analysed, the value at risk for the 95% percentile is identified and its impact on EDP's EBITDA is assessed and evaluated (a reduction of 1TWh has an impact of 60M€, considering a pool price of 60€/MWh). (R) This quantification is then used to determine the price hedging strategy of the company in order to avoid the risk of having a misaligned energy integrated position. Additional mitigation measures also include geographical and technological diversification to decrease exposure, in relative terms, to hydro generation.

Case study 2:
(S) Given decarbonization ambition, the pricing CO2 is a relevant tool to force businesses to decarbonize, and EDP is exposed to this price mostly in terms of impact in electricity pool price. (T) The price of CO2 that is identified and modelled through stochastic analysis, assuming the estimated price, and considering the volatility calculated based on its historical series. (A) The impact of the CO2 price variation is evaluated in the company's EBITDA, and its exposure to each Business Unit is also calculated. (R) As a result, energy markets risks represent more than 50% of total annual EBITDA@Risk of the Group. In terms of mitigation measures, in addition to a diversified portfolio focused on renewable energies, EDP has also in place a defined limit structure for the CO2 exposure and regularly hedges this exposure to avoid price shocks on its open position.
Besides the current response throughout the year, this analysis also informs on the risk of capital allocation and M&A strategies, that can result in the reshuffling or disposal of some assets. One example is the sale of hydro assets to reduce the exposure to hydro risk (physical risk) in Portugal and Brazil and the sale of CCGTs in Spain that also allows to reduce exposure to transition risks (e.g., CO2 prices) that might reduce the economic value of these assets in the future.

Value chain stage(s) covered

Direct operations
Upstream
Downstream

Risk management process

Integrated into multi-disciplinary company-wide risk management process

Frequency of assessment

Every two years

Time horizon(s) covered

Medium-term

Description of process

Business Plan – bi-annual prospective exercise of the company's activity for the next 5 years, taking into account risks that may affect EDP's results, including climate-related risks. The time horizon for this process is 0-4 years. decisions, business plans and targets are defined after a structured reflection about market conditions that consider historical and prospected evolution of: transition risks, namely regulation and policies, and costs of technologies, among others; and physical risks (e.g., incl. renewable volumes). Sensitivity and stochastic analysis to EBITDA@Risk and NI@Risk according to different scenarios assumed is also performed.

As an example, the physical risk of uncertainty of hydro availability, either by reduction of inflows or precipitation, is assessed through stochastic and parametric simulation

and/or sensitivity analysis. The various paths are analysed and the value at risk for the 95% percentile is identified and its impact on EDP's EBITDA is assessed and evaluated. This quantification is then used to determine the price hedging strategy of the company in order to avoid the risk of having too large a sold position relative to own generation. Additional mitigation measures also include geographical and technological diversification to decrease exposure, in relative terms, to hydro generation.

An additional example is the price of CO2 (transition risk) that is identified and modelled through stochastic analysis, assuming the estimated price, and considering the volatility calculated based on its historical series. The impact of the CO2 price variation is evaluated in the company's EBITDA, and its exposure to each Business Unit is also calculated. In terms of mitigation measures, in addition to a diversified portfolio focused on renewable energies, EDP has also in place a defined limit structure for the CO2 exposure and regularly hedges this exposure to avoid price shocks on its open position. Besides the current response throughout the year, this analysis also informs on the risk of capital allocation and M&A strategies, that can result in the reshuffling or disposal of some assets. One example is the sale of hydro assets in Portugal and Brazil to reduce the exposure to hydro risk (physical risk) and the sale of CCGTs in Spain that also allows to reduce exposure to transition risks (e.g., CO2 prices) that might reduce the economic value of these assets in the future.

Case study 1:
(S) annually, EDP must plan its budget for the year, taking into consideration market projections and the defined strategy. (T) Projections for hydro productivity shape the hedging strategy assumed, contracting financial instruments to guarantee a stable price. (A) However, when hydro productivity is lower than expected (more common in the last years) there is a mismatch between the energy integrated position, i.e., lower hydro generation than contracted, requires to buy energy from the market with a higher price due to generation mix with more thermal. (R) As result, financial accounts at the end of the year may have a significant gap vs projections, for example in 2017 there was a very dry season in Iberia and recurring EBITDA declined 44% YoY, to €603m, due to: i) a more expensive generation mix (€34/MWh in 2017 vs. €20/MWh in 2016), stemming from the replacement of lower-cost hydro production (22% weight in generation mix in 2017 vs. 45% in 2016) by coal and CCGT's. More recently, EDP's financial performance in the 1Q2022 was strongly impacted by the extreme drought in Portugal in winter 2021/2022, the driest in the last 90 years, which resulted in a record shortfall of EDP's hydro production in the Iberian market of 2.6TWh compared to the historical average. This hydro shortfall resulted in the need to purchase electricity in the Iberian wholesale market, in order to satisfy the consumption of the customer portfolio, in a quarter of historical maximum prices (average electricity price €229/MWh in the 1Q22, a rise of 407% year-on-year). The strong increase in the cost of electricity sold, which did not impact our clients, implied a €0.4bn loss in 1Q22 in terms of EBITDA, which justifies the negative net result of -€76m recorded by EDP in the 1Q22 (a decrease of €256m year-on-year).

Case study 2:

(S) annually a sensitivity analysis is performed to pool price, within the exercise of budget. An increase on pool price may impact business profitability, considering the energy exposed to market price. (T) To reduce market risk, EDP has strategic goal for 85% contracted activity by 2025 (BP2021-2025), (A) supported by an active hedging strategy, in order to have a stabilized cash flow (in 2021 80% of EBITDA was LT contracted/ regulated). (R) Nonetheless price risk still exists and as result, in Iberia, Client solutions & Energy management platform recurring EBITDA decreased to €24m in 2021, strongly penalized by the sharp increase in energy prices in the wholesale markets, especially in 2H21, that implied a significantly higher production and sourcing costs as well as a negative mark-to-market impact on hedging contracts in energy markets.

Value chain stage(s) covered

Direct operations
Upstream
Downstream

Risk management process

Integrated into multi-disciplinary company-wide risk management process

Frequency of assessment

Annually

Time horizon(s) covered

Medium-term
Long-term

Description of process

Energy outlook scenario analysis – annual exercise performed by EDP's corporate Energy Planning Global Unit, based on World Energy Outlook scenarios, that prospects transition risks/opportunities impact for the medium (up to 2030) and long term (up to 2050). It sets scenarios according to different decarbonisation paths and defines different evolution trends for demand, fuels and CO2 prices, capacities, among others, forecasting different generation mixes, RES generation shares and capacity changes.

Case study 1:
(S) According to different climate ambitions, generation mix evolves differently. (T) Annually, EDP consults several scenario projections of global generation mix evolution and specifies it to EDP's portfolio. (A) With this analysis, managers are able to decide upon strategic investments taking into consideration market evolution, namely the prevalence of renewable generation in a climate ambitious scenario and the adjustment of investment strategy (EDP's generation investment is 85% in renewable, cumulative capex until 2026). (R) This reduces the risk of technological obsolescence and imparity of assets. Currently the portfolio is already ~56% renewable in terms EBITDA, as of end of 2022.

Case study 2:
(S) Physical risks influence the profitability of assets. (T) Assumptions of profitability of renewables for the next years shape the strategy. (A) According to scientists, hydro generation will be affected in the regions where EDP is present (mainly, Iberia and Brazil), for that reason EDP growth is focused in wind and solar generation and networks, expecting an investment of 25Bn€ in the 2023-2026 period. (R) As a result, ~80% of EBITDA is already result from renewables (excl. hydro) and networks, as of end 2022.

Value chain stage(s) covered

Direct operations
Upstream
Downstream

Risk management process

Integrated into multi-disciplinary company-wide risk management process

Frequency of assessment

Every three years or more

Time horizon(s) covered

Long-term

Description of process

Emerging risks survey – exercise developed at least every 3 years to assess main concerns of EDP Group top management for the next 10 years of the company (focused on Strategic risks). The first exercise was focused on identifying all the key trends and define a framework, based on a benchmark of several sources (internal and external), that focus on 6 dimensions: geopolitics, economic, social, technological, environmental and sectorial. In 2019 the first cyclical process for emerging risks assessment was launched, which consisted of interviews and survey to the top management, followed by the consolidation of results and comparison with external sources, and finally a definition of an action plan. Climate risks/opportunities (physical and transition) are present in several dimensions, namely increase of frequency and severity of extreme weather events such as cyclones and floods, and a structural reduction of precipitation (physical risks), as well as rise of political and regulatory pressures for decarbonisation (transition risk).

Case study 1:
(S) Besides the risk map of short-medium term risks, there a strategic reflection over the most relevant concerns of EDP's top management regarding the next 10 years, considering the key trends of the world. (T) Environmental trends reveal a number of risks, and the reduction of precipitation/ water availability is a concern for the next years of EDP, according to management survey. (A) For that reason, EDP must increase its portfolio resilience, through diversification in terms of technology and geographically. (R) Recently, EDP's financial performance in the 1Q2022 was strongly impacted by the

extreme drought in Portugal in winter 2021/2022, the driest in the last 90 years, which resulted in a record shortfall of EDP's hydro production in the Iberian market of 2.6TWh compared to the historical average. This hydro shortfall resulted in the need to purchase electricity in the Iberian wholesale market, in order to satisfy the consumption of the customer portfolio, in a quarter of historical maximum prices (average electricity price €229/MWh in the 1Q22, a rise of 407% year-on-year). The strong increase in the cost of electricity sold, which did not impact our clients, implied a €0.4bn loss in 1Q22 in terms of EBITDA, which justifies the negative net result of -€76m recorded by EDP in the 1Q22 (a decrease of €256m year-on-year).

Case study 2:
(S) Sectorial trends are also a source of risk for EDP. (T) According with management survey, the regulatory instability and unclear market design are defined as critical transition risks. (A) For that reason, EDP is actively following market conditions through reports, and shaping its portfolio. (R) The company is committed to be coal free by 2025, all green by 2030 and net zero by 2040, already closing its coal-fired power plant in Portugal. In recent years, the application of ISP in Iberia represented around 20% of coal taxation and an expense of ~20M€ in 2021.

C2.2a

(C2.2a) Which risk types are considered in your organization's climate-related risk assessments?

	Relevance & inclusion	Please explain
Current regulation	Relevant, always included	Climate and energy related regulation – at international, European Union and national levels – can have a significant financial impact on EDP's electricity generation, distribution and retail businesses (reduced revenues and margins, increased operating costs). Examples include regulation on renewables support schemes, emissions trading mechanisms or carbon pricing. The regulatory context of the different markets where EDP operates and the corresponding developments are closely analysed by a dedicated corporate department, the Regulation Global Unit Department. Together with the Energy Planning Department and the Risk Management Department Global Units, the Regulation Department quantifies potential impacts on the company of changes to the different regulatory contexts, according to different scenarios. Regulatory framework related with climate is a priority concern and is part of several analysis namely, investment analysis, budget and business plan.
Emerging regulation	Relevant, always included	The creation of additional regulatory measures by policy makers, in order to achieve a carbon-free economy, may create pressure on the business-as-usual and (possibly) demands operational and strategic adjustments. Similarly to the current regulation risk type previously mentioned, new climate and energy related regulations may materialize

		at international, European Union and national levels and can also have a significant financial impact on EDP's electricity generation, distribution and retail businesses (reduced revenues and margins, increased operating costs). For example, the increase of requirements to the scope 3 emissions reports, which will imply a detailed overview of third-parties emissions at supply chain level, which will to create additional pressure over suppliers to decarbonize Follow-up on possible changes to the regulatory context of the different markets where EDP operates is conducted by a dedicated corporate department, the Regulation Department Global Unit (including the participation in several forums of discussion with experts, scientists & academics and policy-makers). Together with the Energy Planning Department and the Risk Management Department Global Units, the Regulation Department quantifies potential impacts on the company of additional requirements to the different regulatory contexts, according to different scenarios, from business-as-usual to scenarios aligned with the Paris Agreement transition needs.
Technology	Relevant, always included	Technological breakthroughs (e.g. advances in smart grids, decentralized generation, energy storage or electric vehicles, trends in renewables' levelized cost of electricity) are key to the implementation of EDP's low carbon transition plan and climate targets. For example, the thermal obsolescence of coal plants, namely the coal thermal plant of Sines, in Portugal, which has been studied to be converted to a centre of hydrogen excellence (with 200 MW of renewable capacity, 100 MW of electrolysers and an R&D centre) to mitigate the risk and to avoid the loss of the asset for impairment. EDP Innovation Business Unit and EDP Corporate Energy Planning Department Global Unit closely follow-up technological developments that can impact EDP low carbon strategy. Emerging technology studies are carried out by the Innovation Business Unit, where technological risks and opportunities are accounted for, such as the development of storage technologies, different sources of mobility, particularly the evolution of electric mobility, as well as the evolution of LCOEs of renewables that are analysed and incorporated in the different scenarios. Additionally, the recurrent Energy Outlook scenarios analysis exercise is performed by the Energy Planning Department Global Unit.
Legal	Relevant, always included	Climate-related legal risks (penalties, compensations, agreements) can arise from non-compliance with associated laws and regulation, or future compliance costs (e.g. decommissioning of thermal power plants). Legal risks are analysed and followed up by EDP Legal & Governance Global Unit Department with a view to ensure compliance and monitor on-going contingencies of different natures, including environmental and climate change related contingencies. Together with the Risk Management department Global Unit, sensitivity analysis is

		performed to assess different scenario for legal losses. EDP constitutes provisions for decommissioning of power plants. Also, increasing exposure to litigation is assessed by BUs in Climate Risks Assessment annual process. Examples include judicial measures or administrative sanctions in case of lack of non-compliance with associated laws or regulation, or future compliance costs. A specific example would be a possible increase in compliance costs (direct or loss of revenue) with hydro basins' water management in increasingly dry or even drought contexts.
Market	Relevant, always included	Volatility in commodity prices (e.g., fuel; CO2), in generation volumes of renewables (especially hydro and wind), and in energy consumption (including energy efficiency) are market risks that can be influenced by climate change. Examples include the spill-over effect of new emissions trading schemes on CO2 prices or the reduction in electricity demand brought upon by new energy efficiency regulations and public policy targets. These risks affect directly energy pool price which can have a negative impact on EDP's results. For example, in Iberia, Client solutions & Energy management platform recuring EBITDA decreased to €24m in 2021, strongly penalized by the sharp increase in energy prices in the wholesale markets, especially in 2H2021, that implied a significantly higher production and sourcing costs as well as a negative mark-to-market impact on hedging contracts in energy markets. These variables are always included in the company's climate risks analysis, as they are a key driver of EDP's results. Assessment is performed through sensitivities analysis of several market indicators, assuming different global energy scenarios with different underlying decarbonisation pathways. Additionally, different scenarios for prices of commodities are considered in the Climate Risks Assessment annual process, impacting differently EDP's results, e.g., rise on CO2 price with a positive impact due to EDP's long position, while shrunk of overall pool price with negative impact on results.
Reputation	Relevant, always included	The energy sector, including electric utilities, is at the forefront of societal awareness on climate change and the role of the private sector. For example, failure to commit to ambitious targets on climate change mitigation and adaptation and to deliver on these commitments can cause reputational damages leading to the reduction of EDP brand value and investor interest and loss of market competitiveness. Additionally, difficulty in managing extreme weather events without an effective response to storms, floods, droughts, or wildfires can also have a negative reputational impact. EDP Group sees reputation as an impact instead of a risk, which means that all climate risks have a potential impact on EDP's reputation. For that reason, reputation is always included in risk analysis, along with economic, environmental and personnel impacts' assessment. In the Climate Risks Assessment annual process BUs are requested to quantify the impact on reputation

		across different time horizons and climate scenarios. However, EDP Group already shows some resilience regarding this matter, as it already started its decarbonisation pathway.
Acute physical	Relevant, always included	Increase in the frequency and severity of extreme weather events, foreseen by IPCC scenarios, represents an operational risk to EDP's activities, in particular to electricity distribution. For example, damage to assets in operation (overhead lines, poles and substations) and service disruption can have a negative financial impact, namely in investment and insurance costs. In February 2021, the Polar Vortex in US, most significantly affecting the Ercot/Texas assets costed 35M€. Acute climate-related physical risks (e. g. precipitation extremes, floods, storms) are periodically assessed in the Climate Risks Assessment process, by each BU and across different climate scenarios and time horizons. Also, the matter was object of corporate-level deep-dive analysis of emerging risks, using IPCC scenarios, and Business Unit level analysis by prevention teams in order to create preventive measures for asset management and service assurance.
Chronic physical	Relevant, always included	Chronic physical risks are also analysed, in particular, the structural decrease in precipitation that is foreseen for the Iberian Peninsula and Brazil, by IPCC and the European Environment Agency scenarios. This is a major long-term risk for EDP's hydro electricity generation activities. Chronic physical risks are accounted in medium/ long term analysis and assessed by the Climate Risks Assessment process, namely regarding water availability, temperature increase, and sea level rise. More recently, EDP's financial performance in the 1Q2022 was strongly impacted by the extreme drought in Portugal in winter 2021/2022, the driest in the last 90 years, which resulted in a record shortfall of EDP's hydro production in the Iberian market of 2.6TWh compared to the historical average. This hydro shortfall resulted in the need to purchase electricity in the Iberian wholesale market, in order to satisfy the consumption of the customer portfolio, in a quarter of historical maximum prices (average electricity price €229/MWh in the 1Q22, a rise of 407% year-on-year). The strong increase in the cost of electricity sold, which did not impact our clients, implied a €0.4bn loss in 1Q22 in terms of EBITDA, which justifies the negative net result of -€76m recorded by EDP in the 1Q22 (a decrease of €256m year-on-year).

C2.3

(C2.3) Have you identified any inherent climate-related risks with the potential to have a substantive financial or strategic impact on your business?

Yes

C2.3a

(C2.3a) Provide details of risks identified with the potential to have a substantive financial or strategic impact on your business.

Identifier

Risk 1

Where in the value chain does the risk driver occur?

Direct operations

Risk type & Primary climate-related risk driver

Chronic physical

Changing precipitation patterns and types (rain, hail, snow/ice)

Primary potential financial impact

Other, please specify

Reduced revenues due to lower sales/output

Company-specific description

Structural reduction of water availability with impact in hydro generation mainly in Portugal and Brazil. For example, in the winter of 2021/2022, the extreme drought in Portugal resulted in a record shortfall of EDP's hydro production in the Iberian market of 2.6TWh compared to the historical average. This hydro shortfall resulted in the need to purchase electricity in the Iberian wholesale market, in order to satisfy the consumption of the customer portfolio, in a quarter of historical maximum prices (average electricity price €229/MWh in the 1Q22, a rise of 407% year-on-year). The strong increase in the cost of electricity sold, which did not impact EDP clients, implied a €0.4bn loss in 1Q22 in terms of EBITDA, which led to a negative net result of -€76m recorded by EDP in the 1Q22 (a decrease of €256m year-on-year).

This risk was evaluated considering the RCP scenarios (2.6, 4.5 and 8.5) and their respective variations regarding the average precipitation for 2025, 2030 and 2050, which were provided by World Group Bank and Copernicus data sources. It is projected a structural reduction of water availability of ~10% to 15% in Portugal and ~10% to 40% in Brazil in 2050.

The company’s exposure to this risk was reduced with the sale of the hydro assets in 2020 in Portugal and in 2022 in Brazil, and EDP manages this risk through a diversified generation portfolio in terms of technologies and geographies.

Time horizon

Long-term

Likelihood

Likely

Magnitude of impact

High

Are you able to provide a potential financial impact figure?

Yes, an estimated range

Potential financial impact figure (currency)

Potential financial impact figure – minimum (currency)

20 000 000

Potential financial impact figure – maximum (currency)

70 000 000

Explanation of financial impact figure

Impact of physical variables, namely a structural reduction of water availability is assessed within EDP Group, by considering all assets which are impacted by a reduction in average precipitation, namely hydro and some thermal power plants. The analysis is performed for 3 different scenarios (RCP 2.6, RCP 4.5 and RCP 8.5) and until 2050. The data, based on the World Group Bank and Copernicus data sources, considers a structural reduction of average precipitation of ~10% to 15% in Portugal and ~10% to 40% in Brazil in 2050 (depending on the RCP scenario), which are the geographies mostly affected by water availability reduction. In terms of analysis breakdown the following was used:
(1) analysis of the potential of precipitation reduction on each geography where the Group detains hydro plants (Portugal reduction of 10-15% and Brazil 10-40% for 2050, which means an average of 5-7,5% in Portugal and 5-20% in Brazil for the 30 year period considered;
(2) overview of average production in terms of TWh and potential reduction due to diminished precipitation volumes (in 2050 of ~0.5-1TWh in Portugal and ~0-2TWh in Brazil, in period average of 0.25-0.5TWh in Portugal and 0-1TWh in Brazil); and
(3) pricing of reduction of production considering expected energy market prices, an average of the period of 60€/MWh in Portugal and 40€/MWh in Brazil, which means in the scenario 2.6: 0.25TWh*60€+~0 TWh *40€=20M€, and in the scenario 8.5 0.5TWh*60€/MWh +1TWh*40€/MWh=70M€. The reported values traduced the average financial impact from 20,000,000 to 70,000,000 euros, on a yearly basis.
This impact is evaluated assuming (1) EDP's defined strategy for the different time horizons (closure of thermal power plants, investment in renewables and the end of some hydro concessions); and (2) incremental variation compared to today; and is the accumulative maximum loss at P95% from 2030 to 2050 (impact of changes in physical variables, namely structural reduction of water availability, are more relevant for the mid and long-term), for each year and scenario.

Cost of response to risk

6 300 000 000

Description of response and explanation of cost calculation

In order to address the structural reduction of water availability risk, EDP is diversifying its portfolio - investments in new generation capacity (total of additional 18GW) are technologically diversified: 40% solar, 45% wind on-shore and offshore, 15% solar DG

and 2% storage and H2, as well as geographically diversified: 35% in NA, 43% in EU, 15% in Latin America and 7% in the RoW. In 2021, EDP entered in Asia-Pacific market through the acquisition of Sunseap (with the consolidation of 92.28%, 563MW of operational and under construction solar projects and a sizeable portfolio at different stages of development, namely 10GW of renewable projects).
Diversification significantly reduces the risk, as the structural reduction in precipitation is not likely to occur in all geographies and with same magnitude, and is not risky for other businesses and technologies. Moreover, EDP Group has periodic processes that allow monitoring this risk, namely:
(1) Climate risk assessment process: annual exercise to assess and quantify the impact of a structural reduction on average precipitation within all BUs in EDP Group;
(2) Business plan, budget and risk map processes: annual exercise, more focused in the short/ medium term, takes into account hydro productivity projections to define and shape EDP's hedging strategy;
(3) Risk report and risk appetite dashboard: fortnightly and quarterly, respectively, give an overview of hydro volumes, providing information on assets profitability/ precipitation vulnerability.
As result of these actions, the dependency on water availability should decrease, due to the share increase of electricity generated from other renewable sources other than hydro production (in 2022, 19% of electricity was generated from hydro in Portugal).
The timeline for the implementation of these actions is 2026, according to the EDP's Business Strategy 2023-26.
The figure provided in cost of response to risk was calculated based on the accumulated gross expansion investment for that period, which is ~EUR 25bn, (~EUR 6.3bn per year), distributed across diversified markets and businesses, as followed: 85% in renewable generation and client solutions and energy management, and 15% in networks. Specifically, in renewable generation the accumulated gross investment is ~EUR 20bn (~EUR 5.3bn per year).

Comment

No additional comments

Identifier

Risk 2

Where in the value chain does the risk driver occur?

Direct operations

Risk type & Primary climate-related risk driver

Legal

Exposure to litigation

Primary potential financial impact

Other, please specify

Policy and legal: Increased costs and/or reduced demand for products and services resulting from fines and judgments; Increased operating costs (e.g., higher compliance costs, increased insurance premiums)

Company-specific description

Decarbonization and joint efforts for a cleaner economy already introduced some legal and regulatory additional requirements to fulfil international commitments. As time goes by, it is expected a tightening of requirements, introducing more restrictive measures (incl. to renewable generation) and increasing exposure to litigation (i.e., leading to additional costs related with possible fines and other legal costs as well as higher compliance costs).

Time horizon

Medium-term

Likelihood

More likely than not

Magnitude of impact

High

Are you able to provide a potential financial impact figure?

Yes, a single figure estimate

Potential financial impact figure (currency)

15 000 000

Potential financial impact figure – minimum (currency)

Potential financial impact figure – maximum (currency)

Explanation of financial impact figure

Impact of transition risks, namely exposure to litigation is assessed within EDP Group, by considering the impact of additional costs related with possible fines and other legal costs, as well as higher compliance costs. The analysis is performed for 2 different scenarios (IEA NZE and Base Case – resulting from several international sources) and for a 30-year time horizon (until 2050). As transition risks impacts short to medium term, the impact of this risk accounts until 2030. The financial impact was calculated given the following: (1) analysis of historical litigation costs; (2) definition of an estimate for aggravation of environmental litigation cost depending on the scenario assumed and the time horizon analysed (+0,05% v.s base case each time horizon analysed); and (3) analysis on the additional cost vs. current historical cost. The estimated average financial impact (~15,000,000 EUR), on a yearly basis, considers how the historical exposure to litigation will evolve in the following years, assuming the IEA NZE scenario for different time horizons. Additionally, it also assumes (1) EDP's defined strategy for the different time horizons (closure of thermal power plants, investment in renewables and the end of some hydro concessions); and (2) incremental variation compared to

today; and is the accumulative maximum loss at P95% (adjusted by regression from 2022 to 2025 and from 2025 to 2030) for each year and scenario.

Cost of response to risk

6 300 000 000

Description of response and explanation of cost calculation

EDP manages exposure to litigation risk through a diversified generation portfolio in terms of technologies and geographies. According to EDP's Business Strategy 2023-2026, the accumulated gross expansion investment for that period is ~EUR 25 bn, i.e., ~EUR 6.3 bn per year, distributed across diversified markets and businesses (generation, networks and retail & services), distributed as followed 85% in renewable generation and clients solutions and energy management, and 15% in networks. Specifically, in renewable generation the accumulated gross investment is ~EUR 20bn (~EUR 5.3bn per year). Additionally, investments in new generation capacity (total of additional ~18GW) are technologically diversified: 40% solar, 45% wind on-shore and offshore, 15% solar DG and 2% storage and H2, as well as geographically diversified: 35% in North America, 43% in EU, 15% in Latin America and 7% in the rest of the world. In 2021 EDP entered in Asia-Pacific market through the acquisition of Sunseap (with the consolidation of 92.28%, 563MW of operational and under construction solar projects and a sizeable portfolio at different stages of development, namely 10GW of renewable projects). Diversification significantly reduces the risk, as laws and regulations change across geographies, businesses, and technologies, balancing portfolio litigation costs. Additionally, EDP Group has several periodic processes that allows to monitor this risk, namely:
(1) Climate risk assessment process: annual exercise to assess and quantify the impact of policy and legal risks, namely exposure to litigation within all BUs in EDP Group;
(2) Business plan, budget and risk map processes: annual exercise, more focused in the short/ medium term, takes into account legal and compliance costs associated with, among others, climate risks;
(3) Risk appetite dashboard: follows, on a quarterly basis, legal and compliant risks for all EDP Group;
(4) Specific follow up of legal departments on the evolution of existing and potential litigation, and semestral report.

Case study:
(S) 2017 heatwave and extreme wind boosted relevant fire events in Portugal, with human and financial costs. (T) A legal action against EDP, claimed EDP's liability in the fires. (A) Besides reputational damage, litigation led to financial costs. (R) In response, EDP reviewed its governance model for the powerlines vegetation management lanes, to better address fire events prevention measures and early response.

Comment

No additional comments

Identifier

Risk 3

Where in the value chain does the risk driver occur?

Direct operations

Risk type & Primary climate-related risk driver

Acute physical

Other, please specify

Increased severity and frequency of extreme weather events such as cyclones and floods

Primary potential financial impact

Other, please specify

Increased capital costs (e.g., damage to facilities) and Increased insurance premiums and potential for reduced availability of insurance on assets in "high-risk" locations

Company-specific description

Operational disruption of electricity distribution activities. Extreme weather events, such as storms, floods, wildfires and landslides – frequently associated also with extreme winds and precipitation – can have a negative impact in several EDP business activities, in particular electricity distribution, resulting in damage to assets in operation (overhead lines, poles and substations). To a lesser extent, damage can also occur during the company's hydro power plant construction phase, as cofferdams may be insufficient to hold large water inflows, causing flooding in some elements of the work.
As there is no academic consensus on the evolution of the frequency and intensity of extreme weather events (wind and rain), it was assumed a conservative approach, considering the estimation of IPCC SRES that the frequency of extreme weather events will pass from 1 in 20 years to 1 in 5 years in 2100. This trend, assuming a regression, is adjusted to 2025, 2030 and 2050. The increase in the frequency of these extreme events will impact EDP, increasing the risk of disruption in its energy distribution and/or supply activities, as well as increasing the operational and capital cost from damage recovery.

Time horizon

Long-term

Likelihood

More likely than not

Magnitude of impact

Medium

Are you able to provide a potential financial impact figure?

Yes, an estimated range

Potential financial impact figure (currency)

Potential financial impact figure – minimum (currency)

5 000 000

Potential financial impact figure – maximum (currency)

15 000 000

Explanation of financial impact figure

Impact of physical variables, namely increase of frequency and severity of extreme events is assessed within EDP Group, by considering all assets which are impacted by this risk, namely in EDP Produção, E-Redes, EDP Comercial, EDP Spain, EDP Renewables and EDP Brasil. The analysis is performed for 3 different scenarios (RCP 2.6, RCP 4.5 and RCP 8.5) and from 2030 until 2050 (impact of changes in physical variables, namely extreme weather events, are more relevant for the mid and long-term). As there is no academic consensus on the evolution of the frequency and intensity of extreme weather events (wind and rain), it was assumed a conservative approach, considering the estimation of IPCC SRES that the frequency of extreme weather events will pass from 1 in 20 years to 1 in 5 years in 2100. This trend, assuming a regression, is adjusted to 2025, 2030 and 2050. The estimated average financial range impact (from 5,000,000 to 15,000,000 EUR), on a yearly basis, considers the average and maximum financial impacts of historical damage to generation assets or distribution networks, based on the impacts experienced from historical events that occurred in EDP Produção, E-REDES and EDP Comercial, EDP Spain, EDP Renewables and EDP Brasil. The rationale of analysis is the following: (1) check historical data of storms or other extreme events, analysing frequency, average impact of the sample and worst case event as proxy for maximum impact – providing us the base case, (2) consider the additional of frequency of occurrence regarding the scenario and the time horizon analysed, inspired by the predictions on extreme events frequency by IPCC SRES report, and (3) taking into consideration statistical data of additional frequency, average and maximum impacts, calculate a loss distribution computing the annual expected and maximum losses. Additionally, this range impact also assumes (1) EDP's defined strategy for the different time horizons (closure of thermal power plants, investment in renewables and the end of some hydro concessions); and (2) incremental variation compared to today; and is the accumulative maximum loss at P95% (adjusted by regression from 2030 to 2050) for each year and scenario.

Cost of response to risk

16 000 000

Description of response and explanation of cost calculation

The risk of extreme events is firstly mitigated by the operational areas of BUs, who propose and implement best practices (e.g., regular inspections and preventive maintenance) and have specific plans for catastrophic events' crisis management and business continuity. EDP has Business Continuity areas at corporate and BU level, and in 2015, revised its crisis management and business continuity policies, in line with international best practices.

A significant part of the remaining risk is mitigated through a comprehensive range of insurance policies (property damage and civil and environmental responsibility) that

mitigate the financial impact of large-scale events (e.g., associated with extreme and comprehensive weather phenomena, non-availability of revenue generating assets or significant compensation to third parties) as well as much less frequent incidents with catastrophic impact (e.g., earthquakes). Yearly cost of risk transfer through insurance and costs associated with the company's Business Continuity Plan and structures is equivalent to 0.4% of EBITDA (c. 16 million euros in 2020), including specialized outsourced services. Additionally, EDP Group has several initiatives to follow this risk, namely:
(1) In Spain, EDP takes part of the Compensation Insurance Consortium, a State-run initiative targeted at extreme events risk mitigation for the electricity sector;
(2) In Brazil, EDP developed ClimaGrid to manage the physical risks of the grid, a system that automatically detects thunder storms, allowing real time intervention in the prevention of future grid shutdowns
(3) Climate risk assessment process: annual exercise to assess and quantify the impact of extreme weather events within all BUs in EDP Group;
(4) Aggregated operational risk map, periodically updated taking into consideration, among other risks, the damages in assets (generation power plants and distribution and transmission networks) resulting from extreme weather events.

Case study:
(S) In February 2021, the Polar Vortex in US, most significantly affecting the Ercot/Texas assets, freezed energy operations, due to impossible temperatures for the operating range of physical assets. (T) Although the crisis management and business continuity actions were deployed, (A) it was impossible to contain costs of operations interruption. (R) As result, EDP accounted for a cost of 35M€ in its 2021 accounts.

Comment

No additional comments

Identifier

Risk 4

Where in the value chain does the risk driver occur?

Downstream

Risk type & Primary climate-related risk driver

Market

Other, please specify

Market competitors

Primary potential financial impact

Other, please specify

Decreased revenues due to new competitors

Company-specific description

Decarbonisation lead to the rise of new competitors in green electricity markets, namely new technological providers (e.g., batteries, Demand Side Management solutions), as well as more interest on renewable generation by conventional electric utilities. This will lead to additional pressure on markets shares, namely regarding generation system services share – e.g., EDP may to lose ~50% of secondary and tertiary electric generation markets in Iberia.

Time horizon

Medium-term

Likelihood

More likely than not

Magnitude of impact

Medium-high

Are you able to provide a potential financial impact figure?

Yes, an estimated range

Potential financial impact figure (currency)

Potential financial impact figure – minimum (currency)

2 000 000

Potential financial impact figure – maximum (currency)

10 000 000

Explanation of financial impact figure

With increasingly demanding actions for decarbonization, new solutions for energy management appear. Giving the lack of storage of wind and solar energy, the evolution of batteries and storage solutions has been prioritized. This event may constrain EDP's activity, reducing sales, and loosing ~50% of secondary and tertiary electric generation markets in Iberia. The analysis is performed for 2 different scenarios (IEA NZE and Base Case - resulting from several international sources) and for a time horizon until 2050. As transition risks impacts short to medium term, the impact of this risk accounts for a 9-year time horizon, until 2030. The financial impact was calculated given the following: (1) analysis of current sales through secondary and tertiary markets in Iberia; (2) assumption of a sales reduction due to entrance of energy storage solutions of ~50%; and (3) analysis on the impact of sales reduction pricing it at the energy market price assumed for each scenario and time horizon. The estimated financial range impact (from 2,000,000 to 10,000,000) considers the IEA NZE and Base Case scenarios for a time horizon 2022-2030, assuming EDP's defined strategy for the different time horizons (closure of thermal power plants, investment in renewables and the end of some hydro concessions).The values presented, on a yearly basis, are the maximum loss at P95% (for different scenarios) and are calculated considering the accumulated estimates for the period of analysis.

Cost of response to risk

300 000 000

Description of response and explanation of cost calculation

EDP manages the risk of revenues loss due to developments in storage solutions, through a close follow up on innovative solutions and being part of it, through EDP Inovação. The aim is to overcompensate it and using innovation to explore and capture the flexibility value of its own assets. In Iberia, 2.5GW (>40% of total capacity) of pumping provide storage and arbitrage from peak/off-peak prices and solar profiling, adjusting to consumption load, while in Brazil, largely PPA contracted capacity allows visible cash generation and value capture. Potential hybridization projects with solar and/or wind to unlock additional value are also in consideration. According to EDP's Business Strategy 2023-26, the accumulated net expansion investment for that period in innovation and digitalization is EUR 1Bn (~EUR 0.3bn per year). Additionally, EDP periodically identifies innovation opportunities, with joint efforts between EDP Inovação and all BUs, trying to overcome business needs with innovation, inclusively transition climate related, launching several pilot projects within EDP Ventures, created in 2008, which have already invested about EUR 45M in 35 startups with innovative solutions interesting to EDP related to the energy transition. Initiatives such as EDP Starter, Starter Acceleration Programs, Free Electrons, as well as hackathons & challenges, conferences and summits bring startups closer to the EDP Group, promoting projects, investments and roll outs of solutions. EDP's Climate Change Pitch has de-so-called entrepreneurs presenting their ideas or business in a minute, while they were faced with the impact climate change can have on our cities if nothing is done to stop them. In the event, 323 start-ups were auscultated and 93 passed the first screening. The 2021 edition was particularly interesting due to the high number of start-ups focused on the theme of energy and sustainability.
Case study:
(S) The North American startup Yotta Energy, which developed a scalable and decentralized solar energy storage solution, was the winner of the 2nd global edition of Starter Business Acceleration. (T) This startup acceleration program created and promoted by EDP, in partnership with the companies Verbund and TurningTables (Grupo Cuerva) and managed by the innovation consultant Beta-i, (A) aims to promote collaboration and support startups and small and medium-sized companies (SMEs) from around the world in creating relevant solutions for the energy industry.

Comment

Case study (cont.): The final stage took place in a virtual ceremony, where the North American startup was awarded a prize of 50 thousand euros to invest in its business. EDP, through EDP Ventures, recently announced the investment in Yotta Energy, in which they are already working on a pilot project to test their innovative solution in the group's business. In addition to the winning startup, EDP already has 10 other pilot projects confirmed and another 22 to be evaluated with startups participating in this edition of the Starter Business Acceleration, which will bring new solutions to the various business areas of the company, in different geographies.

C2.4

(C2.4) Have you identified any climate-related opportunities with the potential to have a substantive financial or strategic impact on your business?

Yes

C2.4a

(C2.4a) Provide details of opportunities identified with the potential to have a substantive financial or strategic impact on your business.

Identifier

Opp1

Where in the value chain does the opportunity occur?

Downstream

Opportunity type

Products and services

Primary climate-related opportunity driver

Other, please specify

Access to new markets

Primary potential financial impact

Increased revenues through access to new and emerging markets

Company-specific description

Rise of renewable generation presence across new emerging markets, leading to an increase in revenues. This opportunity is motivated by an increase of interest in renewable generation, namely through the rise of partnership with local governments, companies or other institutions. In 2022 EDP was already present in almost all regions, i.e., ~7GW in North America, ~11GW in Europe, ~3GW in South America and ~1GW in APAC, and expects to increase its installed capacity across different geographies according to its Business Strategy 2023-2026 investments, with a capacity addition of ~18GW until 2026.

Time horizon

Short-term

Likelihood

More likely than not

Magnitude of impact

Medium-high

Are you able to provide a potential financial impact figure?

Yes, an estimated range

Potential financial impact figure (currency)

Potential financial impact figure – minimum (currency)

1 000 000

Potential financial impact figure – maximum (currency)

5 000 000

Explanation of financial impact figure

While renewable energy has proved to be a valuable strategy for decarbonization of electric sector, more governments and markets are interested in accelerating renewable generation in its portfolio mix. This event results in the rise of new markets opportunities, namely emerging countries, with potential of growth for EDP. The analysis is performed for 2 different scenarios (IEA NZE and Base Case - resulted from several international sources) and for a time horizon until 2050. As transition opportunities impacts short to medium term, the impact of this opportunity accounts for a 9-year time horizon (from 2022 to 2030), however with more visibility for 2025 as there are specific targets to accomplish. The financial impact was calculated given the following:
(1) analysis of current EBITDA (EUR 2.157M in 2022) and installed capacity (13.6GW) in EDPR;
(2) consideration of strategic commitments regarding renewables growth (gross additional capacity of 18GW up to 2026) and proxy of evolution of EBITDA considering the different scenarios and time horizons, specifically for EDPR a key platform of growth it is assumed a capacity growth of 125MW in a scenario 2.6 and of 50MW in a scenario 8.5. Assuming a more conservative and prudent approach, there was a methodological adjustment by start considering the expected gain instead of the maximum gain (considered in the previous exercise); and
(3) analysis of extra net revenue obtained from installing additional MWs priced at the energy market price assumed of 35€/MWh, leading to an extra revenue of 125MW*35€/MWh= 4.4M€ which for simplification assumed a ~5M€ opportunity in a NZE scenario and 50MW*35€/MWh= 1.75M€ which for simplification (and prudency as it is a less ambitious scenario) assumed a ~1M€ opportunity in a Base Case scenario for 2025.
The estimated financial range impact (from 1,000,000 to 5,000,000) considers the IEA NZE and Base Case scenarios for a 4-year time horizon (2022-2025), assuming EDP's defined strategy for the different time horizons (closure of thermal power plants, investment in renewables and the end of some hydro concessions).The values presented, on a yearly basis, are the maximum gain at P95% (for different scenarios) and are calculated considering the accumulated estimates for the period of analysis.

Cost to realize opportunity

5 300 000 000

Strategy to realize opportunity and explanation of cost calculation

In order to realize the opportunity of increased revenues through access to new and emerging markets, EDP is diversifying its generation portfolio - investments in new generation capacity (total of additional ~18GW) technologically diversified: 40% solar, 45% wind on-shore and offshore, 15% solar DG and 2% storage and H2, as well as geographically diversified: 15% in Latin America, 35% in North America, 43% in EU, and 7% in the rest of the world. In 2021 EDP entered in Asia-Pacific market through the acquisition of Sunseap (with the consolidation of 92.28%, 563MW of operational and under construction solar projects and a sizeable portfolio at different stages of development, namely 10GW of renewable projects).
Diversification allows the exposure to different renewable incentives and the rise of opportunities to grow installed capacity and EBITDA of EDPR. Additionally, EDP Group has several periodic processes that allow to monitor this opportunity, namely:
(1) Climate risk assessment process: annual exercise to assess and quantify the impact of transition opportunities within all BUs in EDP Group;
(2) Business plan, budget and risk map processes: annual exercise, more focused in the short/ medium term, take into account expected capacity additions to define and shape EDP's strategy.
The timeline for the implementation of these actions is 2026, according to the EDP's Business Strategy 2023-26.
The figure provided in "Cost to realize opportunity" was calculated based on the accumulated gross expansion investment for that period is ~EUR 25 bn, i.e., ~EUR 6.3 bn per year, distributed across diversified markets and businesses (generation, networks and retail & services), distributed as followed 85% in renewable generation and client solutions and energy management, and 15% in networks. Specifically, in renewable generation the accumulated gross investment is ~EUR 20bn (~EUR 5.3bn per year).

Comment

No additional comments

Identifier

Opp2

Where in the value chain does the opportunity occur?

Downstream

Opportunity type

Resource efficiency

Primary climate-related opportunity driver

Use of more efficient modes of transport

Primary potential financial impact

Increased revenues resulting from increased demand for products and services

Company-specific description

Decarbonization of the economy lead to the rise of more efficient modes of transport, namely the rise of electric vehicles (EV) market. According to the IEA NZE scenario, it is expected that, in 10-years time, the EV market share will evolve from 4.3% in 2020 to 60.9% in 2030. EDP aims to take advantage of this opportunity, investing in e-mobility and smart mobility services. For the next years, EDP plans to increase the installation of public and private charging points from 6.0k to more than 40k in 2025. EDP is committed to electrify more than 40% of its light electric fleet in 2025 and 100% in 2030.

Time horizon

Medium-term

Likelihood

Likely

Magnitude of impact

Medium

Are you able to provide a potential financial impact figure?

Yes, a single figure estimate

Potential financial impact figure (currency)

5 000 000

Potential financial impact figure – minimum (currency)

Potential financial impact figure – maximum (currency)

Explanation of financial impact figure

The emergence of new and more efficient modes of transport (namely EVs), as result of decarbonization, is an opportunity for EDP to create additional value and expand its Client Solutions and Energy Management portfolio as well as be part of the design of supporting infrastructure, namely charging points. The analysis is performed for 2 different scenarios (IEA NZ and Base Case – resulted from several international sources) and for a time horizon until 2050. As transition opportunities impacts short to medium term, the impact of this risk accounts for a 9-year time horizon (2022-2030).
The financial impact was calculated given the following assumptions: (1) analysis of current value captured with EVs (EV fleet rise from 4M to 75M in 2030, approaching cost parity, also driven by customer preferences); (2) estimate of ambition of additional MWs to respond to EVs infrastructure needs – additional 150MWs due to the increase in the electric fleet ; and (3) analysis of extra net revenue obtained from installing additional MWs priced at the energy market price (35€) assumed for each scenario and time horizon .
The estimated financial impact results from ~150MW*35€ = ~5M€. This estimation considers the IEA NZ scenario for the time horizon 2022-2030, assuming EDP's defined strategy for the different time horizons (closure of thermal power plants, investment in renewables and the end of some hydro concessions).The values presented, on a yearly basis, are the maximum gain at P95% (for different scenarios) and are calculated

considering the accumulated estimates for the period of analysis.

Cost to realize opportunity

310 000 000

Strategy to realize opportunity and explanation of cost calculation

EDP intends to realize the opportunity of electrification and growth of demand for electricity through an investment in Client Solutions and Energy Management, including energy efficiency products and services, e-mobility and distributed PV solar generation. According to EDP's Business Strategy 2022-2026, the accumulated gross expansion investment for that period in Client Solutions and Energy Management is ~EUR 1.2 bn, i.e., ~EUR 310M per year, distributed by solar DG, e-mobility, energy management, thermal and other client services. The goal is to maximize value of existing portfolio, through a rise services contracts subscription (more than 35% penetration in 2026), Solar DG (~2.1GW total deployment) and installed EV chargers (5M in 2021 to 36M in 2030). Additionally, EDP Group has several periodic processes that allow to monitor this opportunity, namely:
(1) Climate risk assessment process: annual exercise to assess and quantify the impact of transition opportunities within all BUs in EDP Group;
(2) Business plan, budget and risk map processes: annual exercise, more focused in the short/ medium term, take into account demand projections and sensitivities to define and shape EDP's strategy.

Case study:
(S) 2021 was the year with the greatest growth in the use of the public charging network operated by EDP. (T) More than 178,000 cars were charged in Portugal, 300% more than the previous year. (A) The chargers have been installed in more than 120 municipalities. These chargers provided vehicles with more than 2 GWh of electricity, four times more than in 2020 and enough to drive 15 million km without using fossil fuels. Just using this energy, it would be possible to travel around the globe 375 times in an electric car, without any CO2 emissions, or to travel between Sagres in Portugal and Khasan in Russia more than 1,000 times.
(R) In 2021, EDP strengthened its commitment to electric mobility in Portugal and Spain, and significantly increased the number of solutions available on the public network.

Comment

Case study (cont.)
In Portugal, the company extended its reach to more than 1,100 contracted locations, around 400 more than in the previous year, while in Spain it increased its presence to 478 contracted locations. In the company's Iberian network, almost 3 GWh was used to charge EVs, enough to travel more than 18 million km using electricity. EV users saved more than 2 metric tons of CO2 in Portugal and Spain. In Brazil, where EDP is also developing electric mobility solutions, more than 7,500 EVs were charged with power amounting to 121 MWh, an increase of 142% over the previous year. The company will continue to invest in this key sector of the energy transition in 2022, and in Portugal it has just opened its first electric mobility hub, near the Estádio da Luz in Lisbon. This

charging hub has a number of different charging points, ranging from normal charging (22 kW), to fast charging (50 kW) and ultra-fast charging (160 kW). This is the very first ultra-fast charging point in the capital, which in just 10 minutes can provide enough energy to travel 100 km. These seven charging points strengthen our partnership with Benfica, offering even more sustainable mobility solutions to visitors and staff at the soccer club and surrounding businesses.

Identifier

Opp3

Where in the value chain does the opportunity occur?

Downstream

Opportunity type

Products and services

Primary climate-related opportunity driver

Other, please specify

Increase of electric power demand

Primary potential financial impact

Other, please specify

Increased revenues resulting from increased electric power demand

Company-specific description

Decarbonisation and joint efforts for a cleaner economy already introduced additional requirements to fulfil international commitments, namely regarding electric mobility and energy efficient solutions and services. These will likely lead to an increase on electricity demand through increased sectors electrification, as a means to substitute fuels fossils and other non-sustainable solutions.

Time horizon

Medium-term

Likelihood

Likely

Magnitude of impact

Medium

Are you able to provide a potential financial impact figure?

Yes, a single figure estimate

Potential financial impact figure (currency)

1 000 000

Potential financial impact figure – minimum (currency)

Potential financial impact figure – maximum (currency)

Explanation of financial impact figure

EDP is a decarbonization player for the world. Thus, opportunities of electrification of consumption rise a way to substitute solutions with emissions. This constitutes an opportunity for EDP, by the increase of electricity consumption by substitution of natural gas, for example. The analysis is performed for 2 different scenarios (IEA NZ and Base Case – resulted from several international sources) and a time horizon until 2050. As transition opportunities impacts short to medium term, the impact of this risk accounts for a 9-year time horizon (2022-2030). The financial impact was calculated given the following:
(1) analysis of current demand for electricity, which is prudently considered to be EDPR's share of additional 20MW;
(2) consideration of potential for growth in demand considering the different scenarios and time horizons; and
(3) analysis of extra net revenue obtained from pool prices increase (assumed increase from 35€ to 45€) due to higher demand impacting EBITDA evolution.
The estimated financial impact is mainly caused by this increase in market price and is given by 20MW*45€=~1M€. This estimation considers the IEA NZ scenario for the time horizon 2022-2030, assuming EDP's defined strategy for the different time horizons (closure of thermal power plants, investment in renewables and the end of some hydro concessions). The values presented, on a yearly basis, are the maximum gain at P95% (for different scenarios) and are calculated considering the accumulated estimates for the period of analysis.

Cost to realize opportunity

310 000 000

Strategy to realize opportunity and explanation of cost calculation

EDP intends to realize the opportunity of electrification and growth of demand for electricity through an investment in Client Solutions and Energy Management, including energy efficiency products and services, e-mobility and distributed PV solar generation. According to EDP's Business Strategy 2023-2026, the accumulated gross expansion investment for that period in Client Solutions and Energy Management is ~EUR 1.2 bn, i.e., ~EUR 310M per year, distributed by solar DG, e-mobility, energy management, thermal and other client services. The goal is to maximize value of existing portfolio, through a rise services contracts subscription (more than 35% penetration in 2026), Solar DG (~2.1GW total deployment) and installed EV chargers (5M in 2021 to 36M in 2030). Additionally, EDP Group has several periodic processes that allow to monitor this opportunity, namely:
(1) Climate risk assessment process: annual exercise to assess and quantify the impact of transition opportunities within all BUs in EDP Group;
(2) Business plan, budget and risk map processes: annual exercise, more focused in the short/ medium term, take into account demand projections and sensitivities to define and shape EDP's strategy.

Case study:
(S) 2021 was the year with the greatest growth in the use of the public charging network operated by EDP.
(T) More than 178,000 cars were charged in Portugal, 300% more than the previous year. The chargers have been installed in more than 120 municipalities.
(A) These chargers provided vehicles with more than 2 GWh of electricity, four times more than in 2020 and enough to drive 15 million kilometers without using fossil fuels. Just using this energy, it would be possible to travel around the globe 375 times in an electric car, without any CO2 emissions, or to travel between Sagres in Portugal and Khasan in Russia more than 1,000 times.
(R) In 2021, EDP strengthened its commitment to electric mobility in Portugal and Spain, and significantly increased the number of solutions available on the public network.

Comment

Case study (cont.): In Portugal, the company extended its reach to more than 1,100 contracted locations, around 400 more than in the previous year, while in Spain it increased its presence to 478 contracted locations.
In the company's Iberian network, almost 3 GWh was used to charge EVs, enough to travel more than 18 million kilometers using electricity. EV users saved more than 2 metric tons of CO2 in Portugal and Spain. In Brazil, where EDP is also developing electric mobility solutions, more than 7,500 EVs were charged with power amounting to 121 MWh, an increase of 142% over the previous year.
The company will continue to invest in this key sector of the energy transition in 2022, and in Portugal it has just opened its first electric mobility hub, near the Estádio da Luz in Lisbon. This charging hub has a number of different charging points, ranging from normal charging (22 kW), to fast charging (50 kW) and ultra-fast charging (160 kW). This is the very first ultra-fast charging point in the capital, which in just 10 minutes can provide enough energy to travel 100 kilometers. These seven charging points strengthen our partnership with Benfica, offering even more sustainable mobility solutions to visitors and staff at the soccer club and surrounding businesses.

C3. Business Strategy

C3.1

(C3.1) Does your organization’s strategy include a climate transition plan that aligns with a 1.5°C world?

Row 1

Climate transition plan

Yes, we have a climate transition plan which aligns with a 1.5°C world

Publicly available climate transition plan

Yes

Mechanism by which feedback is collected from shareholders on your climate transition plan

Our climate transition plan is voted on at Annual General Meetings (AGMs)

Attach any relevant documents which detail your climate transition plan (optional)

CTP_EN_Climate Transtion Plan.pdf

C3.2

(C3.2) Does your organization use climate-related scenario analysis to inform its strategy?

	Use of climate-related scenario analysis to inform strategy
Row 1	Yes, qualitative and quantitative

C3.2a

(C3.2a) Provide details of your organization's use of climate-related scenario analysis.

Climate-related scenario	Scenario analysis coverage	Temperature alignment of scenario	Parameters, assumptions, analytical choices
Transition scenarios IEA NZE 2050	Company-wide		EDP has developed aggregated scenarios, based on physical and transition scenarios to assess the impact of climate risks and opportunities. Regarding transition scenarios, EDP uses IEA scenarios, as well as other international sources, to assess climate-related transition risks, taking into consideration forecasts for demand, energy, capacity additions (renewable), commodity prices and technology realized prices evolution. EDP integrates IEA NZE (Net Zero Emissions by 2050 Scenario) into the energy planning exercise (until 2050) and evaluates the impact on its business portfolio, taking into account EDP Group Business Plan. Internal assumptions are used regarding demand forecast and taxation and scenario analysis and stress tests are performed against current OTC (Over the Counter) scenario. In the annual Climate Risk Assessment process, and based on the transition variables projections for all NZE and Base Case (results from several international sources) scenarios, BUs assess and quantify major risks and opportunities (higher than

			1M€). Though risks and opportunities are evaluated for all time horizon (until 2050), the focus of transition risks and opportunities analysis is up to 2030 since transition scenarios are more concrete and tangible. Results show, for example, that a CO2 price increase does not have a significant negative effect on EDP operational results, given the decreasing importance of thermal generation in our overall electricity generation portfolio. Another example is the increase of electric mobility and energy efficient solutions and services (transition opportunity), with greater impact in the NZE scenario. EDP's business strategy is aligned with a low carbon energy system and has proven to be resilient under the different scenarios analysis. By the end of 2022, 79% of our electricity generation installed capacity was based on renewable sources and our strategic agenda is based on organic growth focused on renewables, aiming at 100% renewable generation by 2030. Additionally, new downstream retail: - focus on energy services (e.g. energy management solutions, energy efficiency improvement, demand side management and response), decentralized production (e.g., distributed solar PV generation) and sustainable mobility solutions; - and contribute to capturing the opportunity in transition. One good example is the Save to Compete program that EDP has developed to supports businesses in implementing integrated energy efficiency products.
Transition scenarios Customized publicly available transition scenario	Company-wide	3.1ºC - 4ºC	This scenario is consistent with a temperature increase higher than 2.6 ºC by 2050. EDP has developed aggregated scenarios, based on physical and transition scenarios to assess the impact of climate risks and opportunities. Regarding transition scenarios, EDP uses IEA scenarios, as well as several international sources, to assess climate-related transition risks, taking into consideration forecasts for demand, energy, capacity additions (renewable), commodity prices and technology realized prices evolution. EDP integrates Base Case scenario (based on IEA, Aurora, Baringa, among others) into the energy

			planning exercise (until 2050) and evaluates the impact on its business portfolio, taking into account EDP Group Business Plan. Internal assumptions are used regarding demand forecast and taxation and scenario analysis and stress tests are performed against current OTC (Over the Counter) scenario. In the annual Climate Risk Assessment process, BUs assess and quantify major transition risks and opportunities (higher than 1M€). Though risks and opportunities are evaluated for all time horizon (until 2050), the focus of the transition risks and opportunities analysis is up to 2030 since transition scenarios are more concrete and tangible. Results show, for example, that a CO2 price increase does not have a significant negative effect on EDP operational results, given the decreasing importance of thermal generation in our overall electricity generation portfolio. Another example is the increase of electric mobility and energy efficient solutions and services (transition opportunity), with greater impact in the NZE scenario. EDP's business strategy is aligned with a low carbon energy system and has proven resilient under the different scenarios analysis. By the end of 2022, 79% of our electricity generation installed capacity was based on renewable sources and our strategic agenda is based on organic growth focused on renewables, aiming at 100% renewable generation by 2030. Additionally, new downstream retail: - focus on energy services (e.g. energy management solutions, energy efficiency improvement, demand side management and response), decentralized production (e.g., distributed solar PV generation) and sustainable mobility solutions; - and contribute to capturing the opportunity in transition. One good example is the Save to Compete programme that EDP has developed to supports businesses in implementing integrated energy efficiency products.
Physical climate scenarios RCP 2.6	Company-wide		EDP has developed aggregated scenarios, based on physical and transition scenarios to assess the impact of climate risks and opportunities. Regarding physical scenarios, EDP uses IPCC

			scenarios to assess climate-related physical risks, taking into account forecasts for the long-term evolution of precipitation, wind patterns and temperature. EDP uses IPCC's scenarios - RCP 8.5, RCP 4.5 and RCP 2.6 (the most aggressive CO2 emission reductions scenario), to identify the most relevant chronic and acute risks and evaluate potential impacts on its electricity generation and distribution activities from present time until 2050. As physical risks require a long-term analysis to identify any structural change in their pattern or frequency/severity of occurrence, the focus of the physical risks and opportunities analysis is from 2030 to 2050. Physical parameters are updated based on data sources aligned with RCP scenarios (e.g., World Bank Group, Copernicus, and some local data sources) and BUs access and quantify the impact of those changes in their businesses. Results highlighted two key risks (with higher impact for the RCP 8.5): - structural reduction of water availability in Iberia and Brazil, affecting the productivity of hydroelectric generation assets in Portugal, Spain and Brazil (chronic physical risk); - and increased occurrence and severity of extreme weather events (precipitation extremes, floods, wildfires, landslides and extreme winds), causing damage to our electricity distribution assets (acute physical risk). EDP's business strategy is shaped in order to mitigate chronic risk through a diversified generation portfolio in terms of technologies and geographies. Geographic diversification significantly reduces the risk, as structural reduction in precipitation is not likely to occur in all geographies and with the same magnitude. Example of this is the investment in other renewable sources besides hydro (i.e., solar and wind) in different markets (European markets, North and South America and APAC). To manage the acute risk, EDP has strengthened its business continuity and crisis management capabilities, implemented a set of preventive measures and defined a comprehensive range of insurance policies (property damage and civil and environmental responsibility).

Physical climate scenarios RCP 4.5	Company-wide		EDP has developed aggregated scenarios, based on physical and transition scenarios to assess the impact of climate risks and opportunities. Regarding physical scenarios, EDP uses IPCC scenarios to assess climate-related physical risks, taking into account forecasts for the long-term evolution of precipitation, wind patterns and temperature. EDP uses IPCC's scenarios - RCP 8.5, RCP 4.5 and RCP 2.6 (the most aggressive CO2 emission reductions scenario), to identify the most relevant chronic and acute risks and evaluate potential impacts on its electricity generation and distribution activities from present time until 2050. As physical risks require a long-term analysis to identify any structural change in their pattern or frequency/severity of occurrence, the focus of the physical risks and opportunities analysis is from 2030 to 2050. Physical parameters are updated based on data sources aligned with RCP scenarios (e.g., World Bank Group, Copernicus, and some local data sources) and BUs assess and quantify the impact of those changes in their businesses. Results highlighted two key risks (with higher impact for the RCP 8.5): - structural reduction of water availability in Iberia and Brazil, affecting the productivity of hydroelectric generation assets in Portugal, Spain and Brazil (chronic physical risk); - and increased occurrence and severity of extreme weather events (precipitation extremes, floods, wildfires, landslides and extreme winds), causing damage to our electricity distribution assets (acute physical risk). EDP's business strategy is shaped in order to mitigate chronic risk through a diversified generation portfolio in terms of technologies and geographies. Geographic diversification significantly reduces the risk, as structural reduction in precipitation is not likely to occur in all geographies and with the same magnitude. Example of this is the investment in other renewable sources besides hydro (i.e., solar and wind) in different markets (European markets, North and South America and APAC). To manage the acute risk, EDP has strengthened its business continuity and crisis management capabilities,

			implemented a set of preventive measures and defined a comprehensive range of insurance policies (property damage and civil and environmental responsibility).
Physical climate scenarios RCP 8.5	Company-wide		EDP has developed aggregated scenarios, based on physical and transition scenarios to assess the impact of climate risks and opportunities. Regarding physical scenarios, EDP uses IPCC scenarios to assess climate-related physical risks, taking into account forecasts for the long-term evolution of precipitation, wind patterns and temperature. EDP uses IPCC's scenarios - RCP 8.5, RCP 4.5 and RCP 2.6 (the most aggressive CO2 emission reductions scenario), to identify the most relevant chronic and acute risks and evaluate potential impacts on its electricity generation and distribution activities from present time until 2050. As physical risks require a long-term analysis to identify any structural change in their pattern or frequency/severity of occurrence, the focus of the physical risks and opportunities analysis is from 2030 to 2050. Physical parameters are updated based on data sources aligned with RCP scenarios (e.g., World Bank Group, Copernicus, and some local data sources) and BUs assess and quantify the impact of those changes in their businesses. Results highlighted two key risks (with higher impact for the RCP 8.5): - structural reduction of water availability in Iberia and Brazil, affecting the productivity of hydroelectric generation assets in Portugal, Spain and Brazil (chronic physical risk); - and increased occurrence and severity of extreme weather events (precipitation extremes, floods, wildfires, landslides and extreme winds), causing damage to our electricity distribution assets (acute physical risk). EDP's business strategy is shaped in order to mitigate chronic risk through a diversified generation portfolio in terms of technologies and geographies. Geographic diversification significantly reduces the risk, as structural reduction in precipitation is not likely to occur in all geographies and with the same magnitude. Example of this is the investment in other renewable sources besides hydro (i.e., solar

			and wind) in different markets (European markets, North and South America and APAC). To manage the acute risk, EDP has strengthened its business continuity and crisis management capabilities, implemented a set of preventive measures and defined a comprehensive range of insurance policies (property damage and civil and environmental responsibility).
Transition scenarios IEA NZE 2050	Company-wide		EDP used the SBTi scenario based on the IPCC's Special Report on Global Warming of 1.5°C 's for setting its GHG reduction science-based target (SBT), using the Sectoral Decarbonisation Approach for the power sector. EDP's SBT updated ambition was voluntarily submitted in 2022 and formally approved by the Science Based Target Initiative in early 2023 aligned with the new SBTi's Net-Zero standard: -95% scope 1+2 emissions intensity reduction in 2030 from 2020 levels; -96% scope 1+2 emissions intensity reduction in 2040 from 2020 levels); - 45% scope 3 emissions reduction in 2030 from 2020 levels - 90% scope 3 emissions reduction in 2040 from 2020 levels; Please see further information in chapter C4-Targets and Performance . All the approved targets are aligned with the 1.5ºC decarbonisation pathway.

C3.2b

(C3.2b) Provide details of the focal questions your organization seeks to address by using climate-related scenario analysis, and summarize the results with respect to these questions.

Row 1

Focal questions

Focal Question 1 (FQ1),(Adaptation): How could climate change plausibly physically affect our different business areas in the markets where EDP operates and expect to continue in the future? With this 1st focal question, IPCC scenarios (RCP 8.5, RCP 4.5 and RCP 2.6) were considered the broader and more consensual scenarios (scientific consensus) to be used to test the physical resilience of EDP's assets across different markets (geographies) and different technologies. These scenarios are already being downscaled in several regions, improving the level of certainty required for these analysis

Focal Question 2 (FQ2) - (Transition): Which policies may be in place and how will they impact the energy sector, i.e., market design, energy price, generation portfolio? The global and included in the list of the most credible IEA Scenarios, including the new NetZero, was used to frame different pathways, including the net-zero by 2050. This last one, highlighting key milestones for technologies, infrastructure, investment, and policies needed along the way and key to support decision making processes.
Focal Question 3 (FQ3) – (Integrated assessment): What is the overall exposure of EDP to the above risks/opportunities posed by climate change? A corporate EDP's Climate Risk Process was set in place by the company in 2021. EDP developed a climate value at Risk calculation process supported by a climate risk & opportunity taxonomy, aligned with TCFD recommendations. This process is framed under three integrated scenarios aggregating both physical and transition risks, from Paris Agreement compliance (IPCC RCP 2.6 and EIA NZE 2050) to a much slower movement towards the transition. (IPCC RCP 8.5 and IEA CPS). The quantification methodology is based on individual analysis of the impact on EBITDA of each risk and opportunity (physical and transition), carried out by each Business Unit and for each geography. 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%). The consolidation of losses and gains was made considering correlations between risks and opportunities and between geographies.

Results of the climate-related scenario analysis with respect to the focal questions

FQ1: Main results of the scenarios analysed in FQ1 highlight chronical water shortages as having significant risks in EDP's portfolio, due to its % of hydro installed capacity (~0.4%-1.5% of the consolidated EBITDA depending on the scenario). As an opportunity, water pumping will become increasingly important for the role in storage and in the provision of flexibility services, essential to secure the transition of the electricity systems. Today, EDP has a total of 4.0 GW of installed capacity with pumped storage capacity.
For networks and all generation technologies, extreme events represent a risk with financial impact, although asset distribution among different regions and different technologies result in a resilient portfolio for these acute events. Nevertheless, the overall yearly cost of risk transfer through insurance and costs associated with the company's Business Continuity Plan is equivalent to 0.4% of EBITDA, ~16M€ in 2020. Opportunities also arise with heat and cold waves due to electricity demand increase, leading to 3.5M€ of potential increase in electricity demand driven by extremes, based on the results of an internal study: increase of 2GWh/day for each ºC decrease and 1.5GWh/day for each ºC increase (RCP 2.6). Main actions to improve resilience:
1) increase effective emergency response by reviewing energy continuity governance;
2) review in OPEX for O&M, to improve preventive measures such as forest management services (e.g. €420.000 for a 3 year plan to manage ~900ha in the surrounding wind farm infrastructures in the north of Portugal);
3) maintain the diversification strategy;
4) deep dive studies on climate scenarios impact locally, to improve decision making for

networks planning.
FQ2: The transition is a pathway with risks and opportunities well identified. Some examples:
a) Retail: carbon prices increase will lead to higher energy prices when significantly produced by fossil fuels. Client solutions & Energy management platform recurring EBITDA decreased 73% YoY, penalized by the strong increase in wholesale energy prices. But the increase in carbon prices also represents opportunities to provide low-carbon services. Between 2021 and 2025 gross margin from energy services is expected to increase from ~330M€ to ~590M€.
b) Technology: green electricity is key for the transition. EDP's will invest more than 80% of its CAPEX (€21b) until 2026 in the deployment of wind and solar, with storage (+1GW by 2026) and green H2 (+1.5GW by 2030) representing a growth opportunity.
FQ3: In an aggregated result, EDP Group presents a resilient portfolio with an annual risk reduction of around 20%, when comparing its portfolio today and in the next 30 years, considering the current strategy and current set base unchanged. This result shows the sustainability of our long term strategy, based on the decarbonisation of generation and electrification of consumption, which minimises climate change risks.

C3.3

(C3.3) Describe where and how climate-related risks and opportunities have influenced your strategy.

	Have climate-related risks and opportunities influenced your strategy in this area?	Description of influence
Products and services	Yes	EDP continues to promote new products and services and smart and efficient energy management solutions. The company aims to maximize the value of its existing portfolio exploring new services and becoming more efficient, increasing its gross margin from ~330M€ to ~590M€ in the period 2021-2025. The key drivers of growth are established across energy services (including energy efficiency services, solar decentralized generation and sustainable mobility) from 0.9M contracts in 2020 to 1.4M contracts in 2025. This strategy will be combined with increasing digitalization. In the residential segment, EDP reinforced its energy efficiency strategy in Iberia by introducing large efficient appliances within its range of equipment, a highly competitive market with a major impact on energy consumption. In the corporate segment, EDP supports companies in implementing integrated energy efficiency services, namely through the Save to Compete programme,

		also extended to SMEs. This programme identifies measures to reduce energy consumption, promoting its implementation and costing through the savings generated. The company's strategy for electric mobility involves reinforcing the number of customers with electric mobility solutions, and strengthening the electrical vehicle charging infrastructure, both in terms of the number of charging points and in terms of their geographical spread, so that electric mobility can increasingly reach more people. By 2022, EDP had already provided 76.5k customers with electric mobility solutions, aiming at reaching 180k customers by 2025. Additionally, EDP offers distributed generation solutions from renewable sources (PV) adapted to customers and local characteristics. In 2022, EDP has already provided its customers with 0.56 GW installed capacity in decentralized solar generation, and it is estimated to increase to 3.7 GW by 2030. Improving energy efficiency, together with the promotion of renewable energies, is critical for the decarbonisation of the electricity sector. EDP, focusing in generating economic value by investing in decarbonization, has defined a set of goals, namely 4.5 GW/year new gross installed capacity in solar and wind farms (2023-2026), 15 MtCO2 of cumulative avoided emissions through the P&S provided to its customers (2015-2025), 100% smart meters worldwide by 2030 and 100% light-duty fleet electrification by 2030.
Supply chain and/or value chain	Yes	Improving energy efficiency, together with the promotion of renewable energies, is critical for the decarbonisation of the electricity sector. EDP promotes energy efficiency throughout the value chain, both internally, from the generation of electricity, to distribution and consumption, and externally, providing its customers with low carbon products and services (P&S). This contributes to the reduction of primary energy upstream, and to higher efficiency in the end use of energy downstream, for customers in the various activity sectors. Supply chain-related risks and opportunities are considered of low impact for EDP's business. The largest risk is related to fossil fuel sourcing (natural gas and coal), which could be subject to disruption caused by extreme weather events (acute risks) and by reduced water availability (chronic risk). Nevertheless, EDP's commitment to fully decarbonize until 2030 highly reduces this risk. Renewables intermittency can also be a risk for business

		continuity, requiring flexibility services, in order to increase efficiency of generation. To minimize this risk, and in addition to the current pumped hydro capacity (2.3 GW), EDP is investing in battery storage technologies and plans to install around 500 MW of flexible capacity by 2026. The increasing exposure to renewable volumes is also affected by physical risks, posing additional challenges to renewable generation.
Investment in R&D	Yes	R&D and innovation (RDi) are a priority for the EDP Group and are strongly rooted in its DNA, its vision and its culture, enabling it to anticipate the new challenges of the energy sector. In a context of transition for the sector, with the challenges of climate change, EDP has reinforced the need to adopt innovative strategies and technologies. EDP's innovation operating model is based on a fast-adopter logic with a well-defined purpose of accelerating new businesses with impact and promoting the rapid adoption of innovative solutions to lead the energy transition. Under this model, It seeks to solve the energy transition problems through the integration of new technologies, processes, and products, as well as innovative business models in EDP´s business to enhance competitiveness and create value for stakeholders. EDP focuses on seven innovation domains aligned with corporate strategy and market trends, which positions EDP along the energy industry value chain: - Renewable energies - Networks - Distributed energy systems - Green hydrogen - Energy storage and flexibility - Sustainable mobility - Decarbonisation of energy uses EDP continues to focus on partnerships and the balance between its own financing and competitive public financing for its RDi activity. Recently, EDP entered the green hydrogen business: by 2025, the Group expects to have 250 MW of electrolysers, accelerating the business from there to reach 1.5 GW in 2030. Moreover, EDP is planning to invest in its energy transition plan EUR 25Bn in the period 2023-2026, including EUR 1,000 million accumulated investment in R&D+i and EUR 2,000 bllion in digital transformation, aiming at becoming a more efficient and digital organization.

Operations	Yes	Climate-related physical risks, both chronic (structural reduction in precipitation) and acute (increased frequency and severity of extreme weather events) are expected to impact EDP's operations, causing a reduction in electricity output of our hydro generation assets and damage to electricity distribution networks, respectively. Impact is expected to be intensified in the long-term and have a medium-high impact on EDP's revenues from electricity generation as well as operational and capital cost from damage recovery. Ensuring the resilience of electricity generation and distribution infrastructures is a natural concern within EDP. With the effect of climate change already being felt, it is essential to carry out an internal and ongoing analysis of the physical risks to which the infrastructures may be subject. All EDP´s business units whose activities are likely to be more affected by climate change, are developing Adaptation Plans that ensure the resilience of infrastructures that may be exposed to extreme events of higher intensity and frequency.

C3.4

(C3.4) Describe where and how climate-related risks and opportunities have influenced your financial planning.

	Financial planning elements that have been influenced	Description of influence
Row 1	Revenues Direct costs Indirect costs Capital expenditures Capital allocation Acquisitions and divestments Access to capital Assets Liabilities	1- Revenues: i) negative impact - reduction in hydro volume influenced by a structural reduction of precipitation, leading to a reduction in hydro electricity production. The magnitude of the impact on company revenues, associated with risk 2 identified in C2.3a (Changes in precipitation patterns and extreme variability in weather patterns), is medium, given that the reduction of hydro production is partially compensated by the increased value of such production; ii) positive impact – increase in electric mobility and in new energy solutions and services favors renewable sources, namely hydro, wind and solar, due to a higher electricity generation. The magnitude of the impact, associated with opportunity 3 identified in C2.4a (rise of power demand), is medium to high. This positive impact is further strengthened by the forecasted increase in the electrification of final energy consumption which is also driven by the enabling effect of electricity in the decarbonization of energy consumption in other sectors.

		2- Operation (direct and indirect) costs: i) negative impact - reduced margins due to regulatory/policy penalization of carbon intensive fuels, leading to reduced thermal power plant margins; ii) positive impact –renewable (74% of EDP's total electricity generation) portfolio optimization resulting from higher CO2 prices, as well as higher e-mobility and efficient energy solutions and services, associated with opportunity 3 described in C2.4a (rise of power demand). The net balance between the above-mentioned positive and negative impacts is positive and the overall magnitude is medium to high. 3-Capital expenditures/ allocation: i) negative impact - investment on additional features of the electricity distribution grid to increase resilience to extreme weather events, has described in risk 3 identified in C2.3a (Operational disruption of electricity distribution activities). The magnitude of this negative impact is low; ii) positive impact - focus on generation portfolio, leveraging current portfolio mix of the Group and internal know-how, motivated by renewable favorable regulatory frameworks. The magnitude of this positive impact, associated with opportunity 2 identified in C2.4a (access to new markets), is high. 4- Acquisitions and divestments: Identified climate-related opportunities have the potential to impact EDP's acquisitions decisions, namely wind/solar generation pipeline projects as well as the acquisition of downstream businesses (energy efficiency, decentralized renewable generation). The magnitude of this impact, associated with opportunity 2 (access to new markets) and opportunity 3 (rise of power demand) identified in C2.4a, is high. 5- Access to capital: Identified climate-related risks and opportunities (e.g. related to changing consumer behavior and/or investor interest) can, depending on positive or negative impacts on EBITDA and operational results (e.g., renewable volumes, regulation, extreme events), have an impact on capital structure and liquidity (improve/deteriorate) impacting cost of capital. These impacts cover a range of identified risks and opportunities, and therefore their magnitude can range from medium to high. 6- Assets: Identified climate-related transition and physical risks can impact EDP's assets by causing damage to facilities, loss of value or impairment resulting from changing consumer behavior or climate-related regulation. These impacts cover a range of identified risks (e.g., risk 3 - Operational disruption of electricity distribution activities - and 4 - Pressure on generation system services share driven by new competitors - described in C2.3a). The most exposed assets to damage are distribution assets. 7- Liabilities: Identified climate-related risks can, depending on positive or negative impacts on EBITDA and operational results (e.g., renewable volumes,

		regulation, extreme events), have an impact (increase/decrease) on EDP's debt levels. These impacts cover a range of identified risks and opportunities, but the impact is mostly indirect, and the magnitude is considered low. The time horizon covered by revenues, operation costs (direct and indirect) and liabilities is the business plan horizon, i.e. from 1 to 5 years, while capital expenditures and capital allocation, acquisitions and divestments, access to capital and assets are covered for a longer and undetermined time.

C3.5

(C3.5) In your organization's financial accounting, do you identify spending/revenue that is aligned with your organization's climate transition?

	Identification of spending/revenue that is aligned with your organization's climate transition	Indicate the level at which you identify the alignment of your spending/revenue with a sustainable finance taxonomy
Row 1	Yes, we identify alignment with both our climate transition plan and a sustainable finance taxonomy	At both the company and activity level

C3.5a

(C3.5a) Quantify the percentage share of your spending/revenue that is aligned with your organization's climate transition.

Financial Metric

Revenue/Turnover

Type of alignment being reported for this financial metric

Alignment with a sustainable finance taxonomy

Taxonomy under which information is being reported

EU Taxonomy for Sustainable Activities

Objective under which alignment is being reported

Climate change mitigation

Amount of selected financial metric that is aligned in the reporting year (unit currency as selected in C0.4)

10 164 370 753

Percentage share of selected financial metric aligned in the reporting year (%)

49

Percentage share of selected financial metric planned to align in 2025 (%)

70

Percentage share of selected financial metric planned to align in 2030 (%)

80

Describe the methodology used to identify spending/revenue that is aligned

EDP uses the following eligibility and technical evaluation criteria under EU Taxonomy for Sustainable Activities:
1- Activities excluded
• Coal thermoelectric power plants

2- Eligible and aligned activities
a) Low carbon activities
• Wind and solar-based electricity production activities (activities 4.1 and 4.3)
• Supplier electricity activities in Portugal, Spain and Brazil. EDP has considered the composition of the electricity production mix of each country as an eligibility criterion to assess the use of renewable resources, and to determine the importance that renewable energy sources represent in the consumption of each of the aforementioned geographical areas. We used the figures for 2022, eith exception of Brazil, because the latest date is from 2021.
• Hydro plants (activity 4.5)
b) Enabling activities (Activities that allow for the reduction of CO2 emissions in other activities
• Electricity transmission and distribution activities (activity 4.9) in Portugal and Spain as part of the European Electricity System. Activities in Brazil were considered aligned because they are networks that transport more than 67% of energy from renewable sources.
• Installation, maintenance and repair of renewable energy technologies (activity 7.6) corresponds to distributed solar activity of EDP.

3- Eligible but not aligned activities
• One hydro plant in Brazil was not included which represent about 2% of the EDP group's installed capacity, as they do not meet at least one of the following criteria: CO2 emissions over the useful life of the asset and with a Life Cycle Assessment (LCA) below 100gCO2e/kWh; or where the power density of the asset is greater than 5W/m2.
• Combined Cycle Gas Turbine and cogeneration plants (activities 4.29 and 4.30) were not included because they do not carry out their activities in compliance with the alignment criteria of the delegated acts, namely the level of CO2 emissions over the useful life of the asset and with the Life Cycle Assessment (LCA) below 100gCO2e/kWh.

The calculations of the financial indicators follow the accounting policies which are described in the Integrated Annual Report 2022- Part II – Financial Statements, - note 2 "Accounting policies" and note 3 "Recent accounting standards and interpretations issued". As a result, double counting is avoided by assuring the allocation in the numerator of Turnover (split between aligned, eligible and non-eligible activities across EDP's economic activities) corresponds to the total amount of Turnover presented in the

Integrated Annual Report 2022- Part II – Financial Statements – note 7 Revenues and cost of energy sales and services and other. The same controls to avoid duplicate amounts are also taken into account for the two other indicators.
The disclosure of the proportion of the turnover, capital expenditure and operating expenditures aligned, eligible and non-eligible with the European Taxonomy is made under the templates of the Annex II of the Commission Delegated Regulation (EU 2021/2178). In addition, the disclosure of the proportion of fossil gas energy activities is made under the templates of the annex XII of the Commission Delegated Regulation (EU 2022/1214).

Financial Metric

CAPEX

Type of alignment being reported for this financial metric

Alignment with a sustainable finance taxonomy

Taxonomy under which information is being reported

EU Taxonomy for Sustainable Activities

Objective under which alignment is being reported

Climate change mitigation

Amount of selected financial metric that is aligned in the reporting year (unit currency as selected in C0.4)

4 377 110 494

Percentage share of selected financial metric aligned in the reporting year (%)

96

Percentage share of selected financial metric planned to align in 2025 (%)

96

Percentage share of selected financial metric planned to align in 2030 (%)

97

Describe the methodology used to identify spending/revenue that is aligned

EDP uses the following eligibility and technical evaluation criteria under EU Taxonomy for Sustainable Activities:
1- Activities excluded
• Coal thermoelectric power plants

2- Eligible and aligned activities
a) Low carbon activities
• Wind and solar-based electricity production activities (activities 4.1 and 4.3)
• Supplier electricity activities in Portugal, Spain and Brazil. EDP has considered the composition of the electricity production mix of each country as an eligibility criterion to assess the use of renewable resources, and to determine the importance that

renewable energy sources represent in the consumption of each of the aforementioned geographical areas. We used the figures for 2022, eith exception of Brazil, because the latest date is from 2021.
• Hydro plants (activity 4.5)
b) Enabling activities (Activities that allow for the reduction of CO2 emissions in other activities
• Electricity transmission and distribution activities (activity 4.9) in Portugal and Spain as part of the European Electricity System. Activities in Brazil were considered aligned because they are networks that transport more than 67% of energy from renewable sources.
• Installation, maintenance and repair of renewable energy technologies (activity 7.6) corresponds to distributed solar activity of EDP.

3- Eligible but not aligned activities
• One hydro plant in Brazil was not included which represent about 2% of the EDP group's installed capacity, as they do not meet at least one of the following criteria: CO2 emissions over the useful life of the asset and with a Life Cycle Assessment (LCA) below 100gCO2e/kWh; or where the power density of the asset is greater than 5W/m2.
• Combined Cycle Gas Turbine and cogeneration plants (activities 4.29 and 4.30) were not included because they do not carry out their activities in compliance with the alignment criteria of the delegated acts, namely the level of CO2 emissions over the useful life of the asset and with the Life Cycle Assessment (LCA) below 100gCO2e/kWh.

The calculations of the financial indicators follow the accounting policies which are described in the Integrated Annual Report 2022- Part II – Financial Statements, - note 2 "Accounting policies" and note 3 "Recent accounting standards and interpretations issued". As a result, double counting is avoided by assuring the allocation in the numerator of Turnover (split between aligned, eligible and non-eligible activities across EDP's economic activities) corresponds to the total amount of Turnover presented in the Integrated Annual Report 2022- Part II – Financial Statements – note 7 Revenues and cost of energy sales and services and other. The same controls to avoid duplicate amounts are also taken into account for the two other indicators.
The disclosure of the proportion of the turnover, capital expenditure and operating expenditures aligned, eligible and non-eligible with the European Taxonomy is made under the templates of the Annex II of the Commission Delegated Regulation (EU 2021/2178). In addition, the disclosure of the proportion of fossil gas energy activities is made under the templates of the annex XII of the Commission Delegated Regulation (EU 2022/1214).

Financial Metric

OPEX

Type of alignment being reported for this financial metric

Alignment with a sustainable finance taxonomy

Taxonomy under which information is being reported

EU Taxonomy for Sustainable Activities

Objective under which alignment is being reported

Climate change mitigation

Amount of selected financial metric that is aligned in the reporting year (unit currency as selected in C0.4)

333 860 011

Percentage share of selected financial metric aligned in the reporting year (%)

70

Percentage share of selected financial metric planned to align in 2025 (%)

82

Percentage share of selected financial metric planned to align in 2030 (%)

86

Describe the methodology used to identify spending/revenue that is aligned

EDP uses the following eligibility and technical evaluation criteria under EU Taxonomy for Sustainable Activities:

1- Activities excluded

• Coal thermoelectric power plants

2- Eligible and aligned activities

a) Low carbon activities

• Wind and solar-based electricity production activities (activities 4.1 and 4.3)

• Supplier electricity activities in Portugal, Spain and Brazil. EDP has considered the composition of the electricity production mix of each country as an eligibility criterion to assess the use of renewable resources, and to determine the importance that renewable energy sources represent in the consumption of each of the aforementioned geographical areas. We used the figures for 2022, eith exception of Brazil, because the latest date is from 2021.

• Hydro plants (activity 4.5)

b) Enabling activities (Activities that allow for the reduction of CO2 emissions in other activities

• Electricity transmission and distribution activities (activity 4.9) in Portugal and Spain as part of the European Electricity System. Activities in Brazil were considered aligned because they are networks that transport more than 67% of energy from renewable sources.

• Installation, maintenance and repair of renewable energy technologies (activity 7.6) corresponds to distributed solar activity of EDP.

3- Eligible but not aligned activities

• One hydro plant in Brazil was not included which represent about 2% of the EDP group's installed capacity, as they do not meet at least one of the following criteria: CO2 emissions over the useful life of the asset and with a Life Cycle Assessment (LCA)

below 100gCO2e/kWh; or where the power density of the asset is greater than 5W/m2.
• Combined Cycle Gas Turbine and cogeneration plants (activities 4.29 and 4.30) were not included because they do not carry out their activities in compliance with the alignment criteria of the delegated acts, namely the level of CO2 emissions over the useful life of the asset and with the Life Cycle Assessment (LCA) below 100gCO2e/kWh.

The calculations of the financial indicators follow the accounting policies which are described in the Integrated Annual Report 2022- Part II – Financial Statements, - note 2 “Accounting policies” and note 3 “Recent accounting standards and interpretations issued”. As a result, double counting is avoided by assuring the allocation in the numerator of Turnover (split between aligned, eligible and non-eligible activities across EDP's economic activities) corresponds to the total amount of Turnover presented in the Integrated Annual Report 2022- Part II – Financial Statements – note 7 Revenues and cost of energy sales and services and other. The same controls to avoid duplicate amounts are also taken into account for the two other indicators.
The disclosure of the proportion of the turnover, capital expenditure and operating expenditures aligned, eligible and non-eligible with the European Taxonomy is made under the templates of the Annex II of the Commission Delegated Regulation (EU 2021/2178). In addition, the disclosure of the proportion of fossil gas energy activities is made under the templates of the annex XII of the Commission Delegated Regulation (EU 2022/1214).

C3.5b

(C3.5b) Quantify the percentage share of your spending/revenue that was associated with eligible and aligned activities under the sustainable finance taxonomy in the reporting year.

Economic activity

Electricity generation using solar photovoltaic technology

Taxonomy under which information is being reported

EU Taxonomy for Sustainable Activities

Taxonomy Alignment

Taxonomy-aligned

Financial metric(s)

Turnover
CAPEX
OPEX

Taxonomy-aligned turnover from this activity in the reporting year (unit currency as selected in C0.4)

86 599 257

Taxonomy-aligned turnover from this activity as % of total turnover in the reporting year

0,4

Taxonomy-aligned turnover from this activity that substantially contributed to climate change mitigation as a % of total turnover in the reporting year

0,4

Taxonomy-aligned turnover from this activity that substantially contributed to climate change adaptation as a % of total turnover in the reporting year

0,4

Taxonomy-eligible but not aligned turnover from this activity in the reporting year (unit currency as selected in C0.4)

Taxonomy-eligible but not aligned turnover from this activity as % of total turnover in the reporting year

Taxonomy-aligned CAPEX from this activity in the reporting year (unit currency as selected in C0.4)

2 109 586 356

Taxonomy-aligned CAPEX from this activity as % of total CAPEX in the reporting year

46

Taxonomy-aligned CAPEX from this activity that substantially contributed to climate change mitigation as a % of total CAPEX in the reporting year

46

Taxonomy-aligned CAPEX from this activity that substantially contributed to climate change adaptation as a % of total CAPEX in the reporting year

46

Taxonomy-eligible but not aligned CAPEX associated with this activity in the reporting year (unit currency as selected in C0.4)

Taxonomy-eligible but not aligned CAPEX associated with this activity as % of total CAPEX in the reporting year

Taxonomy-aligned OPEX from this activity in the reporting year (unit currency as selected in C0.4)

12 162 481

Taxonomy-aligned OPEX from this activity as % of total OPEX in the reporting year

3

Taxonomy-aligned OPEX from this activity that substantially contributed to climate change mitigation as a % of total OPEX in the reporting year

3

Taxonomy-aligned OPEX from this activity that substantially contributed to climate change adaptation as a % of total OPEX in the reporting year

3

Taxonomy-eligible but not aligned OPEX associated with this activity in the reporting year (unit currency as selected in C0.4)

Taxonomy-eligible but not aligned OPEX associated with this activity as % total OPEX in the reporting year

Type(s) of substantial contribution

Own performance

Calculation methodology and supporting information

The calculations of the financial indicators follow the accounting policies which are described in the Integrated Annual Report 2022- Part II – Financial Statements, - note 2 “Accounting policies” and note 3 “Recent accounting standards and interpretations issued”. As a result, double counting is avoided by assuring the allocation in the numerator of Turnover (split between aligned, eligible and non-eligible activities across EDP's economic activities) corresponds to the total amount of Turnover presented in the Integrated Annual Report 2022- Part II – Financial Statements – note 7 Revenues and cost of energy sales and services and other. The same controls to avoid duplicate amounts are also taken into account for the two other indicators.
The disclosure of the proportion of the turnover, capital expenditure and operating expenditures aligned, eligible and non-eligible with the European Taxonomy is made under the templates of the Annex II of the Commission Delegated Regulation (EU 2021/2178). In addition, the disclosure of the proportion of fossil gas energy activities is made under the templates of the annex XII of the Commission Delegated Regulation (EU 2022/1214).

Technical screening criteria met

Yes

Details of technical screening criteria analysis

EDP uses the following eligibility and technical evaluation criteria under EU Taxonomy for Sustainable Activities:
1- Activities excluded
• Coal thermoelectric power plants

2- Eligible and aligned activities
a) Low carbon activities
• Wind and solar-based electricity production activities (activities 4.1 and 4.3)
• Supplier electricity activities in Portugal, Spain and Brazil. EDP has considered the composition of the electricity production mix of each country as an eligibility criterion to assess the use of renewable resources, and to determine the importance that renewable energy sources represent in the consumption of each of the aforementioned geographical areas. We used the figures for 2022, eith exception of Brazil, because the latest date is from 2021.
• Hydro plants (activity 4.5)
b) Enabling activities (Activities that allow for the reduction of CO2 emissions in other activities
• Electricity transmission and distribution activities (activity 4.9) in Portugal and Spain as part of the European Electricity System. Activities in Brazil were considered aligned because they are networks that transport more than 67% of energy from renewable sources.
• Installation, maintenance and repair of renewable energy technologies (activity 7.6) corresponds to distributed solar activity of EDP.

3- Eligible but not aligned activities
• One hydro plant in Brazil was not included which represent about 2% of the EDP group's installed capacity, as they do not meet at least one of the following criteria: CO2 emissions over the useful life of the asset and with a Life Cycle Assessment (LCA) below 100gCO2e/kWh; or where the power density of the asset is greater than 5W/m2.
• Combined Cycle Gas Turbine and cogeneration plants (activities 4.29 and 4.30) were not included because they do not carry out their activities in compliance with the alignment criteria of the delegated acts, namely the level of CO2 emissions over the useful life of the asset and with the Life Cycle Assessment (LCA) below 100gCO2e/kWh.

Do no significant harm requirements met

Yes

Details of do no significant harm analysis

Our verification process regarding DNSH (do no significant harm) as required by the EU Taxonomy is based on EDP's Environmental Policy, under which EDP outlines a set of commitments:
- Biodiversity protection;
- Circular economy promotion;
- Climate action (mitigation and adaptation);
- Pollution prevention
that safeguard the implementation and maintenance of appropriate and effective environmental management systems. For each topic of the DNSH:
1- Climate change adaptation: EDP has a well established process to evaluate climate risk and perform vulnerability assessment for our projects and operations. Furthermore, each business unit has designed an adaptation plan to ensure the resilience of

infrastructures that may be exposed to extreme climate events, and committed to implement it until 2025.
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3- Water/prevention of pollution/circular economy: our environmental policy provides the framework to consider that the material environmental issues, an integral part of the policy, is ensured by environmental management systems certified in accordance with ISO14001:2015, aligned in a Corporate Environmental Management System (SIGAC), certified since 2008 by Lloyd's Register Quality Assurance . EDP set the objective of achieving 100% ISO 14001:2015 environmental certification of any group activities with significant environmental impacts, and 87% has been achieved so far. Regarding circular economy, EDP follows procurement criteria/standards as part of our supplier´s management approach and engage with manufacturing suppliers to promote circular economy. Also, during its operations, EDP promotes the recycling with waste treatment suppliers. EDP also assures the sustainable use and protection of water and marine resources, as well as polution prevention and control on our thermal power plants.
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Minimum safeguards compliance requirements met

Yes

Details of minimum safeguards compliance analysis

EDP complies with guidelines pertaining to human rights and labour rights, as well as corruption, taxation and fair competition. EDP's policies, publicly available on our website (www.edp.com), are listed below:
- Human and Labour Rights Policy
- The Integrity Policy (bribery and corruption)
- EDP Group Fiscal Policy
- Healthy Competition Practices Commitment

These policies are prescriptive, covering positioning, standards and legal references, management structure and ownership, principles of action, complaint systems, among others. Under these policies, EDP confirms compliance with the following guidelines/conventions:
- 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 demonstration EDP's process to combat bribery, bribe solicitation and extortion in the regions/countries where it operates, as well as the respect for competition and respect for taxation law, is under the scope of EDP's Compliance Guidelines with focus on both the process and performance. For example, in the scope of its Global Compliance Program, EDP has implemented a Specific Integrity/ Anti-bribery and corruption Compliance Program.
This Specific Compliance Program includes the following components:
• Governance: Ethics Ombudsman; Ethics Committee; Compliance Department reporting to the Executive Board of Directors and to the Financial Matters Committee / Audit Committee of the General and Supervisory Board
• Risk Assessment: risks identification, risk assessment and mitigation (with the development of specific compliance procedures and control mechanisms)
• Policies and procedures: EDP Integrity Policy; EDP 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) procedure; Interaction with Public Agents and
Politically Exposed Persons procedure; Prevention of Conflicts of Interests procedure; Donations and Sponsorships procedure; Offers and Events procedure.
The track is assured by the implementation of control mechanisms, training & communication, complaint channels, testing & monitoring and reporting.

Economic activity

Electricity generation from wind power

Taxonomy under which information is being reported

EU Taxonomy for Sustainable Activities

Taxonomy Alignment

Taxonomy-aligned

Financial metric(s)

Turnover
CAPEX
OPEX

Taxonomy-aligned turnover from this activity in the reporting year (unit currency as selected in C0.4)

2 261 932 163

Taxonomy-aligned turnover from this activity as % of total turnover in the reporting year

11

Taxonomy-aligned turnover from this activity that substantially contributed to climate change mitigation as a % of total turnover in the reporting year

11

Taxonomy-aligned turnover from this activity that substantially contributed to climate change adaptation as a % of total turnover in the reporting year

11

Taxonomy-eligible but not aligned turnover from this activity in the reporting year (unit currency as selected in C0.4)

Taxonomy-eligible but not aligned turnover from this activity as % of total turnover in the reporting year

Taxonomy-aligned CAPEX from this activity in the reporting year (unit currency as selected in C0.4)

1 151 209 373

Taxonomy-aligned CAPEX from this activity as % of total CAPEX in the reporting year

25

Taxonomy-aligned CAPEX from this activity that substantially contributed to climate change mitigation as a % of total CAPEX in the reporting year

25

Taxonomy-aligned CAPEX from this activity that substantially contributed to climate change adaptation as a % of total CAPEX in the reporting year

25

Taxonomy-eligible but not aligned CAPEX associated with this activity in the reporting year (unit currency as selected in C0.4)

Taxonomy-eligible but not aligned CAPEX associated with this activity as % of total CAPEX in the reporting year

Taxonomy-aligned OPEX from this activity in the reporting year (unit currency as selected in C0.4)

151 373 063

Taxonomy-aligned OPEX from this activity as % of total OPEX in the reporting year

32

Taxonomy-aligned OPEX from this activity that substantially contributed to climate change mitigation as a % of total OPEX in the reporting year

32

Taxonomy-aligned OPEX from this activity that substantially contributed to climate change adaptation as a % of total OPEX in the reporting year

32

Taxonomy-eligible but not aligned OPEX associated with this activity in the reporting year (unit currency as selected in C0.4)

Taxonomy-eligible but not aligned OPEX associated with this activity as % total OPEX in the reporting year

Type(s) of substantial contribution

Own performance

Calculation methodology and supporting information

The calculations of the financial indicators follow the accounting policies which are described in the Integrated Annual Report 2022- Part II – Financial Statements, - note 2 “Accounting policies” and note 3 “Recent accounting standards and interpretations issued”. As a result, double counting is avoided by assuring the allocation in the numerator of Turnover (split between aligned, eligible and non-eligible activities across EDP's economic activities) corresponds to the total amount of Turnover presented in the Integrated Annual Report 2022- Part II – Financial Statements – note 7 Revenues and cost of energy sales and services and other. The same controls to avoid duplicate amounts are also taken into account for the two other indicators.
The disclosure of the proportion of the turnover, capital expenditure and operating expenditures aligned, eligible and non-eligible with the European Taxonomy is made under the templates of the Annex II of the Commission Delegated Regulation (EU 2021/2178). In addition, the disclosure of the proportion of fossil gas energy activities is made under the templates of the annex XII of the Commission Delegated Regulation (EU 2022/1214).

Technical screening criteria met

Yes

Details of technical screening criteria analysis

EDP uses the following eligibility and technical evaluation criteria under EU Taxonomy for Sustainable Activities:
1- Activities excluded
• Coal thermoelectric power plants

2- Eligible and aligned activities
a) Low carbon activities
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geographical areas. We used the figures for 2022, eith exception of Brazil, because the latest date is from 2021.
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Do no significant harm requirements met

Yes

Details of do no significant harm analysis

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- Biodiversity protection;
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phases.
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Minimum safeguards compliance requirements met

Yes

Details of minimum safeguards compliance analysis

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This Specific Compliance Program includes the following components:
• Governance: Ethics Ombudsman; Ethics Committee; Compliance Department

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Politically Exposed Persons procedure; Prevention of Conflicts of Interests procedure; Donations and Sponsorships procedure; Offers and Events procedure.
The track is assured by the implementation of control mechanisms, training & communication, complaint channels, testing & monitoring and reporting.

Economic activity

Electricity generation from hydropower

Taxonomy under which information is being reported

EU Taxonomy for Sustainable Activities

Taxonomy Alignment

Taxonomy-aligned

Financial metric(s)

Turnover
CAPEX
OPEX

Taxonomy-aligned turnover from this activity in the reporting year (unit currency as selected in C0.4)

1 198 219 303

Taxonomy-aligned turnover from this activity as % of total turnover in the reporting year

6

Taxonomy-aligned turnover from this activity that substantially contributed to climate change mitigation as a % of total turnover in the reporting year

6

Taxonomy-aligned turnover from this activity that substantially contributed to climate change adaptation as a % of total turnover in the reporting year

6

Taxonomy-eligible but not aligned turnover from this activity in the reporting year (unit currency as selected in C0.4)

Taxonomy-eligible but not aligned turnover from this activity as % of total turnover in the reporting year

Taxonomy-aligned CAPEX from this activity in the reporting year (unit currency as selected in C0.4)

42 080 339

Taxonomy-aligned CAPEX from this activity as % of total CAPEX in the reporting year

1

Taxonomy-aligned CAPEX from this activity that substantially contributed to climate change mitigation as a % of total CAPEX in the reporting year

1

Taxonomy-aligned CAPEX from this activity that substantially contributed to climate change adaptation as a % of total CAPEX in the reporting year

1

Taxonomy-eligible but not aligned CAPEX associated with this activity in the reporting year (unit currency as selected in C0.4)

Taxonomy-eligible but not aligned CAPEX associated with this activity as % of total CAPEX in the reporting year

Taxonomy-aligned OPEX from this activity in the reporting year (unit currency as selected in C0.4)

19 154 973

Taxonomy-aligned OPEX from this activity as % of total OPEX in the reporting year

4

Taxonomy-aligned OPEX from this activity that substantially contributed to climate change mitigation as a % of total OPEX in the reporting year

4

Taxonomy-aligned OPEX from this activity that substantially contributed to climate change adaptation as a % of total OPEX in the reporting year

4

Taxonomy-eligible but not aligned OPEX associated with this activity in the reporting year (unit currency as selected in C0.4)

Taxonomy-eligible but not aligned OPEX associated with this activity as % total OPEX in the reporting year

Type(s) of substantial contribution

Own performance

Calculation methodology and supporting information

The calculations of the financial indicators follow the accounting policies which are described in the Integrated Annual Report 2022- Part II – Financial Statements, - note 2 “Accounting policies” and note 3 “Recent accounting standards and interpretations issued”. As a result, double counting is avoided by assuring the allocation in the numerator of Turnover (split between aligned, eligible and non-eligible activities across EDP's economic activities) corresponds to the total amount of Turnover presented in the Integrated Annual Report 2022- Part II – Financial Statements – note 7 Revenues and cost of energy sales and services and other. The same controls to avoid duplicate amounts are also taken into account for the two other indicators.
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Technical screening criteria met

Yes

Details of technical screening criteria analysis

EDP uses the following eligibility and technical evaluation criteria under EU Taxonomy for Sustainable Activities:
1- Activities excluded
• Coal thermoelectric power plants

2- Eligible and aligned activities
a) Low carbon activities
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Do no significant harm requirements met

Yes

Details of do no significant harm analysis

Our verification process regarding DNSH (do no significant harm) as required by the EU Taxonomy is based on EDP's Environmental Policy, under which EDP outlines a set of commitments:
- Biodiversity protection;
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significant environmental impacts, and 87% has been achieved so far. Regarding circular economy, EDP follows procurement criteria/standards as part of our supplier´s management approach and engage with manufacturing suppliers to promote circular economy. Also, during its operations, EDP promotes the recycling with waste treatment suppliers. EDP also assures the sustainable use and protection of water and marine resources, as well as polution prevention and control on our thermal power plants. Please see https://www.edp.com/sites/default/files/2023-03/Report%20on%20the%20implementation%20of%20Article%208%20of%20the%20European%20Taxonomy%20Regulation_1.pdf (pps 6-9)

Minimum safeguards compliance requirements met

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Agents and
Politically Exposed Persons procedure; Prevention of Conflicts of Interests procedure; Donations and Sponsorships procedure; Offers and Events procedure.
The track is assured by the implementation of control mechanisms, training & communication, complaint channels, testing & monitoring and reporting.

Economic activity

Transmission and distribution of electricity

Taxonomy under which information is being reported

EU Taxonomy for Sustainable Activities

Taxonomy Alignment

Taxonomy-aligned

Financial metric(s)

Turnover
CAPEX
OPEX

Taxonomy-aligned turnover from this activity in the reporting year (unit currency as selected in C0.4)

2 807 941 641

Taxonomy-aligned turnover from this activity as % of total turnover in the reporting year

14

Taxonomy-aligned turnover from this activity that substantially contributed to climate change mitigation as a % of total turnover in the reporting year

14

Taxonomy-aligned turnover from this activity that substantially contributed to climate change adaptation as a % of total turnover in the reporting year

14

Taxonomy-eligible but not aligned turnover from this activity in the reporting year (unit currency as selected in C0.4)

Taxonomy-eligible but not aligned turnover from this activity as % of total turnover in the reporting year

Taxonomy-aligned CAPEX from this activity in the reporting year (unit currency as selected in C0.4)

837 888 816

Taxonomy-aligned CAPEX from this activity as % of total CAPEX in the reporting year

18

Taxonomy-aligned CAPEX from this activity that substantially contributed to climate change mitigation as a % of total CAPEX in the reporting year

18

Taxonomy-aligned CAPEX from this activity that substantially contributed to climate change adaptation as a % of total CAPEX in the reporting year

18

Taxonomy-eligible but not aligned CAPEX associated with this activity in the reporting year (unit currency as selected in C0.4)

Taxonomy-eligible but not aligned CAPEX associated with this activity as % of total CAPEX in the reporting year

Taxonomy-aligned OPEX from this activity in the reporting year (unit currency as selected in C0.4)

144 647 330

Taxonomy-aligned OPEX from this activity as % of total OPEX in the reporting year

30

Taxonomy-aligned OPEX from this activity that substantially contributed to climate change mitigation as a % of total OPEX in the reporting year

30

Taxonomy-aligned OPEX from this activity that substantially contributed to climate change adaptation as a % of total OPEX in the reporting year

30

Taxonomy-eligible but not aligned OPEX associated with this activity in the reporting year (unit currency as selected in C0.4)

Taxonomy-eligible but not aligned OPEX associated with this activity as % total OPEX in the reporting year

Type(s) of substantial contribution

Activity enabling mitigation
Activity enabling adaptation

Calculation methodology and supporting information

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Technical screening criteria met

Yes

Details of technical screening criteria analysis

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Do no significant harm requirements met

Yes

Details of do no significant harm analysis

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- EDP Group Fiscal Policy
- Healthy Competition Practices Commitment

These policies are prescriptive, covering positioning, standards and legal references, management structure and ownership, principles of action, complaint systems, among others. Under these policies, EDP confirms compliance with the following guidelines/conventions:
- 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 demonstration EDP's process to combat bribery, bribe solicitation and extortion in the regions/countries where it operates, as well as the respect for competition and respect for taxation law, is under the scope of EDP's Compliance Guidelines with focus on both the process and performance. For example, in the scope of its Global Compliance Program, EDP has implemented a Specific Integrity/ Anti-bribery and corruption Compliance Program.

This Specific Compliance Program includes the following components:
• Governance: Ethics Ombudsman; Ethics Committee; Compliance Department reporting to the Executive Board of Directors and to the Financial Matters Committee / Audit Committee of the General and Supervisory Board
• Risk Assessment: risks identification, risk assessment and mitigation (with the development of specific compliance procedures and control mechanisms)
• Policies and procedures: EDP Integrity Policy; EDP 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) procedure; Interaction with Public Agents and
Politically Exposed Persons procedure; Prevention of Conflicts of Interests procedure; Donations and Sponsorships procedure; Offers and Events procedure.

The track is assured by the implementation of control mechanisms, training & communication, complaint channels, testing & monitoring and reporting.

Economic activity

Installation, maintenance and repair of renewable energy technologies

Taxonomy under which information is being reported

EU Taxonomy for Sustainable Activities

Taxonomy Alignment

Taxonomy-aligned

Financial metric(s)

Turnover
CAPEX
OPEX

Taxonomy-aligned turnover from this activity in the reporting year (unit currency as selected in C0.4)

29 352 905

Taxonomy-aligned turnover from this activity as % of total turnover in the reporting year

0,1

Taxonomy-aligned turnover from this activity that substantially contributed to climate change mitigation as a % of total turnover in the reporting year

0,1

Taxonomy-aligned turnover from this activity that substantially contributed to climate change adaptation as a % of total turnover in the reporting year

0,1

Taxonomy-eligible but not aligned turnover from this activity in the reporting year (unit currency as selected in C0.4)

Taxonomy-eligible but not aligned turnover from this activity as % of total turnover in the reporting year

Taxonomy-aligned CAPEX from this activity in the reporting year (unit currency as selected in C0.4)

163 907 532

Taxonomy-aligned CAPEX from this activity as % of total CAPEX in the reporting year

4

Taxonomy-aligned CAPEX from this activity that substantially contributed to climate change mitigation as a % of total CAPEX in the reporting year

4

Taxonomy-aligned CAPEX from this activity that substantially contributed to climate change adaptation as a % of total CAPEX in the reporting year

4

Taxonomy-eligible but not aligned CAPEX associated with this activity in the reporting year (unit currency as selected in C0.4)

Taxonomy-eligible but not aligned CAPEX associated with this activity as % of total CAPEX in the reporting year

Taxonomy-aligned OPEX from this activity in the reporting year (unit currency as selected in C0.4)

6 522 163

Taxonomy-aligned OPEX from this activity as % of total OPEX in the reporting year

1

Taxonomy-aligned OPEX from this activity that substantially contributed to climate change mitigation as a % of total OPEX in the reporting year

1

Taxonomy-aligned OPEX from this activity that substantially contributed to climate change adaptation as a % of total OPEX in the reporting year

1

Taxonomy-eligible but not aligned OPEX associated with this activity in the reporting year (unit currency as selected in C0.4)

Taxonomy-eligible but not aligned OPEX associated with this activity as % total OPEX in the reporting year

Type(s) of substantial contribution

Activity enabling mitigation
Activity enabling adaptation

Calculation methodology and supporting information

The calculations of the financial indicators follow the accounting policies which are described in the Integrated Annual Report 2022- Part II – Financial Statements, - note 2 “Accounting policies” and note 3 “Recent accounting standards and interpretations issued”. As a result, double counting is avoided by assuring the allocation in the numerator of Turnover (split between aligned, eligible and non-eligible activities across EDP's economic activities) corresponds to the total amount of Turnover presented in the Integrated Annual Report 2022- Part II – Financial Statements – note 7 Revenues and

cost of energy sales and services and other. The same controls to avoid duplicate amounts are also taken into account for the two other indicators.
The disclosure of the proportion of the turnover, capital expenditure and operating expenditures aligned, eligible and non-eligible with the European Taxonomy is made under the templates of the Annex II of the Commission Delegated Regulation (EU 2021/2178). In addition, the disclosure of the proportion of fossil gas energy activities is made under the templates of the annex XII of the Commission Delegated Regulation (EU 2022/1214).

Technical screening criteria met

Details of technical screening criteria analysis

EDP uses the following eligibility and technical evaluation criteria under EU Taxonomy for Sustainable Activities:
1- Activities excluded
• Coal thermoelectric power plants

2- Eligible and aligned activities
a) Low carbon activities
• Wind and solar-based electricity production activities (activities 4.1 and 4.3)
• Supplier electricity activities in Portugal, Spain and Brazil. EDP has considered the composition of the electricity production mix of each country as an eligibility criterion to assess the use of renewable resources, and to determine the importance that renewable energy sources represent in the consumption of each of the aforementioned geographical areas. We used the figures for 2022, eith exception of Brazil, because the latest date is from 2021.
• Hydro plants (activity 4.5)
b) Enabling activities (Activities that allow for the reduction of CO2 emissions in other activities
• Electricity transmission and distribution activities (activity 4.9) in Portugal and Spain as part of the European Electricity System. Activities in Brazil were considered aligned because they are networks that transport more than 67% of energy from renewable sources.
• Installation, maintenance and repair of renewable energy technologies (activity 7.6) corresponds to distributed solar activity of EDP.

3- Eligible but not aligned activities
• One hydro plant in Brazil was not included which represent about 2% of the EDP group's installed capacity, as they do not meet at least one of the following criteria: CO2 emissions over the useful life of the asset and with a Life Cycle Assessment (LCA) below 100gCO2e/kWh; or where the power density of the asset is greater than 5W/m2.
• Combined Cycle Gas Turbine and cogeneration plants (activities 4.29 and 4.30) were not included because they do not carry out their activities in compliance with the alignment criteria of the delegated acts, namely the level of CO2 emissions over the useful life of the asset and with the Life Cycle Assessment (LCA) below 100gCO2e/kWh.

Do no significant harm requirements met

Yes

Details of do no significant harm analysis

Our verification process regarding DNSH (do no significant harm) as required by the EU Taxonomy is based on EDP's Environmental Policy, under which EDP outlines a set of commitments:
- Biodiversity protection;
- Circular economy promotion;
- Climate action (mitigation and adaptation);
- Pollution prevention

that safeguard the implementation and maintenance of appropriate and effective environmental management systems. For each topic of the DNSH:
1- Climate change adaptation: EDP has a well established process to evaluate climate risk and perform vulnerability assessment for our projects and operations. Furthermore, each business unit has designed an adaptation plan to ensure the resilience of infrastructures that may be exposed to extreme climate events, and committed to implement it until 2025.
2- Protection and restoration of biodiversity & ecosystems: all projects/operations we pursue are carried out in accordance with EU regulation or equivalent national provisions or international standards. Through environmental impact assessment (EIA) procedures, we ensure that the necessary studies are carried out to identify the environment state and the potential impacts so that they are avoided, minimized, restored and compensated -following the mitigation hierarchy- during all the project phases.
3- Water/prevention of pollution/circular economy: our environmental policy provides the framework to consider that the material environmental issues, an integral part of the policy, is ensured by environmental management systems certified in accordance with ISO14001:2015, aligned in a Corporate Environmental Management System (SIGAC), certified since 2008 by Lloyd's Register Quality Assurance . EDP set the objective of achieving 100% ISO 14001:2015 environmental certification of any group activities with significant environmental impacts, and 87% has been achieved so far. Regarding circular economy, EDP follows procurement criteria/standards as part of our supplier´s management approach and engage with manufacturing suppliers to promote circular economy. Also, during its operations, EDP promotes the recycling with waste treatment suppliers. EDP also assures the sustainable use and protection of water and marine resources, as well as polution prevention and control on our thermal power plants.
Please see https://www.edp.com/sites/default/files/2023-03/Report%20on%20the%20implementation%20of%20Article%208%20of%20the%20European%20Taxonomy%20Regulation_1.pdf (pps 6-9)

Minimum safeguards compliance requirements met

Yes

Details of minimum safeguards compliance analysis

EDP complies with guidelines pertaining to human rights and labour rights, as well as corruption, taxation and fair competition. EDP’s policies, publicly available on our

website (www.edp.com), are listed below:
- Human and Labour Rights Policy
- The Integrity Policy (bribery and corruption)
- EDP Group Fiscal Policy
- Healthy Competition Practices Commitment

These policies are prescriptive, covering positioning, standards and legal references, management structure and ownership, principles of action, complaint systems, among others. Under these policies, EDP confirms compliance with the following guidelines/conventions:
- 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 demonstration EDP's process to combat bribery, bribe solicitation and extortion in the regions/countries where it operates, as well as the respect for competition and respect for taxation law, is under the scope of EDP's Compliance Guidelines with focus on both the process and performance. For example, in the scope of its Global Compliance Program, EDP has implemented a Specific Integrity/ Anti-bribery and corruption Compliance Program.

This Specific Compliance Program includes the following components:
• Governance: Ethics Ombudsman; Ethics Committee; Compliance Department reporting to the Executive Board of Directors and to the Financial Matters Committee / Audit Committee of the General and Supervisory Board
• Risk Assessment: risks identification, risk assessment and mitigation (with the development of specific compliance procedures and control mechanisms)
• Policies and procedures: EDP Integrity Policy; EDP 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) procedure; Interaction with Public Agents and
Politically Exposed Persons procedure; Prevention of Conflicts of Interests procedure; Donations and Sponsorships procedure; Offers and Events procedure.

The track is assured by the implementation of control mechanisms, training & communication, complaint channels, testing & monitoring and reporting.

C3.5c

(C3.5c) Provide any additional contextual and/or verification/assurance information relevant to your organization's taxonomy alignment.

The information was verified by an independent auditor and the corresponding assurance report is available on https://www.edp.com/sites/default/files/2023-03/Report%20on%20the%20implementation%20of%20Article%208%20of%20the%20European%20Taxonomy%20Regulation_1.pdf (page 40)

C4. Targets and performance

C4.1

(C4.1) Did you have an emissions target that was active in the reporting year?

Absolute target

Intensity target

C4.1a

(C4.1a) Provide details of your absolute emissions target(s) and progress made against those targets.

Target reference number

Abs 1

Is this a science-based target?

Yes, and this target has been approved by the Science Based Targets initiative

Target ambition

1.5°C aligned

Year target was set

2022

Target coverage

Company-wide

Scope(s)

Scope 3

Scope 2 accounting method

Scope 3 category(ies)

Category 1: Purchased goods and services
Category 2: Capital goods
Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2)
Category 4: Upstream transportation and distribution
Category 5: Waste generated in operations
Category 6: Business travel
Category 7: Employee commuting
Category 11: Use of sold products
Category 15: Investments

Base year

2020

Base year Scope 1 emissions covered by target (metric tons CO2e)

Base year Scope 2 emissions covered by target (metric tons CO2e)

Base year Scope 3, Category 1: Purchased goods and services emissions covered by target (metric tons CO2e)

1 115 541

Base year Scope 3, Category 2: Capital goods emissions covered by target (metric tons CO2e)

1 877 828

Base year Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions covered by target (metric tons CO2e)

4 131 485

Base year Scope 3, Category 4: Upstream transportation and distribution emissions covered by target (metric tons CO2e)

38 505

Base year Scope 3, Category 5: Waste generated in operations emissions covered by target (metric tons CO2e)

11 296

Base year Scope 3, Category 6: Business travel emissions covered by target (metric tons CO2e)

3 008,9

Base year Scope 3, Category 7: Employee commuting emissions covered by target (metric tons CO2e)

10 502

Base year Scope 3, Category 8: Upstream leased assets emissions covered by target (metric tons CO2e)

Base year Scope 3, Category 9: Downstream transportation and distribution emissions covered by target (metric tons CO2e)

Base year Scope 3, Category 10: Processing of sold products emissions covered by target (metric tons CO2e)

Base year Scope 3, Category 11: Use of sold products emissions covered by target (metric tons CO2e)

2 405 104,37

Base year Scope 3, Category 12: End-of-life treatment of sold products emissions covered by target (metric tons CO2e)

Base year Scope 3, Category 13: Downstream leased assets emissions covered by target (metric tons CO2e)

Base year Scope 3, Category 14: Franchises emissions covered by target (metric tons CO2e)

Base year Scope 3, Category 15: Investments emissions covered by target (metric tons CO2e)

1 415,65

Base year Scope 3, Other (upstream) emissions covered by target (metric tons CO2e)

Base year Scope 3, Other (downstream) emissions covered by target (metric tons CO2e)

Base year total Scope 3 emissions covered by target (metric tons CO2e)

9 594 685,92

Total base year emissions covered by target in all selected Scopes (metric tons CO2e)

9 594 685,92

Base year Scope 1 emissions covered by target as % of total base year emissions in Scope 1

Base year Scope 2 emissions covered by target as % of total base year emissions in Scope 2

Base year Scope 3, Category 1: Purchased goods and services emissions covered by target as % of total base year emissions in Scope 3, Category 1: Purchased goods and services (metric tons CO2e)

100

Base year Scope 3, Category 2: Capital goods emissions covered by target as % of total base year emissions in Scope 3, Category 2: Capital goods (metric tons CO2e)

100

Base year Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions covered by target as % of total base year emissions in Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) (metric tons CO2e)

100

Base year Scope 3, Category 4: Upstream transportation and distribution covered by target as % of total base year emissions in Scope 3, Category 4: Upstream transportation and distribution (metric tons CO2e)

100

Base year Scope 3, Category 5: Waste generated in operations emissions covered by target as % of total base year emissions in Scope 3, Category 5: Waste generated in operations (metric tons CO2e)

100

Base year Scope 3, Category 6: Business travel emissions covered by target as % of total base year emissions in Scope 3, Category 6: Business travel (metric tons CO2e)

100

Base year Scope 3, Category 7: Employee commuting covered by target as % of total base year emissions in Scope 3, Category 7: Employee commuting (metric tons CO2e)

100

Base year Scope 3, Category 8: Upstream leased assets emissions covered by target as % of total base year emissions in Scope 3, Category 8: Upstream leased assets (metric tons CO2e)

Base year Scope 3, Category 9: Downstream transportation and distribution emissions covered by target as % of total base year emissions in Scope 3, Category 9: Downstream transportation and distribution (metric tons CO2e)

Base year Scope 3, Category 10: Processing of sold products emissions covered by target as % of total base year emissions in Scope 3, Category 10: Processing of sold products (metric tons CO2e)

Base year Scope 3, Category 11: Use of sold products emissions covered by target as % of total base year emissions in Scope 3, Category 11: Use of sold products (metric tons CO2e)

100

Base year Scope 3, Category 12: End-of-life treatment of sold products emissions covered by target as % of total base year emissions in Scope 3, Category 12: End-of-life treatment of sold products (metric tons CO2e)

Base year Scope 3, Category 13: Downstream leased assets emissions covered by target as % of total base year emissions in Scope 3, Category 13: Downstream leased assets (metric tons CO2e)

Base year Scope 3, Category 14: Franchises emissions covered by target as % of total base year emissions in Scope 3, Category 14: Franchises (metric tons CO2e)

Base year Scope 3, Category 15: Investments emissions covered by target as % of total base year emissions in Scope 3, Category 15: Investments (metric tons CO2e)

100

Base year Scope 3, Other (upstream) emissions covered by target as % of total base year emissions in Scope 3, Other (upstream) (metric tons CO2e)

Base year Scope 3, Other (downstream) emissions covered by target as % of total base year emissions in Scope 3, Other (downstream) (metric tons CO2e)

Base year total Scope 3 emissions covered by target as % of total base year emissions in Scope 3 (in all Scope 3 categories)

100

Base year emissions covered by target in all selected Scopes as % of total base year emissions in all selected Scopes

100

Target year

2030

Targeted reduction from base year (%)

45

Total emissions in target year covered by target in all selected Scopes (metric tons CO2e) [auto-calculated]

5 277 077,256

Scope 1 emissions in reporting year covered by target (metric tons CO2e)

Scope 2 emissions in reporting year covered by target (metric tons CO2e)

Scope 3, Category 1: Purchased goods and services emissions in reporting year covered by target (metric tons CO2e)

712 587,15

Scope 3, Category 2: Capital goods emissions in reporting year covered by target (metric tons CO2e)

2 935 134,31

Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions in reporting year covered by target (metric tons CO2e)

4 159 031,23

Scope 3, Category 4: Upstream transportation and distribution emissions in reporting year covered by target (metric tons CO2e)

5 686,73

Scope 3, Category 5: Waste generated in operations emissions in reporting year covered by target (metric tons CO2e)

9 706,68

Scope 3, Category 6: Business travel emissions in reporting year covered by target (metric tons CO2e)

9 127,76

Scope 3, Category 7: Employee commuting emissions in reporting year covered by target (metric tons CO2e)

10 959,66

Scope 3, Category 8: Upstream leased assets emissions in reporting year covered by target (metric tons CO2e)

Scope 3, Category 9: Downstream transportation and distribution emissions in reporting year covered by target (metric tons CO2e)

Scope 3, Category 10: Processing of sold products emissions in reporting year covered by target (metric tons CO2e)

Scope 3, Category 11: Use of sold products emissions in reporting year covered by target (metric tons CO2e)

1 437 165,81

Scope 3, Category 12: End-of-life treatment of sold products emissions in reporting year covered by target (metric tons CO2e)

Scope 3, Category 13: Downstream leased assets emissions in reporting year covered by target (metric tons CO2e)

Scope 3, Category 14: Franchises emissions in reporting year covered by target (metric tons CO2e)

Scope 3, Category 15: Investments emissions in reporting year covered by target (metric tons CO2e)

0

Scope 3, Other (upstream) emissions in reporting year covered by target (metric tons CO2e)

Scope 3, Other (downstream) emissions in reporting year covered by target (metric tons CO2e)

Total Scope 3 emissions in reporting year covered by target (metric tons CO2e)

9 279 399,33

Total emissions in reporting year covered by target in all selected scopes (metric tons CO2e)

9 279 399,33

Does this target cover any land-related emissions?

No, it does not cover any land-related emissions (e.g. non-FLAG SBT)

% of target achieved relative to base year [auto-calculated]

7,3023429064

Target status in reporting year

New

Please explain target coverage and identify any exclusions

The target covers 100% of EDP's scope 3 inventory, taking into consideration the consolidation method used (financial control), with no exclusions. It's a near term target aligned with SBTi's Net-Zero Protocol, in line with what is expected in terms of timeline (targets set in a interval of 5-10 year from base year). The targets was set in financial years. The 45% reduction target was set following the cross sector calculation methodology since SBTi doesn't provide a Sector Specific absolute emissions reduction approach for Scope 3.

Plan for achieving target, and progress made to the end of the reporting year

Our strategy is based on decarbonizing generation (coal power plants shut down by 2025 and 100% renewable generation by 2030, thus reducing significantly scope 3 categories 2) and electrifying consumption, thus reducing gas supply and shift to renewable electricity supply (impact on categories 3 and 11). By 2030, EDP will only generate power from renewables, so emissions related to the fossil fuel supply chain, which represents about 40% of the total scope 3 emissions, will decrease significantly and will tend to zero. Additionally, we will focus on sourcing green electricity to supply our customers and will progressively supply electricity and reduce natural gas supply.
Regarding the supply chain, we will collaborate with our suppliers, mainly those related to renewables, aiming at significantly improving the environmental performance of their products and services and, consequently, reduce the corresponding carbon footprint. We will invest in a “green procurement” strategy to select products with fewer emissions and/or suppliers that are more advanced in emissions mitigation actions. Furthermore, we will actively incentivize the implementation of emission reduction (green electrification) and disclosure measures for smaller suppliers.
Regarding progress by 2022, the main achievement was on use of sold products, with the adjustment of the gas client portfolio.

List the emissions reduction initiatives which contributed most to achieving this target

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Target reference number

Abs 2

Is this a science-based target?

Yes, and this target has been approved by the Science Based Targets initiative

Target ambition

1.5°C aligned

Year target was set

2022

Target coverage

Company-wide

Scope(s)

Scope 3

Scope 2 accounting method

Scope 3 category(ies)

Category 11: Use of sold products

Base year

2020

Base year Scope 1 emissions covered by target (metric tons CO2e)

Base year Scope 2 emissions covered by target (metric tons CO2e)

Base year Scope 3, Category 1: Purchased goods and services emissions covered by target (metric tons CO2e)

Base year Scope 3, Category 2: Capital goods emissions covered by target (metric tons CO2e)

Base year Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions covered by target (metric tons CO2e)

Base year Scope 3, Category 4: Upstream transportation and distribution emissions covered by target (metric tons CO2e)

Base year Scope 3, Category 5: Waste generated in operations emissions covered by target (metric tons CO2e)

Base year Scope 3, Category 6: Business travel emissions covered by target (metric tons CO2e)

Base year Scope 3, Category 7: Employee commuting emissions covered by target (metric tons CO2e)

Base year Scope 3, Category 8: Upstream leased assets emissions covered by target (metric tons CO2e)

Base year Scope 3, Category 9: Downstream transportation and distribution emissions covered by target (metric tons CO2e)

Base year Scope 3, Category 10: Processing of sold products emissions covered by target (metric tons CO2e)

Base year Scope 3, Category 11: Use of sold products emissions covered by target (metric tons CO2e)

2 405 104,37

Base year Scope 3, Category 12: End-of-life treatment of sold products emissions covered by target (metric tons CO2e)

Base year Scope 3, Category 13: Downstream leased assets emissions covered by target (metric tons CO2e)

Base year Scope 3, Category 14: Franchises emissions covered by target (metric tons CO2e)

Base year Scope 3, Category 15: Investments emissions covered by target (metric tons CO2e)

Base year Scope 3, Other (upstream) emissions covered by target (metric tons CO2e)

Base year Scope 3, Other (downstream) emissions covered by target (metric tons CO2e)

Base year total Scope 3 emissions covered by target (metric tons CO2e)

2 405 104,37

Total base year emissions covered by target in all selected Scopes (metric tons CO2e)

2 405 104,37

Base year Scope 1 emissions covered by target as % of total base year emissions in Scope 1

Base year Scope 2 emissions covered by target as % of total base year emissions in Scope 2

Base year Scope 3, Category 1: Purchased goods and services emissions covered by target as % of total base year emissions in Scope 3, Category 1: Purchased goods and services (metric tons CO2e)

Base year Scope 3, Category 2: Capital goods emissions covered by target as % of total base year emissions in Scope 3, Category 2: Capital goods (metric tons CO2e)

Base year Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions covered by target as % of total base year emissions in Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) (metric tons CO2e)

Base year Scope 3, Category 4: Upstream transportation and distribution covered by target as % of total base year emissions in Scope 3, Category 4: Upstream transportation and distribution (metric tons CO2e)

Base year Scope 3, Category 5: Waste generated in operations emissions covered by target as % of total base year emissions in Scope 3, Category 5: Waste generated in operations (metric tons CO2e)

Base year Scope 3, Category 6: Business travel emissions covered by target as % of total base year emissions in Scope 3, Category 6: Business travel (metric tons CO2e)

Base year Scope 3, Category 7: Employee commuting covered by target as % of total base year emissions in Scope 3, Category 7: Employee commuting (metric tons CO2e)

Base year Scope 3, Category 8: Upstream leased assets emissions covered by target as % of total base year emissions in Scope 3, Category 8: Upstream leased assets (metric tons CO2e)

Base year Scope 3, Category 9: Downstream transportation and distribution emissions covered by target as % of total base year emissions in Scope 3, Category 9: Downstream transportation and distribution (metric tons CO2e)

Base year Scope 3, Category 10: Processing of sold products emissions covered by target as % of total base year emissions in Scope 3, Category 10: Processing of sold products (metric tons CO2e)

Base year Scope 3, Category 11: Use of sold products emissions covered by target as % of total base year emissions in Scope 3, Category 11: Use of sold products (metric tons CO2e)

100

Base year Scope 3, Category 12: End-of-life treatment of sold products emissions covered by target as % of total base year emissions in Scope 3, Category 12: End-of-life treatment of sold products (metric tons CO2e)

Base year Scope 3, Category 13: Downstream leased assets emissions covered by target as % of total base year emissions in Scope 3, Category 13: Downstream leased assets (metric tons CO2e)

Base year Scope 3, Category 14: Franchises emissions covered by target as % of total base year emissions in Scope 3, Category 14: Franchises (metric tons CO2e)

Base year Scope 3, Category 15: Investments emissions covered by target as % of total base year emissions in Scope 3, Category 15: Investments (metric tons CO2e)

Base year Scope 3, Other (upstream) emissions covered by target as % of total base year emissions in Scope 3, Other (upstream) (metric tons CO2e)

Base year Scope 3, Other (downstream) emissions covered by target as % of total base year emissions in Scope 3, Other (downstream) (metric tons CO2e)

Base year total Scope 3 emissions covered by target as % of total base year emissions in Scope 3 (in all Scope 3 categories)

100

Base year emissions covered by target in all selected Scopes as % of total base year emissions in all selected Scopes

100

Target year

2030

Targeted reduction from base year (%)

45

Total emissions in target year covered by target in all selected Scopes (metric tons CO2e) [auto-calculated]

1 322 807,4035

Scope 1 emissions in reporting year covered by target (metric tons CO2e)

Scope 2 emissions in reporting year covered by target (metric tons CO2e)

Scope 3, Category 1: Purchased goods and services emissions in reporting year covered by target (metric tons CO2e)

Scope 3, Category 2: Capital goods emissions in reporting year covered by target (metric tons CO2e)

Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions in reporting year covered by target (metric tons CO2e)

Scope 3, Category 4: Upstream transportation and distribution emissions in reporting year covered by target (metric tons CO2e)

Scope 3, Category 5: Waste generated in operations emissions in reporting year covered by target (metric tons CO2e)

Scope 3, Category 6: Business travel emissions in reporting year covered by target (metric tons CO2e)

Scope 3, Category 7: Employee commuting emissions in reporting year covered by target (metric tons CO2e)

Scope 3, Category 8: Upstream leased assets emissions in reporting year covered by target (metric tons CO2e)

Scope 3, Category 9: Downstream transportation and distribution emissions in reporting year covered by target (metric tons CO2e)

Scope 3, Category 10: Processing of sold products emissions in reporting year covered by target (metric tons CO2e)

Scope 3, Category 11: Use of sold products emissions in reporting year covered by target (metric tons CO2e)

1 437 165,81

Scope 3, Category 12: End-of-life treatment of sold products emissions in reporting year covered by target (metric tons CO2e)

Scope 3, Category 13: Downstream leased assets emissions in reporting year covered by target (metric tons CO2e)

Scope 3, Category 14: Franchises emissions in reporting year covered by target (metric tons CO2e)

Scope 3, Category 15: Investments emissions in reporting year covered by target (metric tons CO2e)

Scope 3, Other (upstream) emissions in reporting year covered by target (metric tons CO2e)

Scope 3, Other (downstream) emissions in reporting year covered by target (metric tons CO2e)

Total Scope 3 emissions in reporting year covered by target (metric tons CO2e)

1 437 165,81

Total emissions in reporting year covered by target in all selected scopes (metric tons CO2e)

1 437 165,81

Does this target cover any land-related emissions?

No, it does not cover any land-related emissions (e.g. non-FLAG SBT)

% of target achieved relative to base year [auto-calculated]

89,433731218

Target status in reporting year

New

Please explain target coverage and identify any exclusions

The target covers the total of use of sold products category from scope 3, taking into consideration the consolidation method used (financial control), with no exclusions within that category. The associated emissions come from the sale of fossil fuels, specifically natural gas sold to clients in EDP's retail business from Portugal and Spain. It's a near term target aligned with SBTi's Net-Zero Protocol, in line with what is expected in terms of timeline (targets set in a interval of 5-10 year from base year). The targets was set in financial years. The 45% reduction target was set in a way that it would be aligned with the overall Scope 3 targets. This targets is not mandatory in the SBTi's Net-Zero Protocol, but highly advised for power sector companies with.

Plan for achieving target, and progress made to the end of the reporting year

Our strategy is based on decarbonizing generation (coal power plants shut down by 2025 and 100% renewable generation by 2030, thus reducing significantly scope 3 categories 2) and electrifying consumption, thus reducing gas supply and shift to renewable electricity supply (impact on categories 3 and 11). By 2030, we will progressively reduce natural gas supply by adjusting the client portfolio and provide electrification solutions. The intended reduction will be achieved by: EDP plans on reducing the gas sold to clients in 30-40% by 2026; pushing for electrification of gas clients, especially on residential clients, through an offer of alternative electric appliances solutions for heating and cooling, cooking, and water heating; developing and delivering low carbon solutions for clients (e.g., solar DG and energy communities); optimizing the B2B gas portfolio (portfolio restructuring and/or electrification solutions for industrial clients). Policy and advocacy efforts will be a complementary part of EDP’s strategy to decarbonize the gas retail business, as will be the engagement with customers to promote low carbon and electrification solutions.
Regarding progress by 2022, the main achievement came from the adjustment of the gas client portfolio.

List the emissions reduction initiatives which contributed most to achieving this target

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Target reference number

Abs 3

Is this a science-based target?

Yes, and this target has been approved by the Science Based Targets initiative

Target ambition

1.5°C aligned

Year target was set

2022

Target coverage

Company-wide

Scope(s)

Scope 3

Scope 2 accounting method

Scope 3 category(ies)

Category 1: Purchased goods and services
Category 2: Capital goods
Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2)
Category 4: Upstream transportation and distribution
Category 5: Waste generated in operations
Category 6: Business travel
Category 7: Employee commuting
Category 11: Use of sold products
Category 15: Investments

Base year

2020

Base year Scope 1 emissions covered by target (metric tons CO2e)

Base year Scope 2 emissions covered by target (metric tons CO2e)

Base year Scope 3, Category 1: Purchased goods and services emissions covered by target (metric tons CO2e)

1 115 541

Base year Scope 3, Category 2: Capital goods emissions covered by target (metric tons CO2e)

1 877 828

Base year Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions covered by target (metric tons CO2e)

4 131 485

Base year Scope 3, Category 4: Upstream transportation and distribution emissions covered by target (metric tons CO2e)

38 505

Base year Scope 3, Category 5: Waste generated in operations emissions covered by target (metric tons CO2e)

11 296

Base year Scope 3, Category 6: Business travel emissions covered by target (metric tons CO2e)

30 089

Base year Scope 3, Category 7: Employee commuting emissions covered by target (metric tons CO2e)

10 502

Base year Scope 3, Category 8: Upstream leased assets emissions covered by target (metric tons CO2e)

Base year Scope 3, Category 9: Downstream transportation and distribution emissions covered by target (metric tons CO2e)

Base year Scope 3, Category 10: Processing of sold products emissions covered by target (metric tons CO2e)

Base year Scope 3, Category 11: Use of sold products emissions covered by target (metric tons CO2e)

2 405 104,37

Base year Scope 3, Category 12: End-of-life treatment of sold products emissions covered by target (metric tons CO2e)

Base year Scope 3, Category 13: Downstream leased assets emissions covered by target (metric tons CO2e)

Base year Scope 3, Category 14: Franchises emissions covered by target (metric tons CO2e)

Base year Scope 3, Category 15: Investments emissions covered by target (metric tons CO2e)

1 415,65

Base year Scope 3, Other (upstream) emissions covered by target (metric tons CO2e)

Base year Scope 3, Other (downstream) emissions covered by target (metric tons CO2e)

Base year total Scope 3 emissions covered by target (metric tons CO2e)

9 594 685,92

Total base year emissions covered by target in all selected Scopes (metric tons CO2e)

9 594 685,92

Base year Scope 1 emissions covered by target as % of total base year emissions in Scope 1

Base year Scope 2 emissions covered by target as % of total base year emissions in Scope 2

Base year Scope 3, Category 1: Purchased goods and services emissions covered by target as % of total base year emissions in Scope 3, Category 1: Purchased goods and services (metric tons CO2e)

100

Base year Scope 3, Category 2: Capital goods emissions covered by target as % of total base year emissions in Scope 3, Category 2: Capital goods (metric tons CO2e)

100

Base year Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions covered by target as % of total base year emissions in Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) (metric tons CO2e)

100

Base year Scope 3, Category 4: Upstream transportation and distribution covered by target as % of total base year emissions in Scope 3, Category 4: Upstream transportation and distribution (metric tons CO2e)

100

Base year Scope 3, Category 5: Waste generated in operations emissions covered by target as % of total base year emissions in Scope 3, Category 5: Waste generated in operations (metric tons CO2e)

100

Base year Scope 3, Category 6: Business travel emissions covered by target as % of total base year emissions in Scope 3, Category 6: Business travel (metric tons CO2e)

100

Base year Scope 3, Category 7: Employee commuting covered by target as % of total base year emissions in Scope 3, Category 7: Employee commuting (metric tons CO2e)

100

Base year Scope 3, Category 8: Upstream leased assets emissions covered by target as % of total base year emissions in Scope 3, Category 8: Upstream leased assets (metric tons CO2e)

Base year Scope 3, Category 9: Downstream transportation and distribution emissions covered by target as % of total base year emissions in Scope 3, Category 9: Downstream transportation and distribution (metric tons CO2e)

Base year Scope 3, Category 10: Processing of sold products emissions covered by target as % of total base year emissions in Scope 3, Category 10: Processing of sold products (metric tons CO2e)

Base year Scope 3, Category 11: Use of sold products emissions covered by target as % of total base year emissions in Scope 3, Category 11: Use of sold products (metric tons CO2e)

100

Base year Scope 3, Category 12: End-of-life treatment of sold products emissions covered by target as % of total base year emissions in Scope 3, Category 12: End-of-life treatment of sold products (metric tons CO2e)

Base year Scope 3, Category 13: Downstream leased assets emissions covered by target as % of total base year emissions in Scope 3, Category 13: Downstream leased assets (metric tons CO2e)

Base year Scope 3, Category 14: Franchises emissions covered by target as % of total base year emissions in Scope 3, Category 14: Franchises (metric tons CO2e)

Base year Scope 3, Category 15: Investments emissions covered by target as % of total base year emissions in Scope 3, Category 15: Investments (metric tons CO2e)

100

Base year Scope 3, Other (upstream) emissions covered by target as % of total base year emissions in Scope 3, Other (upstream) (metric tons CO2e)

Base year Scope 3, Other (downstream) emissions covered by target as % of total base year emissions in Scope 3, Other (downstream) (metric tons CO2e)

Base year total Scope 3 emissions covered by target as % of total base year emissions in Scope 3 (in all Scope 3 categories)

100

Base year emissions covered by target in all selected Scopes as % of total base year emissions in all selected Scopes

100

Target year

2040

Targeted reduction from base year (%)

90

Total emissions in target year covered by target in all selected Scopes (metric tons CO2e) [auto-calculated]

959 468,592

Scope 1 emissions in reporting year covered by target (metric tons CO2e)

Scope 2 emissions in reporting year covered by target (metric tons CO2e)

Scope 3, Category 1: Purchased goods and services emissions in reporting year covered by target (metric tons CO2e)

712 587,15

Scope 3, Category 2: Capital goods emissions in reporting year covered by target (metric tons CO2e)

2 935 134,31

Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions in reporting year covered by target (metric tons CO2e)

4 159 031,23

Scope 3, Category 4: Upstream transportation and distribution emissions in reporting year covered by target (metric tons CO2e)

5 686,73

Scope 3, Category 5: Waste generated in operations emissions in reporting year covered by target (metric tons CO2e)

9 706,68

Scope 3, Category 6: Business travel emissions in reporting year covered by target (metric tons CO2e)

9 127,76

Scope 3, Category 7: Employee commuting emissions in reporting year covered by target (metric tons CO2e)

10 959,66

Scope 3, Category 8: Upstream leased assets emissions in reporting year covered by target (metric tons CO2e)

Scope 3, Category 9: Downstream transportation and distribution emissions in reporting year covered by target (metric tons CO2e)

Scope 3, Category 10: Processing of sold products emissions in reporting year covered by target (metric tons CO2e)

Scope 3, Category 11: Use of sold products emissions in reporting year covered by target (metric tons CO2e)

1 437 165,81

Scope 3, Category 12: End-of-life treatment of sold products emissions in reporting year covered by target (metric tons CO2e)

Scope 3, Category 13: Downstream leased assets emissions in reporting year covered by target (metric tons CO2e)

Scope 3, Category 14: Franchises emissions in reporting year covered by target (metric tons CO2e)

Scope 3, Category 15: Investments emissions in reporting year covered by target (metric tons CO2e)

0

Scope 3, Other (upstream) emissions in reporting year covered by target (metric tons CO2e)

Scope 3, Other (downstream) emissions in reporting year covered by target (metric tons CO2e)

Total Scope 3 emissions in reporting year covered by target (metric tons CO2e)

9 279 399,33

Total emissions in reporting year covered by target in all selected scopes (metric tons CO2e)

9 279 399,33

Does this target cover any land-related emissions?

No, it does not cover any land-related emissions (e.g. non-FLAG SBT)

% of target achieved relative to base year [auto-calculated]

3,6511714532

Target status in reporting year

New

Please explain target coverage and identify any exclusions

The target covers 100% of EDP's scope 3 inventory, taking into consideration the consolidation method used (financial control), with no exclusions. It's a Net-Zero target aligned with SBTi's Net-Zero Protocol, in line with what is expected in terms of timeline for the power sector (no later than 2040). The targets was set in financial years. The 90% reduction target was set following the cross sector calculation methodology since SBTi doesn't provide a Sector Specific absolute emissions reduction approach for Scope 3.

Plan for achieving target, and progress made to the end of the reporting year

Our strategy is based on decarbonizing generation (coal power plants shut down by 2025 and 100% renewable generation by 2030, thus reducing significantly scope 3 categories 2) and electrifying consumption, thus reducing gas supply and shift to renewable electricity supply (impact on categories 3 and 11). By 2030, EDP will only generate power from renewables, so emissions related to the fossil fuel supply chain, which represents about 40% of the total scope 3 emissions, will decrease significantly and will tend to zero. Additionally, we will focus on sourcing green electricity to supply our customers and will progressively supply electricity and reduce natural gas supply.
Regarding the supply chain, we will collaborate with our suppliers, mainly those related to renewables, aiming at significantly improving the environmental performance of their products and services and, consequently, reduce the corresponding carbon footprint. We will invest in a “green procurement” strategy to select products with fewer emissions and/or suppliers that are more advanced in emissions mitigation actions. Furthermore, we will actively incentivize the implementation of emission reduction (green electrification) and disclosure measures for smaller suppliers.
Regarding progress by 2022, the main achievement was on use of sold products, with the adjustment of the gas client portfolio.

List the emissions reduction initiatives which contributed most to achieving this target

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Target reference number

Abs 4

Is this a science-based target?

Yes, and this target has been approved by the Science Based Targets initiative

Target ambition

1.5°C aligned

Year target was set

2022

Target coverage

Company-wide

Scope(s)

Scope 3

Scope 2 accounting method

Scope 3 category(ies)

Category 11: Use of sold products

Base year

2020

Base year Scope 1 emissions covered by target (metric tons CO2e)

Base year Scope 2 emissions covered by target (metric tons CO2e)

Base year Scope 3, Category 1: Purchased goods and services emissions covered by target (metric tons CO2e)

Base year Scope 3, Category 2: Capital goods emissions covered by target (metric tons CO2e)

Base year Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions covered by target (metric tons CO2e)

Base year Scope 3, Category 4: Upstream transportation and distribution emissions covered by target (metric tons CO2e)

Base year Scope 3, Category 5: Waste generated in operations emissions covered by target (metric tons CO2e)

Base year Scope 3, Category 6: Business travel emissions covered by target (metric tons CO2e)

Base year Scope 3, Category 7: Employee commuting emissions covered by target (metric tons CO2e)

Base year Scope 3, Category 8: Upstream leased assets emissions covered by target (metric tons CO2e)

Base year Scope 3, Category 9: Downstream transportation and distribution emissions covered by target (metric tons CO2e)

Base year Scope 3, Category 10: Processing of sold products emissions covered by target (metric tons CO2e)

Base year Scope 3, Category 11: Use of sold products emissions covered by target (metric tons CO2e)

2 405 104,37

Base year Scope 3, Category 12: End-of-life treatment of sold products emissions covered by target (metric tons CO2e)

Base year Scope 3, Category 13: Downstream leased assets emissions covered by target (metric tons CO2e)

Base year Scope 3, Category 14: Franchises emissions covered by target (metric tons CO2e)

Base year Scope 3, Category 15: Investments emissions covered by target (metric tons CO2e)

Base year Scope 3, Other (upstream) emissions covered by target (metric tons CO2e)

Base year Scope 3, Other (downstream) emissions covered by target (metric tons CO2e)

Base year total Scope 3 emissions covered by target (metric tons CO2e)

2 405 104,37

Total base year emissions covered by target in all selected Scopes (metric tons CO2e)

2 405 104,37

Base year Scope 1 emissions covered by target as % of total base year emissions in Scope 1

Base year Scope 2 emissions covered by target as % of total base year emissions in Scope 2

Base year Scope 3, Category 1: Purchased goods and services emissions covered by target as % of total base year emissions in Scope 3, Category 1: Purchased goods and services (metric tons CO2e)

Base year Scope 3, Category 2: Capital goods emissions covered by target as % of total base year emissions in Scope 3, Category 2: Capital goods (metric tons CO2e)

Base year Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions covered by target as % of total base year emissions in Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) (metric tons CO2e)

Base year Scope 3, Category 4: Upstream transportation and distribution covered by target as % of total base year emissions in Scope 3, Category 4: Upstream transportation and distribution (metric tons CO2e)

Base year Scope 3, Category 5: Waste generated in operations emissions covered by target as % of total base year emissions in Scope 3, Category 5: Waste generated in operations (metric tons CO2e)

Base year Scope 3, Category 6: Business travel emissions covered by target as % of total base year emissions in Scope 3, Category 6: Business travel (metric tons CO2e)

Base year Scope 3, Category 7: Employee commuting covered by target as % of total base year emissions in Scope 3, Category 7: Employee commuting (metric tons CO2e)

Base year Scope 3, Category 8: Upstream leased assets emissions covered by target as % of total base year emissions in Scope 3, Category 8: Upstream leased assets (metric tons CO2e)

Base year Scope 3, Category 9: Downstream transportation and distribution emissions covered by target as % of total base year emissions in Scope 3, Category 9: Downstream transportation and distribution (metric tons CO2e)

Base year Scope 3, Category 10: Processing of sold products emissions covered by target as % of total base year emissions in Scope 3, Category 10: Processing of sold products (metric tons CO2e)

Base year Scope 3, Category 11: Use of sold products emissions covered by target as % of total base year emissions in Scope 3, Category 11: Use of sold products (metric tons CO2e)

100

Base year Scope 3, Category 12: End-of-life treatment of sold products emissions covered by target as % of total base year emissions in Scope 3, Category 12: End-of-life treatment of sold products (metric tons CO2e)

Base year Scope 3, Category 13: Downstream leased assets emissions covered by target as % of total base year emissions in Scope 3, Category 13: Downstream leased assets (metric tons CO2e)

Base year Scope 3, Category 14: Franchises emissions covered by target as % of total base year emissions in Scope 3, Category 14: Franchises (metric tons CO2e)

Base year Scope 3, Category 15: Investments emissions covered by target as % of total base year emissions in Scope 3, Category 15: Investments (metric tons CO2e)

Base year Scope 3, Other (upstream) emissions covered by target as % of total base year emissions in Scope 3, Other (upstream) (metric tons CO2e)

Base year Scope 3, Other (downstream) emissions covered by target as % of total base year emissions in Scope 3, Other (downstream) (metric tons CO2e)

Base year total Scope 3 emissions covered by target as % of total base year emissions in Scope 3 (in all Scope 3 categories)

100

Base year emissions covered by target in all selected Scopes as % of total base year emissions in all selected Scopes

100

Target year

2040

Targeted reduction from base year (%)

90

Total emissions in target year covered by target in all selected Scopes (metric tons CO2e) [auto-calculated]

240 510,437

Scope 1 emissions in reporting year covered by target (metric tons CO2e)

Scope 2 emissions in reporting year covered by target (metric tons CO2e)

Scope 3, Category 1: Purchased goods and services emissions in reporting year covered by target (metric tons CO2e)

Scope 3, Category 2: Capital goods emissions in reporting year covered by target (metric tons CO2e)

Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions in reporting year covered by target (metric tons CO2e)

Scope 3, Category 4: Upstream transportation and distribution emissions in reporting year covered by target (metric tons CO2e)

Scope 3, Category 5: Waste generated in operations emissions in reporting year covered by target (metric tons CO2e)

Scope 3, Category 6: Business travel emissions in reporting year covered by target (metric tons CO2e)

Scope 3, Category 7: Employee commuting emissions in reporting year covered by target (metric tons CO2e)

Scope 3, Category 8: Upstream leased assets emissions in reporting year covered by target (metric tons CO2e)

Scope 3, Category 9: Downstream transportation and distribution emissions in reporting year covered by target (metric tons CO2e)

Scope 3, Category 10: Processing of sold products emissions in reporting year covered by target (metric tons CO2e)

Scope 3, Category 11: Use of sold products emissions in reporting year covered by target (metric tons CO2e)

1 437 165,81

Scope 3, Category 12: End-of-life treatment of sold products emissions in reporting year covered by target (metric tons CO2e)

Scope 3, Category 13: Downstream leased assets emissions in reporting year covered by target (metric tons CO2e)

Scope 3, Category 14: Franchises emissions in reporting year covered by target (metric tons CO2e)

Scope 3, Category 15: Investments emissions in reporting year covered by target (metric tons CO2e)

Scope 3, Other (upstream) emissions in reporting year covered by target (metric tons CO2e)

Scope 3, Other (downstream) emissions in reporting year covered by target (metric tons CO2e)

Total Scope 3 emissions in reporting year covered by target (metric tons CO2e)

1 437 165,81

Total emissions in reporting year covered by target in all selected scopes (metric tons CO2e)

1 437 165,81

Does this target cover any land-related emissions?

No, it does not cover any land-related emissions (e.g. non-FLAG SBT)

% of target achieved relative to base year [auto-calculated]

44,716865609

Target status in reporting year

New

Please explain target coverage and identify any exclusions

The target covers the total of use of sold products category from scope 3, taking into consideration the consolidation method used (financial control), with no exclusions within that category. The associated emissions come from the sale of fossil fuels, specifically natural gas sold to clients in EDP's retail business from Portugal and Spain. It's a Net-Zero target aligned with SBTi's Net-Zero Protocol, in line with what is expected in terms of timeline for the power sector (no later than 2040). The targets was set in financial years. The 90% reduction target was set in a way that it would be aligned with the overall Scope 3 targets. This targets is not mandatory in the SBTi's Net-Zero Protocol, but highly advised for power sector companies with.

Plan for achieving target, and progress made to the end of the reporting year

Our strategy is based on decarbonizing generation (coal power plants shut down by 2025 and 100% renewable generation by 2030, thus reducing significantly scope 3 categories 2) and electrifying consumption, thus reducing gas supply and shift to renewable electricity supply (impact on categories 3 and 11). By 2030, we will progressively reduce natural gas supply by adjusting the client portfolio and provide electrification solutions. The intended reduction will be achieved by: EDP plans on reducing the gas sold to clients in 30-40% by 2026; pushing for electrification of gas clients, especially on residential clients, through an offer of alternative electric appliances solutions for heating and cooling, cooking, and water heating; developing and delivering low carbon solutions for clients (e.g., solar DG and energy communities); optimizing the B2B gas portfolio (portfolio restructuring and/or electrification solutions for industrial clients). Policy and advocacy efforts will be a complementary part of EDP’s strategy to decarbonize the gas retail business, as will be the engagement with customers to promote low carbon and electrification solutions. Regarding progress by 2022, the main achievement came from the adjustment of the gas client portfolio.

List the emissions reduction initiatives which contributed most to achieving this target

Target reference number

Abs 5

Is this a science-based target?

Yes, and this target has been approved by the Science Based Targets initiative

Target ambition

1.5°C aligned

Year target was set

2022

Target coverage

Company-wide

Scope(s)

Scope 1
Scope 2
Scope 3

Scope 2 accounting method

Location-based

Scope 3 category(ies)

Category 1: Purchased goods and services
Category 2: Capital goods
Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2)
Category 4: Upstream transportation and distribution
Category 5: Waste generated in operations
Category 6: Business travel
Category 7: Employee commuting
Category 11: Use of sold products
Category 15: Investments

Base year

2020

Base year Scope 1 emissions covered by target (metric tons CO2e)

9 304 139,21

Base year Scope 2 emissions covered by target (metric tons CO2e)

594 400,796

Base year Scope 3, Category 1: Purchased goods and services emissions covered by target (metric tons CO2e)

1 115 541

Base year Scope 3, Category 2: Capital goods emissions covered by target (metric tons CO2e)

1 877 828

Base year Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions covered by target (metric tons CO2e)

4 131 485

Base year Scope 3, Category 4: Upstream transportation and distribution emissions covered by target (metric tons CO2e)

38 505

Base year Scope 3, Category 5: Waste generated in operations emissions covered by target (metric tons CO2e)

11 296

Base year Scope 3, Category 6: Business travel emissions covered by target (metric tons CO2e)

30 089

Base year Scope 3, Category 7: Employee commuting emissions covered by target (metric tons CO2e)

10 502

Base year Scope 3, Category 8: Upstream leased assets emissions covered by target (metric tons CO2e)

Base year Scope 3, Category 9: Downstream transportation and distribution emissions covered by target (metric tons CO2e)

Base year Scope 3, Category 10: Processing of sold products emissions covered by target (metric tons CO2e)

Base year Scope 3, Category 11: Use of sold products emissions covered by target (metric tons CO2e)

2 405 104,37

Base year Scope 3, Category 12: End-of-life treatment of sold products emissions covered by target (metric tons CO2e)

Base year Scope 3, Category 13: Downstream leased assets emissions covered by target (metric tons CO2e)

Base year Scope 3, Category 14: Franchises emissions covered by target (metric tons CO2e)

Base year Scope 3, Category 15: Investments emissions covered by target (metric tons CO2e)

1 415,65

Base year Scope 3, Other (upstream) emissions covered by target (metric tons CO2e)

Base year Scope 3, Other (downstream) emissions covered by target (metric tons CO2e)

Base year total Scope 3 emissions covered by target (metric tons CO2e)

9 594 685,92

Total base year emissions covered by target in all selected Scopes (metric tons CO2e)

19 493 225,935

Base year Scope 1 emissions covered by target as % of total base year emissions in Scope 1

100

Base year Scope 2 emissions covered by target as % of total base year emissions in Scope 2

100

Base year Scope 3, Category 1: Purchased goods and services emissions covered by target as % of total base year emissions in Scope 3, Category 1: Purchased goods and services (metric tons CO2e)

100

Base year Scope 3, Category 2: Capital goods emissions covered by target as % of total base year emissions in Scope 3, Category 2: Capital goods (metric tons CO2e)

100

Base year Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions covered by target as % of total base year emissions in Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) (metric tons CO2e)

100

Base year Scope 3, Category 4: Upstream transportation and distribution covered by target as % of total base year emissions in Scope 3, Category 4: Upstream transportation and distribution (metric tons CO2e)

100

Base year Scope 3, Category 5: Waste generated in operations emissions covered by target as % of total base year emissions in Scope 3, Category 5: Waste generated in operations (metric tons CO2e)

100

Base year Scope 3, Category 6: Business travel emissions covered by target as % of total base year emissions in Scope 3, Category 6: Business travel (metric tons CO2e)

100

Base year Scope 3, Category 7: Employee commuting covered by target as % of total base year emissions in Scope 3, Category 7: Employee commuting (metric tons CO2e)

100

Base year Scope 3, Category 8: Upstream leased assets emissions covered by target as % of total base year emissions in Scope 3, Category 8: Upstream leased assets (metric tons CO2e)

Base year Scope 3, Category 9: Downstream transportation and distribution emissions covered by target as % of total base year emissions in Scope 3, Category 9: Downstream transportation and distribution (metric tons CO2e)

Base year Scope 3, Category 10: Processing of sold products emissions covered by target as % of total base year emissions in Scope 3, Category 10: Processing of sold products (metric tons CO2e)

Base year Scope 3, Category 11: Use of sold products emissions covered by target as % of total base year emissions in Scope 3, Category 11: Use of sold products (metric tons CO2e)

100

Base year Scope 3, Category 12: End-of-life treatment of sold products emissions covered by target as % of total base year emissions in Scope 3, Category 12: End-of-life treatment of sold products (metric tons CO2e)

Base year Scope 3, Category 13: Downstream leased assets emissions covered by target as % of total base year emissions in Scope 3, Category 13: Downstream leased assets (metric tons CO2e)

Base year Scope 3, Category 14: Franchises emissions covered by target as % of total base year emissions in Scope 3, Category 14: Franchises (metric tons CO2e)

Base year Scope 3, Category 15: Investments emissions covered by target as % of total base year emissions in Scope 3, Category 15: Investments (metric tons CO2e)

100

Base year Scope 3, Other (upstream) emissions covered by target as % of total base year emissions in Scope 3, Other (upstream) (metric tons CO2e)

Base year Scope 3, Other (downstream) emissions covered by target as % of total base year emissions in Scope 3, Other (downstream) (metric tons CO2e)

Base year total Scope 3 emissions covered by target as % of total base year emissions in Scope 3 (in all Scope 3 categories)

100

Base year emissions covered by target in all selected Scopes as % of total base year emissions in all selected Scopes

100

Target year

2040

Targeted reduction from base year (%)

90

Total emissions in target year covered by target in all selected Scopes (metric tons CO2e) [auto-calculated]

1 949 322,5935

Scope 1 emissions in reporting year covered by target (metric tons CO2e)

9 405 035,18

Scope 2 emissions in reporting year covered by target (metric tons CO2e)

469 323,33

Scope 3, Category 1: Purchased goods and services emissions in reporting year covered by target (metric tons CO2e)

712 587,15

Scope 3, Category 2: Capital goods emissions in reporting year covered by target (metric tons CO2e)

2 935 134,31

Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions in reporting year covered by target (metric tons CO2e)

4 159 031,23

Scope 3, Category 4: Upstream transportation and distribution emissions in reporting year covered by target (metric tons CO2e)

5 686,73

Scope 3, Category 5: Waste generated in operations emissions in reporting year covered by target (metric tons CO2e)

9 706,68

Scope 3, Category 6: Business travel emissions in reporting year covered by target (metric tons CO2e)

9 127,76

Scope 3, Category 7: Employee commuting emissions in reporting year covered by target (metric tons CO2e)

10 959,66

Scope 3, Category 8: Upstream leased assets emissions in reporting year covered by target (metric tons CO2e)

Scope 3, Category 9: Downstream transportation and distribution emissions in reporting year covered by target (metric tons CO2e)

Scope 3, Category 10: Processing of sold products emissions in reporting year covered by target (metric tons CO2e)

Scope 3, Category 11: Use of sold products emissions in reporting year covered by target (metric tons CO2e)

1 437 165,81

Scope 3, Category 12: End-of-life treatment of sold products emissions in reporting year covered by target (metric tons CO2e)

Scope 3, Category 13: Downstream leased assets emissions in reporting year covered by target (metric tons CO2e)

Scope 3, Category 14: Franchises emissions in reporting year covered by target (metric tons CO2e)

Scope 3, Category 15: Investments emissions in reporting year covered by target (metric tons CO2e)

0

Scope 3, Other (upstream) emissions in reporting year covered by target (metric tons CO2e)

Scope 3, Other (downstream) emissions in reporting year covered by target (metric tons CO2e)

Total Scope 3 emissions in reporting year covered by target (metric tons CO2e)

9 279 399,33

Total emissions in reporting year covered by target in all selected scopes (metric tons CO2e)

19 153 757,84

Does this target cover any land-related emissions?

No, it does not cover any land-related emissions (e.g. non-FLAG SBT)

% of target achieved relative to base year [auto-calculated]

1,9349633225

Target status in reporting year

New

Please explain target coverage and identify any exclusions

The target covers the total EDP's inventory emissions on all scopes, taking into consideration the consolidation method used (financial control), with no exclusions. It's a Net-Zero target aligned with SBTi's Net-Zero Protocol, in line with what is expected in terms of timeline for the power sector (no later than 2040). The 90% reduction target on all scopes is a requirement to comply with the Net-Zero Standard.

Plan for achieving target, and progress made to the end of the reporting year

Scope 1 emissions reduction will be achieved through a strong focus on renewable power generation and progressive decommissioning of thermal power plants. Through the Business Plan 2023-2026, EDP committed to be coal-free by 2025 and to generate 100% electricity from renewable sources by 2030. Also, EDP plans to achieve 33 GW of renewable capacity during the current business plan (BP 2023-2026) and reaching over 50 GW renewable gross additions between 2021 and 2030. For the current BP, EDP plans to invest €25b, 85% of which in renewables, clients and energy management, and 15% in electricity networks. These are the main near-term milestones and investment plan. Scope 2 emissions reduction will mainly be achieved through grid loss reduction and increased sourcing of renewable electricity to supply our office buildings as well as power plant self-consumption. Regarding Scope 3 emissions the coal power plants shut

down by 2025 and 100% renewable generation by 2030 will significantly reduce scope 3 categories 2, and electrifying consumption, thus reducing gas supply and shift to renewable electricity supply will impact on categories 3 and 11. By 2030, EDP will only generate power from renewables, so emissions related to the fossil fuel supply chain, which represents about 40% of the total scope 3 emissions, will decrease significantly and will tend to zero. Additionally, we will focus on sourcing green electricity to supply our customers and will progressively supply electricity and reduce natural gas supply. Regarding the supply chain, we will collaborate with our suppliers, mainly those related to renewables, aiming at significantly improving the environmental performance of their products and services and, consequently, reduce the corresponding carbon footprint. We will invest in a “green procurement” strategy to select products with fewer emissions and/or suppliers that are more advanced in emissions mitigation actions. Furthermore, we will actively incentivize the implementation of emission reduction (green electrification) and disclosure measures for smaller suppliers. At target year, the residual emissions that cannot be avoided will be compensated. Regarding progress by 2022, the main achievement was on use of sold products, with the adjustment of the gas client portfolio, but the emissions from grid losses were also reduced.

List the emissions reduction initiatives which contributed most to achieving this target

C4.1b

(C4.1b) Provide details of your emissions intensity target(s) and progress made against those target(s).

Target reference number

Int 1

Is this a science-based target?

Yes, and this target has been approved by the Science Based Targets initiative

Target ambition

1.5°C aligned

Year target was set

2022

Target coverage

Company-wide

Scope(s)

Scope 1
Scope 2

Scope 2 accounting method

Location-based

Scope 3 category(ies)

Intensity metric

Metric tons CO2e per megawatt hour (MWh)

Base year

2020

Intensity figure in base year for Scope 1 (metric tons CO2e per unit of activity)

0,1474

Intensity figure in base year for Scope 2 (metric tons CO2e per unit of activity)

0,0094

Intensity figure in base year for Scope 3, Category 1: Purchased goods and services (metric tons CO2e per unit of activity)

Intensity figure in base year for Scope 3, Category 2: Capital goods (metric tons CO2e per unit of activity)

Intensity figure in base year for Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) (metric tons CO2e per unit of activity)

Intensity figure in base year for Scope 3, Category 4: Upstream transportation and distribution (metric tons CO2e per unit of activity)

Intensity figure in base year for Scope 3, Category 5: Waste generated in operations (metric tons CO2e per unit of activity)

Intensity figure in base year for Scope 3, Category 6: Business travel (metric tons CO2e per unit of activity)

Intensity figure in base year for Scope 3, Category 7: Employee commuting (metric tons CO2e per unit of activity)

Intensity figure in base year for Scope 3, Category 8: Upstream leased assets (metric tons CO2e per unit of activity)

Intensity figure in base year for Scope 3, Category 9: Downstream transportation and distribution (metric tons CO2e per unit of activity)

Intensity figure in base year for Scope 3, Category 10: Processing of sold products (metric tons CO2e per unit of activity)

Intensity figure in base year for Scope 3, Category 11: Use of sold products (metric tons CO2e per unit of activity)

Intensity figure in base year for Scope 3, Category 12: End-of-life treatment of sold products (metric tons CO2e per unit of activity)

Intensity figure in base year for Scope 3, Category 13: Downstream leased assets (metric tons CO2e per unit of activity)

Intensity figure in base year for Scope 3, Category 14: Franchises (metric tons CO2e per unit of activity)

Intensity figure in base year for Scope 3, Category 15: Investments (metric tons CO2e per unit of activity)

Intensity figure in base year for Scope 3, Other (upstream) (metric tons CO2e per unit of activity)

Intensity figure in base year for Scope 3, Other (downstream) (metric tons CO2e per unit of activity)

Intensity figure in base year for total Scope 3 (metric tons CO2e per unit of activity)

Intensity figure in base year for all selected Scopes (metric tons CO2e per unit of activity)

0,1568

% of total base year emissions in Scope 1 covered by this Scope 1 intensity figure

100

% of total base year emissions in Scope 2 covered by this Scope 2 intensity figure

100

% of total base year emissions in Scope 3, Category 1: Purchased goods and services covered by this Scope 3, Category 1: Purchased goods and services intensity figure

% of total base year emissions in Scope 3, Category 2: Capital goods covered by this Scope 3, Category 2: Capital goods intensity figure

% of total base year emissions in Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) covered by this Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) intensity figure

% of total base year emissions in Scope 3, Category 4: Upstream transportation and distribution covered by this Scope 3, Category 4: Upstream transportation and distribution intensity figure

% of total base year emissions in Scope 3, Category 5: Waste generated in operations covered by this Scope 3, Category 5: Waste generated in operations intensity figure

% of total base year emissions in Scope 3, Category 6: Business travel covered by this Scope 3, Category 6: Business travel intensity figure

% of total base year emissions in Scope 3, Category 7: Employee commuting covered by this Scope 3, Category 7: Employee commuting intensity figure

% of total base year emissions in Scope 3, Category 8: Upstream leased assets covered by this Scope 3, Category 8: Upstream leased assets intensity figure

% of total base year emissions in Scope 3, Category 9: Downstream transportation and distribution covered by this Scope 3, Category 9: Downstream transportation and distribution intensity figure

% of total base year emissions in Scope 3, Category 10: Processing of sold products covered by this Scope 3, Category 10: Processing of sold products intensity figure

% of total base year emissions in Scope 3, Category 11: Use of sold products covered by this Scope 3, Category 11: Use of sold products intensity figure

% of total base year emissions in Scope 3, Category 12: End-of-life treatment of sold products covered by this Scope 3, Category 12: End-of-life treatment of sold products intensity figure

% of total base year emissions in Scope 3, Category 13: Downstream leased assets covered by this Scope 3, Category 13: Downstream leased assets intensity figure

% of total base year emissions in Scope 3, Category 14: Franchises covered by this Scope 3, Category 14: Franchises intensity figure

% of total base year emissions in Scope 3, Category 15: Investments covered by this Scope 3, Category 15: Investments intensity figure

% of total base year emissions in Scope 3, Other (upstream) covered by this Scope 3, Other (upstream) intensity figure

% of total base year emissions in Scope 3, Other (downstream) covered by this Scope 3, Other (downstream) intensity figure

% of total base year emissions in Scope 3 (in all Scope 3 categories) covered by this total Scope 3 intensity figure

% of total base year emissions in all selected Scopes covered by this intensity figure

100

Target year

2030

Targeted reduction from base year (%)

95

Intensity figure in target year for all selected Scopes (metric tons CO2e per unit of activity) [auto-calculated]

0,00784

% change anticipated in absolute Scope 1+2 emissions

-95,8

% change anticipated in absolute Scope 3 emissions

0

Intensity figure in reporting year for Scope 1 (metric tons CO2e per unit of activity)

0,1526

Intensity figure in reporting year for Scope 2 (metric tons CO2e per unit of activity)

0,0076

Intensity figure in reporting year for Scope 3, Category 1: Purchased goods and services (metric tons CO2e per unit of activity)

Intensity figure in reporting year for Scope 3, Category 2: Capital goods (metric tons CO2e per unit of activity)

Intensity figure in reporting year for Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) (metric tons CO2e per unit of activity)

Intensity figure in reporting year for Scope 3, Category 4: Upstream transportation and distribution (metric tons CO2e per unit of activity)

Intensity figure in reporting year for Scope 3, Category 5: Waste generated in operations (metric tons CO2e per unit of activity)

Intensity figure in reporting year for Scope 3, Category 6: Business travel (metric tons CO2e per unit of activity)

Intensity figure in reporting year for Scope 3, Category 7: Employee commuting (metric tons CO2e per unit of activity)

Intensity figure in reporting year for Scope 3, Category 8: Upstream leased assets (metric tons CO2e per unit of activity)

Intensity figure in reporting year for Scope 3, Category 9: Downstream transportation and distribution (metric tons CO2e per unit of activity)

Intensity figure in reporting year for Scope 3, Category 10: Processing of sold products (metric tons CO2e per unit of activity)

Intensity figure in reporting year for Scope 3, Category 11: Use of sold products (metric tons CO2e per unit of activity)

Intensity figure in reporting year for Scope 3, Category 12: End-of-life treatment of sold products (metric tons CO2e per unit of activity)

Intensity figure in reporting year for Scope 3, Category 13: Downstream leased assets (metric tons CO2e per unit of activity)

Intensity figure in reporting year for Scope 3, Category 14: Franchises (metric tons CO2e per unit of activity)

Intensity figure in reporting year for Scope 3, Category 15: Investments (metric tons CO2e per unit of activity)

Intensity figure in reporting year for Scope 3, Other (upstream) (metric tons CO2e per unit of activity)

Intensity figure in reporting year for Scope 3, Other (downstream) (metric tons CO2e per unit of activity)

Intensity figure in reporting year for total Scope 3 (metric tons CO2e per unit of activity)

Intensity figure in reporting year for all selected Scopes (metric tons CO2e per unit of activity)

0,1602

Does this target cover any land-related emissions?

No, it does not cover any land-related emissions (e.g. non-FLAG SBT)

% of target achieved relative to base year [auto-calculated]

-2,2824919441

Target status in reporting year

New

Please explain target coverage and identify any exclusions

The target covers 100% of EDP's scope 1 and 2 emissions, for all GHGs, taking into consideration the consolidation method used (financial control), with no exclusions. It's a near term target aligned with SBTi's Net-Zero Protocol, in line with what is expected in terms of timeline (targets set in a interval of 5-10 year from base year). The target was set in financial years. The 95% intensity reduction target was set following SBTi's Sectoral Decarbonization Approach - Power Sector calculation methodology with power generation as the base year output.

Plan for achieving target, and progress made to the end of the reporting year

Target achievement is supported by the strategic focus on renewable generation growth (scope 1 emissions reduction), phase-out of the coal-fired power plants before 2025 and CCGT before 2030, continued investment in distribution (smart) grids, thus reducing electricity losses (scope 2 emissions reduction) and sourcing renewable electricity for consumption in office buildings and power plants self-consumption. Emissions reduction in target year were calculated assuming average hydro and wind conditions. Regarding progress by 2022, the specific emissions slightly increased due to an abnormal dry year, that impacted hydro generation and also to an increase of thermal generation, mainly coal, due to the energy crisis in Europe.

List the emissions reduction initiatives which contributed most to achieving this target

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Target reference number

Int 2

Is this a science-based target?

Yes, and this target has been approved by the Science Based Targets initiative

Target ambition

1.5°C aligned

Year target was set

2022

Target coverage

Company-wide

Scope(s)

Scope 1

Scope 3

Scope 2 accounting method

Scope 3 category(ies)

Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2)

Intensity metric

Metric tons CO2e per megawatt hour (MWh)

Base year

2020

Intensity figure in base year for Scope 1 (metric tons CO2e per unit of activity)

0,1019

Intensity figure in base year for Scope 2 (metric tons CO2e per unit of activity)

Intensity figure in base year for Scope 3, Category 1: Purchased goods and services (metric tons CO2e per unit of activity)

Intensity figure in base year for Scope 3, Category 2: Capital goods (metric tons CO2e per unit of activity)

Intensity figure in base year for Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) (metric tons CO2e per unit of activity)

0,0243

Intensity figure in base year for Scope 3, Category 4: Upstream transportation and distribution (metric tons CO2e per unit of activity)

Intensity figure in base year for Scope 3, Category 5: Waste generated in operations (metric tons CO2e per unit of activity)

Intensity figure in base year for Scope 3, Category 6: Business travel (metric tons CO2e per unit of activity)

Intensity figure in base year for Scope 3, Category 7: Employee commuting (metric tons CO2e per unit of activity)

Intensity figure in base year for Scope 3, Category 8: Upstream leased assets (metric tons CO2e per unit of activity)

Intensity figure in base year for Scope 3, Category 9: Downstream transportation and distribution (metric tons CO2e per unit of activity)

Intensity figure in base year for Scope 3, Category 10: Processing of sold products (metric tons CO2e per unit of activity)

Intensity figure in base year for Scope 3, Category 11: Use of sold products (metric tons CO2e per unit of activity)

Intensity figure in base year for Scope 3, Category 12: End-of-life treatment of sold products (metric tons CO2e per unit of activity)

Intensity figure in base year for Scope 3, Category 13: Downstream leased assets (metric tons CO2e per unit of activity)

Intensity figure in base year for Scope 3, Category 14: Franchises (metric tons CO2e per unit of activity)

Intensity figure in base year for Scope 3, Category 15: Investments (metric tons CO2e per unit of activity)

Intensity figure in base year for Scope 3, Other (upstream) (metric tons CO2e per unit of activity)

Intensity figure in base year for Scope 3, Other (downstream) (metric tons CO2e per unit of activity)

Intensity figure in base year for total Scope 3 (metric tons CO2e per unit of activity)

0,0243

Intensity figure in base year for all selected Scopes (metric tons CO2e per unit of activity)

0,1262

% of total base year emissions in Scope 1 covered by this Scope 1 intensity figure

99,7

% of total base year emissions in Scope 2 covered by this Scope 2 intensity figure

% of total base year emissions in Scope 3, Category 1: Purchased goods and services covered by this Scope 3, Category 1: Purchased goods and services intensity figure

% of total base year emissions in Scope 3, Category 2: Capital goods covered by this Scope 3, Category 2: Capital goods intensity figure

% of total base year emissions in Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) covered by this Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) intensity figure

53,5

% of total base year emissions in Scope 3, Category 4: Upstream transportation and distribution covered by this Scope 3, Category 4: Upstream transportation and distribution intensity figure

% of total base year emissions in Scope 3, Category 5: Waste generated in operations covered by this Scope 3, Category 5: Waste generated in operations intensity figure

% of total base year emissions in Scope 3, Category 6: Business travel covered by this Scope 3, Category 6: Business travel intensity figure

% of total base year emissions in Scope 3, Category 7: Employee commuting covered by this Scope 3, Category 7: Employee commuting intensity figure

% of total base year emissions in Scope 3, Category 8: Upstream leased assets covered by this Scope 3, Category 8: Upstream leased assets intensity figure

% of total base year emissions in Scope 3, Category 9: Downstream transportation and distribution covered by this Scope 3, Category 9: Downstream transportation and distribution intensity figure

% of total base year emissions in Scope 3, Category 10: Processing of sold products covered by this Scope 3, Category 10: Processing of sold products intensity figure

% of total base year emissions in Scope 3, Category 11: Use of sold products covered by this Scope 3, Category 11: Use of sold products intensity figure

% of total base year emissions in Scope 3, Category 12: End-of-life treatment of sold products covered by this Scope 3, Category 12: End-of-life treatment of sold products intensity figure

% of total base year emissions in Scope 3, Category 13: Downstream leased assets covered by this Scope 3, Category 13: Downstream leased assets intensity figure

% of total base year emissions in Scope 3, Category 14: Franchises covered by this Scope 3, Category 14: Franchises intensity figure

% of total base year emissions in Scope 3, Category 15: Investments covered by this Scope 3, Category 15: Investments intensity figure

% of total base year emissions in Scope 3, Other (upstream) covered by this Scope 3, Other (upstream) intensity figure

% of total base year emissions in Scope 3, Other (downstream) covered by this Scope 3, Other (downstream) intensity figure

% of total base year emissions in Scope 3 (in all Scope 3 categories) covered by this total Scope 3 intensity figure

53,5

% of total base year emissions in all selected Scopes covered by this intensity figure

85,5

Target year

2030

Targeted reduction from base year (%)

80

Intensity figure in target year for all selected Scopes (metric tons CO2e per unit of activity) [auto-calculated]

0,02524

% change anticipated in absolute Scope 1+2 emissions

-100

% change anticipated in absolute Scope 3 emissions

-3,4

Intensity figure in reporting year for Scope 1 (metric tons CO2e per unit of activity)

0,101

Intensity figure in reporting year for Scope 2 (metric tons CO2e per unit of activity)

Intensity figure in reporting year for Scope 3, Category 1: Purchased goods and services (metric tons CO2e per unit of activity)

Intensity figure in reporting year for Scope 3, Category 2: Capital goods (metric tons CO2e per unit of activity)

Intensity figure in reporting year for Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) (metric tons CO2e per unit of activity)

0,0314

Intensity figure in reporting year for Scope 3, Category 4: Upstream transportation and distribution (metric tons CO2e per unit of activity)

Intensity figure in reporting year for Scope 3, Category 5: Waste generated in operations (metric tons CO2e per unit of activity)

Intensity figure in reporting year for Scope 3, Category 6: Business travel (metric tons CO2e per unit of activity)

Intensity figure in reporting year for Scope 3, Category 7: Employee commuting (metric tons CO2e per unit of activity)

Intensity figure in reporting year for Scope 3, Category 8: Upstream leased assets (metric tons CO2e per unit of activity)

Intensity figure in reporting year for Scope 3, Category 9: Downstream transportation and distribution (metric tons CO2e per unit of activity)

Intensity figure in reporting year for Scope 3, Category 10: Processing of sold products (metric tons CO2e per unit of activity)

Intensity figure in reporting year for Scope 3, Category 11: Use of sold products (metric tons CO2e per unit of activity)

Intensity figure in reporting year for Scope 3, Category 12: End-of-life treatment of sold products (metric tons CO2e per unit of activity)

Intensity figure in reporting year for Scope 3, Category 13: Downstream leased assets (metric tons CO2e per unit of activity)

Intensity figure in reporting year for Scope 3, Category 14: Franchises (metric tons CO2e per unit of activity)

Intensity figure in reporting year for Scope 3, Category 15: Investments (metric tons CO2e per unit of activity)

Intensity figure in reporting year for Scope 3, Other (upstream) (metric tons CO2e per unit of activity)

Intensity figure in reporting year for Scope 3, Other (downstream) (metric tons CO2e per unit of activity)

Intensity figure in reporting year for total Scope 3 (metric tons CO2e per unit of activity)

0,0314

Intensity figure in reporting year for all selected Scopes (metric tons CO2e per unit of activity)

0,1324

Does this target cover any land-related emissions?

No, it does not cover any land-related emissions (e.g. non-FLAG SBT)

% of target achieved relative to base year [auto-calculated]

-6,1410459588

Target status in reporting year

New

Please explain target coverage and identify any exclusions

The target covers EDP's all sold electricity emissions (scope 1 emissions from stationary combustion and scope 3 category 3 emissions from electricity retail), taking into consideration the consolidation method used (financial control), with no exclusions. It's a near-term physical intensity convergence target aligned with SBTi's Net-Zero Protocol, in line with what is expected in terms of timeline for the power sector (targets set in a interval of 5-10 year from base year). The targets was set in financial years. The 80% intensity reduction target was set following Sector Specific using the Sectoral Decarbonization Approach for the Power Sector.

Plan for achieving target, and progress made to the end of the reporting year

Target achievement is mostly supported by the strategic focus on renewable generation growth (scope 1 emissions reduction), phase-out of the coal-fired power plants before 2025 and CCGT before 2030. Emissions reduction in target year were calculated assuming average hydro and wind conditions and generation projections following the BP23-26. Regarding emissions from retails (Scope 3 Category 3), the reduction will be marginal due to the loss of generation capacity because of the gas and coal phase-out. Regarding progress by 2022, the specific emissions slightly increased due to an abnormal dry year, that impacted hydro generation and also to an increase of thermal generation, mainly coal, due to the energy crisis in Europe, but also because of the imbalance of generation vs retail in Portugal caused by the decomission of the Sines coal fired power plant in the end of 2020.

List the emissions reduction initiatives which contributed most to achieving this target

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Target reference number

Int 3

Is this a science-based target?

Yes, and this target has been approved by the Science Based Targets initiative

Target ambition

1.5°C aligned

Year target was set

2022

Target coverage

Company-wide

Scope(s)

Scope 1

Scope 2

Scope 2 accounting method

Location-based

Scope 3 category(ies)

Intensity metric

Metric tons CO2e per megawatt hour (MWh)

Base year

2020

Intensity figure in base year for Scope 1 (metric tons CO2e per unit of activity)

0,1474

Intensity figure in base year for Scope 2 (metric tons CO2e per unit of activity)

0,0094

Intensity figure in base year for Scope 3, Category 1: Purchased goods and services (metric tons CO2e per unit of activity)

Intensity figure in base year for Scope 3, Category 2: Capital goods (metric tons CO2e per unit of activity)

Intensity figure in base year for Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) (metric tons CO2e per unit of activity)

Intensity figure in base year for Scope 3, Category 4: Upstream transportation and distribution (metric tons CO2e per unit of activity)

Intensity figure in base year for Scope 3, Category 5: Waste generated in operations (metric tons CO2e per unit of activity)

Intensity figure in base year for Scope 3, Category 6: Business travel (metric tons CO2e per unit of activity)

Intensity figure in base year for Scope 3, Category 7: Employee commuting (metric tons CO2e per unit of activity)

Intensity figure in base year for Scope 3, Category 8: Upstream leased assets (metric tons CO2e per unit of activity)

Intensity figure in base year for Scope 3, Category 9: Downstream transportation and distribution (metric tons CO2e per unit of activity)

Intensity figure in base year for Scope 3, Category 10: Processing of sold products (metric tons CO2e per unit of activity)

Intensity figure in base year for Scope 3, Category 11: Use of sold products (metric tons CO2e per unit of activity)

Intensity figure in base year for Scope 3, Category 12: End-of-life treatment of sold products (metric tons CO2e per unit of activity)

Intensity figure in base year for Scope 3, Category 13: Downstream leased assets (metric tons CO2e per unit of activity)

Intensity figure in base year for Scope 3, Category 14: Franchises (metric tons CO2e per unit of activity)

Intensity figure in base year for Scope 3, Category 15: Investments (metric tons CO2e per unit of activity)

Intensity figure in base year for Scope 3, Other (upstream) (metric tons CO2e per unit of activity)

Intensity figure in base year for Scope 3, Other (downstream) (metric tons CO2e per unit of activity)

Intensity figure in base year for total Scope 3 (metric tons CO2e per unit of activity)

Intensity figure in base year for all selected Scopes (metric tons CO2e per unit of activity)

0,1568

% of total base year emissions in Scope 1 covered by this Scope 1 intensity figure

100

% of total base year emissions in Scope 2 covered by this Scope 2 intensity figure

100

% of total base year emissions in Scope 3, Category 1: Purchased goods and services covered by this Scope 3, Category 1: Purchased goods and services intensity figure

% of total base year emissions in Scope 3, Category 2: Capital goods covered by this Scope 3, Category 2: Capital goods intensity figure

% of total base year emissions in Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) covered by this Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) intensity figure

% of total base year emissions in Scope 3, Category 4: Upstream transportation and distribution covered by this Scope 3, Category 4: Upstream transportation and distribution intensity figure

% of total base year emissions in Scope 3, Category 5: Waste generated in operations covered by this Scope 3, Category 5: Waste generated in operations intensity figure

% of total base year emissions in Scope 3, Category 6: Business travel covered by this Scope 3, Category 6: Business travel intensity figure

% of total base year emissions in Scope 3, Category 7: Employee commuting covered by this Scope 3, Category 7: Employee commuting intensity figure

% of total base year emissions in Scope 3, Category 8: Upstream leased assets covered by this Scope 3, Category 8: Upstream leased assets intensity figure

% of total base year emissions in Scope 3, Category 9: Downstream transportation and distribution covered by this Scope 3, Category 9: Downstream transportation and distribution intensity figure

% of total base year emissions in Scope 3, Category 10: Processing of sold products covered by this Scope 3, Category 10: Processing of sold products intensity figure

% of total base year emissions in Scope 3, Category 11: Use of sold products covered by this Scope 3, Category 11: Use of sold products intensity figure

% of total base year emissions in Scope 3, Category 12: End-of-life treatment of sold products covered by this Scope 3, Category 12: End-of-life treatment of sold products intensity figure

% of total base year emissions in Scope 3, Category 13: Downstream leased assets covered by this Scope 3, Category 13: Downstream leased assets intensity figure

% of total base year emissions in Scope 3, Category 14: Franchises covered by this Scope 3, Category 14: Franchises intensity figure

% of total base year emissions in Scope 3, Category 15: Investments covered by this Scope 3, Category 15: Investments intensity figure

% of total base year emissions in Scope 3, Other (upstream) covered by this Scope 3, Other (upstream) intensity figure

% of total base year emissions in Scope 3, Other (downstream) covered by this Scope 3, Other (downstream) intensity figure

% of total base year emissions in Scope 3 (in all Scope 3 categories) covered by this total Scope 3 intensity figure

% of total base year emissions in all selected Scopes covered by this intensity figure

100

Target year

2040

Targeted reduction from base year (%)

96

Intensity figure in target year for all selected Scopes (metric tons CO2e per unit of activity) [auto-calculated]

0,006272

% change anticipated in absolute Scope 1+2 emissions

-98

% change anticipated in absolute Scope 3 emissions

0

Intensity figure in reporting year for Scope 1 (metric tons CO2e per unit of activity)

0,1526

Intensity figure in reporting year for Scope 2 (metric tons CO2e per unit of activity)

0,0076

Intensity figure in reporting year for Scope 3, Category 1: Purchased goods and services (metric tons CO2e per unit of activity)

Intensity figure in reporting year for Scope 3, Category 2: Capital goods (metric tons CO2e per unit of activity)

Intensity figure in reporting year for Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) (metric tons CO2e per unit of activity)

Intensity figure in reporting year for Scope 3, Category 4: Upstream transportation and distribution (metric tons CO2e per unit of activity)

Intensity figure in reporting year for Scope 3, Category 5: Waste generated in operations (metric tons CO2e per unit of activity)

Intensity figure in reporting year for Scope 3, Category 6: Business travel (metric tons CO2e per unit of activity)

Intensity figure in reporting year for Scope 3, Category 7: Employee commuting (metric tons CO2e per unit of activity)

Intensity figure in reporting year for Scope 3, Category 8: Upstream leased assets (metric tons CO2e per unit of activity)

Intensity figure in reporting year for Scope 3, Category 9: Downstream transportation and distribution (metric tons CO2e per unit of activity)

Intensity figure in reporting year for Scope 3, Category 10: Processing of sold products (metric tons CO2e per unit of activity)

Intensity figure in reporting year for Scope 3, Category 11: Use of sold products (metric tons CO2e per unit of activity)

Intensity figure in reporting year for Scope 3, Category 12: End-of-life treatment of sold products (metric tons CO2e per unit of activity)

Intensity figure in reporting year for Scope 3, Category 13: Downstream leased assets (metric tons CO2e per unit of activity)

Intensity figure in reporting year for Scope 3, Category 14: Franchises (metric tons CO2e per unit of activity)

Intensity figure in reporting year for Scope 3, Category 15: Investments (metric tons CO2e per unit of activity)

Intensity figure in reporting year for Scope 3, Other (upstream) (metric tons CO2e per unit of activity)

Intensity figure in reporting year for Scope 3, Other (downstream) (metric tons CO2e per unit of activity)

Intensity figure in reporting year for total Scope 3 (metric tons CO2e per unit of activity)

Intensity figure in reporting year for all selected Scopes (metric tons CO2e per unit of activity)

0,1602

Does this target cover any land-related emissions?

No, it does not cover any land-related emissions (e.g. non-FLAG SBT)

% of target achieved relative to base year [auto-calculated]

-2,2587159864

Target status in reporting year

New

Please explain target coverage and identify any exclusions

The target covers 100% of EDP's scope 1 and 2 emissions, for all GHGs, taking into consideration the consolidation method used (financial control), with no exclusions. It's a Net-Zero target aligned with SBTi's Net-Zero Protocol, in line with what is expected in terms of timeline (no later than 2040 for power sector companies). The target was set in financial years. The 96% intensity reduction target was set following SBTi's Sectoral Decarbonization Approach - Power Sector calculation methodology with power generation as the base year output.

Plan for achieving target, and progress made to the end of the reporting year

Target achievement is supported by the strategic focus on renewable generation growth (scope 1 emissions reduction), phase-out of the coal-fired power plants before 2025 and CCGT before 2030, continued investment in distribution (smart) grids, thus reducing electricity losses (scope 2 emissions reduction) and sourcing renewable electricity for consumption in office buildings and power plants self-consumption. Emissions reduction in target year were calculated assuming average hydro and wind conditions. Regarding progress by 2022, the specific emissions slightly increased due to an abnormal dry year, that impacted hydro generation and also to an increase of thermal generation, mainly coal, due to the energy crisis in Europe.

List the emissions reduction initiatives which contributed most to achieving this target

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Target reference number

Int 4

Is this a science-based target?

Yes, and this target has been approved by the Science Based Targets initiative

Target ambition

1.5°C aligned

Year target was set

2022

Target coverage

Company-wide

Scope(s)

Scope 1

Scope 3

Scope 2 accounting method

Scope 3 category(ies)

Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2)

Intensity metric

Metric tons CO2e per megawatt hour (MWh)

Base year

2020

Intensity figure in base year for Scope 1 (metric tons CO2e per unit of activity)

0,1019

Intensity figure in base year for Scope 2 (metric tons CO2e per unit of activity)

Intensity figure in base year for Scope 3, Category 1: Purchased goods and services (metric tons CO2e per unit of activity)

Intensity figure in base year for Scope 3, Category 2: Capital goods (metric tons CO2e per unit of activity)

Intensity figure in base year for Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) (metric tons CO2e per unit of activity)

0,0243

Intensity figure in base year for Scope 3, Category 4: Upstream transportation and distribution (metric tons CO2e per unit of activity)

Intensity figure in base year for Scope 3, Category 5: Waste generated in operations (metric tons CO2e per unit of activity)

Intensity figure in base year for Scope 3, Category 6: Business travel (metric tons CO2e per unit of activity)

Intensity figure in base year for Scope 3, Category 7: Employee commuting (metric tons CO2e per unit of activity)

Intensity figure in base year for Scope 3, Category 8: Upstream leased assets (metric tons CO2e per unit of activity)

Intensity figure in base year for Scope 3, Category 9: Downstream transportation and distribution (metric tons CO2e per unit of activity)

Intensity figure in base year for Scope 3, Category 10: Processing of sold products (metric tons CO2e per unit of activity)

Intensity figure in base year for Scope 3, Category 11: Use of sold products (metric tons CO2e per unit of activity)

Intensity figure in base year for Scope 3, Category 12: End-of-life treatment of sold products (metric tons CO2e per unit of activity)

Intensity figure in base year for Scope 3, Category 13: Downstream leased assets (metric tons CO2e per unit of activity)

Intensity figure in base year for Scope 3, Category 14: Franchises (metric tons CO2e per unit of activity)

Intensity figure in base year for Scope 3, Category 15: Investments (metric tons CO2e per unit of activity)

Intensity figure in base year for Scope 3, Other (upstream) (metric tons CO2e per unit of activity)

Intensity figure in base year for Scope 3, Other (downstream) (metric tons CO2e per unit of activity)

Intensity figure in base year for total Scope 3 (metric tons CO2e per unit of activity)

0,0243

Intensity figure in base year for all selected Scopes (metric tons CO2e per unit of activity)

0,1262

% of total base year emissions in Scope 1 covered by this Scope 1 intensity figure

99,7

% of total base year emissions in Scope 2 covered by this Scope 2 intensity figure

% of total base year emissions in Scope 3, Category 1: Purchased goods and services covered by this Scope 3, Category 1: Purchased goods and services intensity figure

% of total base year emissions in Scope 3, Category 2: Capital goods covered by this Scope 3, Category 2: Capital goods intensity figure

% of total base year emissions in Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) covered by this Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) intensity figure

53,5

% of total base year emissions in Scope 3, Category 4: Upstream transportation and distribution covered by this Scope 3, Category 4: Upstream transportation and distribution intensity figure

% of total base year emissions in Scope 3, Category 5: Waste generated in operations covered by this Scope 3, Category 5: Waste generated in operations intensity figure

% of total base year emissions in Scope 3, Category 6: Business travel covered by this Scope 3, Category 6: Business travel intensity figure

% of total base year emissions in Scope 3, Category 7: Employee commuting covered by this Scope 3, Category 7: Employee commuting intensity figure

% of total base year emissions in Scope 3, Category 8: Upstream leased assets covered by this Scope 3, Category 8: Upstream leased assets intensity figure

% of total base year emissions in Scope 3, Category 9: Downstream transportation and distribution covered by this Scope 3, Category 9: Downstream transportation and distribution intensity figure

% of total base year emissions in Scope 3, Category 10: Processing of sold products covered by this Scope 3, Category 10: Processing of sold products intensity figure

% of total base year emissions in Scope 3, Category 11: Use of sold products covered by this Scope 3, Category 11: Use of sold products intensity figure

% of total base year emissions in Scope 3, Category 12: End-of-life treatment of sold products covered by this Scope 3, Category 12: End-of-life treatment of sold products intensity figure

% of total base year emissions in Scope 3, Category 13: Downstream leased assets covered by this Scope 3, Category 13: Downstream leased assets intensity figure

% of total base year emissions in Scope 3, Category 14: Franchises covered by this Scope 3, Category 14: Franchises intensity figure

% of total base year emissions in Scope 3, Category 15: Investments covered by this Scope 3, Category 15: Investments intensity figure

% of total base year emissions in Scope 3, Other (upstream) covered by this Scope 3, Other (upstream) intensity figure

% of total base year emissions in Scope 3, Other (downstream) covered by this Scope 3, Other (downstream) intensity figure

% of total base year emissions in Scope 3 (in all Scope 3 categories) covered by this total Scope 3 intensity figure

53,5

% of total base year emissions in all selected Scopes covered by this intensity figure

85,5

Target year

2040

Targeted reduction from base year (%)

95

Intensity figure in target year for all selected Scopes (metric tons CO2e per unit of activity) [auto-calculated]

0,00631

% change anticipated in absolute Scope 1+2 emissions

-100

% change anticipated in absolute Scope 3 emissions

-61,5

Intensity figure in reporting year for Scope 1 (metric tons CO2e per unit of activity)

0,101

Intensity figure in reporting year for Scope 2 (metric tons CO2e per unit of activity)

Intensity figure in reporting year for Scope 3, Category 1: Purchased goods and services (metric tons CO2e per unit of activity)

Intensity figure in reporting year for Scope 3, Category 2: Capital goods (metric tons CO2e per unit of activity)

Intensity figure in reporting year for Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) (metric tons CO2e per unit of activity)

0,0314

Intensity figure in reporting year for Scope 3, Category 4: Upstream transportation and distribution (metric tons CO2e per unit of activity)

Intensity figure in reporting year for Scope 3, Category 5: Waste generated in operations (metric tons CO2e per unit of activity)

Intensity figure in reporting year for Scope 3, Category 6: Business travel (metric tons CO2e per unit of activity)

Intensity figure in reporting year for Scope 3, Category 7: Employee commuting (metric tons CO2e per unit of activity)

Intensity figure in reporting year for Scope 3, Category 8: Upstream leased assets (metric tons CO2e per unit of activity)

Intensity figure in reporting year for Scope 3, Category 9: Downstream transportation and distribution (metric tons CO2e per unit of activity)

Intensity figure in reporting year for Scope 3, Category 10: Processing of sold products (metric tons CO2e per unit of activity)

Intensity figure in reporting year for Scope 3, Category 11: Use of sold products (metric tons CO2e per unit of activity)

Intensity figure in reporting year for Scope 3, Category 12: End-of-life treatment of sold products (metric tons CO2e per unit of activity)

Intensity figure in reporting year for Scope 3, Category 13: Downstream leased assets (metric tons CO2e per unit of activity)

Intensity figure in reporting year for Scope 3, Category 14: Franchises (metric tons CO2e per unit of activity)

Intensity figure in reporting year for Scope 3, Category 15: Investments (metric tons CO2e per unit of activity)

Intensity figure in reporting year for Scope 3, Other (upstream) (metric tons CO2e per unit of activity)

Intensity figure in reporting year for Scope 3, Other (downstream) (metric tons CO2e per unit of activity)

Intensity figure in reporting year for total Scope 3 (metric tons CO2e per unit of activity)

0,0314

Intensity figure in reporting year for all selected Scopes (metric tons CO2e per unit of activity)

0,1324

Does this target cover any land-related emissions?

No, it does not cover any land-related emissions (e.g. non-FLAG SBT)

% of target achieved relative to base year [auto-calculated]

-5,1714071232

Target status in reporting year

New

Please explain target coverage and identify any exclusions

The target covers EDP's all sold electricity emissions (scope 1 emissions from stationary combustion and scope 3 category 3 emissions from electricity retail), taking into consideration the consolidation method used (financial control), with no exclusions. It's a Net-Zero physical intensity convergence target aligned with SBTi's Net-Zero Protocol, in line with what is expected in terms of timeline for the power sector (no later than 2040). The targets was set in financial years. The 95% intensity reduction target was set following the Sectoral Decarbonization Approach for the Power Sector.

Plan for achieving target, and progress made to the end of the reporting year

Target achievement is mostly supported by the strategic focus on renewable generation growth (scope 1 emissions reduction), phase-out of the coal-fired power plants before 2025 and CCGT before 2030. Emissions reduction in target year were calculated assuming average hydro and wind conditions and generation projections following the BP23-26. Regarding emissions from retail (Scope 3 Category 3), the reduction will be marginal due to the loss of generation capacity because of the gas and coal phase-out. Regarding progress by 2022, the specific emissions slightly increased due to an abnormal dry year, that impacted hydro generation and also to an increase of thermal generation, mainly coal, due to the energy crisis in Europe, but also because of the imbalance of generation vs retail in Portugal caused by the decomission of the Sines coal fired power plant in the end of 2020.

List the emissions reduction initiatives which contributed most to achieving this target

C4.2

(C4.2) Did you have any other climate-related targets that were active in the reporting year?

Target(s) to increase low-carbon energy consumption or production
Net-zero target(s)
Other climate-related target(s)

C4.2a

(C4.2a) Provide details of your target(s) to increase low-carbon energy consumption or production.

Target reference number
Low 1

Year target was set
2019

Target coverage
Company-wide

Target type: energy carrier
Electricity

Target type: activity
Production

Target type: energy source
Renewable energy source(s) only

Base year
2019

Consumption or production of selected energy carrier in base year (MWh)
44 136 739

% share of low-carbon or renewable energy in base year
67

Target year
2030

% share of low-carbon or renewable energy in target year
100

% share of low-carbon or renewable energy in reporting year
74

% of target achieved relative to base year [auto-calculated]
21,2121212121

Target status in reporting year
Underway

Is this target part of an emissions target?

Target is not formally part of an emissions reduction target but EDP's strategic focus on renewable growth is essential for the achievement of our emissions reduction targets.

Is this target part of an overarching initiative?

No, it's not part of an overarching initiative

Please explain target coverage and identify any exclusions

It is a corporate-wide target and applies to all geographies where the Group operates. Target covers all generation activities of EDP Group that are within our consolidation perimeter.

Plan for achieving target, and progress made to the end of the reporting year

The target will be achieved through a strategic focus on renewable generation growth, a progressive phase-out of thermoelectric generation until 2030, as committed in our more recent Strategic Update 2023-2026 and Climate Transition Plan. During this period, EDP will invest ~EUR25b, 85% in Renewables, Clientes and Energy Management, and the remaining 15% in T&D networks.

In 2022, EDP increased its solar installed capacity by 1,028 MW and its wind farm installed capacity by 291 MW, when compared to the previous year. By the end of the reporting year, EDP has already increased the total renewable generation by 7 p.p. compared to the year the target was set.

List the actions which contributed most to achieving this target

C4.2b

(C4.2b) Provide details of any other climate-related targets, including methane reduction targets.

Target reference number

Oth 1

Year target was set

2019

Target coverage

Company-wide

Target type: absolute or intensity

Absolute

Target type: category & Metric (target numerator if reporting an intensity target)

Low-carbon vehicles

Percentage of battery electric vehicles in company fleet

Target denominator (intensity targets only)

Base year

2019

Figure or percentage in base year

9

Target year

2030

Figure or percentage in target year

100

Figure or percentage in reporting year

14,6

% of target achieved relative to base year [auto-calculated]

6,1538461538

Target status in reporting year

Underway

Is this target part of an emissions target?

EDP is actively contributing to accelerating the transition to sustainable mobility, aiming to reduce 70% of the global fleet emissions. This target directly impacts Scope 1 emissions reduction targets, specifically in targets INT 1 and INT 3.

Is this target part of an overarching initiative?

EV100

Science Based targets initiative - other

Please explain target coverage and identify any exclusions

Target only covers the light vehicles from the global fleet service vehicles. This target has a direct impact on Scope 1+2 emissions (mobile combustion) reduction targets, both medium and long term.

Plan for achieving target, and progress made to the end of the reporting year

To achieve the target by 2030, EDP has assumed an interim commitment to electrify more than 40% of the light vehicle fleet by 2025. This targets will be achieved through the renewal of the light fleet, replacing combustion vehicles by electric ones but also by optimizing light fleet use. For this purpose a Management Tool was developed in 2020. It is a mobile application that allows employees to book service vehicles, including the possibility of "offering a lift", reducing the environmental impact of corporate travel.
By the end of the reporting year, EDP has increased the electric light fleet by 5.6 p.p. compared to the year the target was set.

List the actions which contributed most to achieving this target

C4.2c

(C4.2c) Provide details of your net-zero target(s).

Target reference number

NZ1

Target coverage

Company-wide

Absolute/intensity emission target(s) linked to this net-zero target

Abs3

Target year for achieving net zero

2040

Is this a science-based target?

Yes, and this target has been approved by the Science Based Targets initiative

Please explain target coverage and identify any exclusions

The target covers 100% of EDP's scope 3 inventory, taking into consideration the consolidation method used (financial control), with no exclusions. It's a Net-Zero absolute contraction target aligned with SBTi's Net-Zero Protocol, in line with what is expected in terms of timeline for the power sector (no later than 2040). The targets was set in financial years. The 90% reduction target was set following the cross-sector pathway since SBTi doesn't provide a Sector Specific absolute emissions reduction approach for the Power Sector on Scope 3.

Do you intend to neutralize any unabated emissions with permanent carbon removals at the target year?

Yes

Planned milestones and/or near-term investments for neutralization at target year

According to the last Business Plan (2023-2026), EDP will invest €25b, 85% of which in Renewables, Clients and Energy Management, with gross renewable capacity additions of 4.5 GW/year. Furthermore, EDP committed to be coal free by 2025 and 100% "green" by 2030. Additionaly EDP is also planning actions for three main levers:
- Lower supply chain emissions by continue the work on green(er) procurement, support suppliers' decarbonization path, work with suppliers for product specific emissions data and incentivize greener sypply chain globally through policy and advocacy efforts;
- Reduce emissions form the generation-retail imbalance through the investment in PPAs for renewable supply to clients, cover part of the client portfolio with EACs and increase the offer of green offers in electricity retail;
- Minimize natural gas retail emissions by optimizing the gas retail portfolio, negotiate

the increase of incentives for consumers' electrification and engage with gas consumers to promote gas alternatives/electrification.

Planned actions to mitigate emissions beyond your value chain (optional)

EDP plans to compensate for residual emissions either through the voluntary carbon offset markets (mainly activities that remove and store greenhouse gases from the atmosphere) or, in the case of electricity consumption, through schemes such as guaranty of origin from renewable sources or Renewable Energy Certifications.

Target reference number

NZ2

Target coverage

Company-wide

Absolute/intensity emission target(s) linked to this net-zero target

Abs5

Target year for achieving net zero

2040

Is this a science-based target?

Yes, and this target has been approved by the Science Based Targets initiative

Please explain target coverage and identify any exclusions

The target covers the total EDP's inventory emissions on all scopes, taking into consideration the consolidation method used (financial control), with no exclusions. It's a Net-Zero absolute contraction target aligned with SBTi's Net-Zero Protocol, in line with what is expected in terms of timeline for the power sector (no later than 2040). The 90% reduction target on all scopes is a requirement to comply with the Net-Zero Standard.

Do you intend to neutralize any unabated emissions with permanent carbon removals at the target year?

Yes

Planned milestones and/or near-term investments for neutralization at target year

According to the last Business Plan (2023-2026), EDP will invest €25b, 85% of which in Renewables, Clients and Energy Management, with gross renewable capacity additions of 4.5 GW/year. The remaining 15% will be dedicated to electricity networks where EDP is focused on reducing emissions from distribution power losses through the continued investment on reduction of distribution of technical losses and by having 100% smart meeters installed in iberia by 2025. Furthermore, EDP committed to be coal free by 2025 and 100% "green" by 2030. Additionaly EDP is also planning actions for three main levers:

- Lower supply chain emissions by continue the work on green(er) procurement, support suppliers' decarbonization path, work with suppliers for product specific emissions data

and incentivize greener sypply chain globally through policy and advocacy efforts;
- Reduce emissions form the generation-retail imbalance through the investment in PPAs for renewable supply to clients, cover part of the client portfolio with EACs and increase the offer of green offers in electricity retail;
- Minimize natural gas retail emissions by optimizing the gas retail portfolio, negotiate the increase of incentives for consumers' electrification and engage with gas consumers to promote gas alternatives/electrification.

Planned actions to mitigate emissions beyond your value chain (optional)

EDP plans to compensate for residual emissions either through the voluntary carbon offset markets (mainly activities that remove and store greenhouse gases from the atmosphere) or, in the case of electricity consumption, through schemes such as guaranty of origin from renewable sources or Renewable Energy Certifications.

Target reference number

NZ3

Target coverage

Company-wide

Absolute/intensity emission target(s) linked to this net-zero target

Int3

Target year for achieving net zero

2040

Is this a science-based target?

Yes, and this target has been approved by the Science Based Targets initiative

Please explain target coverage and identify any exclusions

The target covers 100% of EDP's scope 1 and 2 inventory, taking into consideration the consolidation method used (financial control), with no exclusions. It's a Net-Zero physical intensity convergence target aligned with SBTi's Net-Zero Protocol, in line with what is expected in terms of timeline for the power sector (no later than 2040). The targets was set in financial years. The 96% intensity reduction target was set following Sector Specific using the Sectoral Decarbonization Approach for the Power Sector.

Do you intend to neutralize any unabated emissions with permanent carbon removals at the target year?

Yes

Planned milestones and/or near-term investments for neutralization at target year

According to the last Business Plan (2023-2026), EDP will invest €25b, 85% of which in Renewables, Clients and Energy Management, with gross renewable capacity additions of 4.5 GW/year. The remaining 15% will be dedicated to electricity networks where EDP is focused on reducing emissions from distribution power losses through the continued

investment on reduction of distribution of technical losses and by having 100% smart meeters installed in iberia by 2025. Furthermore, EDP committed to be coal free by 2025 and 100% "green" by 2030.

Planned actions to mitigate emissions beyond your value chain (optional)

EDP plans to compensate for residual emissions either through the voluntary carbon offset markets (mainly activities that remove and store greenhouse gases from the atmosphere) or, in the case of electricity consumption, through schemes such as guaranty of origin from renewable sources or Renewable Energy Certifications.

Target reference number

NZ4

Target coverage

Company-wide

Absolute/intensity emission target(s) linked to this net-zero target

Int4

Target year for achieving net zero

2040

Is this a science-based target?

Yes, and this target has been approved by the Science Based Targets initiative

Please explain target coverage and identify any exclusions

The target covers EDP's all sold electricity emissions (scope 1 emissions from stationary combustion and scope 3 category 3 emissions from electricity retail), taking into consideration the consolidation method used (financial control), with no exclusions. It's a Net-Zero physical intensity convergence target aligned with SBTi's Net-Zero Protocol, in line with what is expected in terms of timeline for the power sector (no later than 2040). The targets was set in financial years. The 95% intensity reduction target was set following Sector Specific using the Sectoral Decarbonization Approach for the Power Sector.

Do you intend to neutralize any unabated emissions with permanent carbon removals at the target year?

Yes

Planned milestones and/or near-term investments for neutralization at target year

According to the last Business Plan (2023-2026), EDP will invest €25b, 85% of which in Renewables, Clients and Energy Management, with gross renewable capacity additions of 4.5 GW/year. Furthermore, EDP committed to be coal free by 2025 and 100% "green" by 2030. Additionaly EDP is also planning on reducing emissions form the generation-retail imbalance through the investment in PPAs for renewable supply to clients, cover

part of the client portfolio with EACs and increase the offer of green offers in electricity retail.

Planned actions to mitigate emissions beyond your value chain (optional)

EDP plans to compensate for residual emissions either through the voluntary carbon offset markets (mainly activities that remove and store greenhouse gases from the atmosphere) or, in the case of electricity consumption, through schemes such as guaranty of origin from renewable sources or Renewable Energy Certifications.

C4.3

(C4.3) Did you have emissions reduction initiatives that were active within the reporting year? Note that this can include those in the planning and/or implementation phases.

Yes

C4.3a

(C4.3a) Identify the total number of initiatives at each stage of development, and for those in the implementation stages, the estimated CO2e savings.

	Number of initiatives	Total estimated annual CO2e savings in metric tonnes CO2e (only for rows marked *)
Under investigation	87	0
To be implemented*	50	5 500 000
Implementation commenced*	32	4 400 000
Implemented*	280	2 040 283
Not to be implemented	0	0

C4.3b

(C4.3b) Provide details on the initiatives implemented in the reporting year in the table below.

Initiative category & Initiative type

Low-carbon energy generation

Wind

Estimated annual CO2e savings (metric tonnes CO2e)

1 479 000

Scope(s) or Scope 3 category(ies) where emissions savings occur

Scope 1

Scope 3 category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2)

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

1 052 500 000

Investment required (unit currency – as specified in C0.4)

378 810 000

Payback period

1-3 years

Estimated lifetime of the initiative

21-30 years

Comment

These figures refer to wind farms that became fully operational in 2022 (1,053 MW).
Assumptions made:
1. Real or typical values of CAPEX for the different types of renewable power plants;
2. Renewable generation based on current load factors;
3. CO2 price - European Emission Allowances average price in 2022, i.e., 81,1 €/tCO2;
4. 2022 thermal emissions intensity by geography to estimate CO2 savings of each renewable energy initiative;

Initiative category & Initiative type

Low-carbon energy generation
Solar PV

Estimated annual CO2e savings (metric tonnes CO2e)

549 280

Scope(s) or Scope 3 category(ies) where emissions savings occur

Scope 1
Scope 3 category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2)

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

199 620 000

Investment required (unit currency – as specified in C0.4)

712 340 000

Payback period

4-10 years

Estimated lifetime of the initiative

21-30 years

Comment

These figures refer to solar parks that became fully operational in 2022 (1,052 MW).
Assumptions made:
1. Real or typical values of CAPEX for the different types of renewable power plants;
2. Renewable generation based on current load factors;
3. CO2 price - European Emission Allowances average price in 2022, i.e., 81,1 €/tCO2;
4. 2022 thermal emissions intensity by geography to estimate CO2 savings of each renewable energy initiative;

Initiative category & Initiative type

Other, please specify

Other, please specify

Distribution power loss reduction; power plant self consumption reduction; PV self-consumption in office buildings

Estimated annual CO2e savings (metric tonnes CO2e)

12 003

Scope(s) or Scope 3 category(ies) where emissions savings occur

Scope 2 (location-based)

Scope 2 (market-based)

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

14 215 000

Investment required (unit currency – as specified in C0.4)

38 500 000

Payback period

1-3 years

Estimated lifetime of the initiative

21-30 years

Comment

These figures refer to internal energy efficiency program – grid loss reduction initiatives implemented in 2022; backfeed power reduction in wind and solar farms; self-consumptiom reduction in hydropower plants; PV self-consumption in office buildings.
Assumptions made:
1. Real or typical values of CAPEX for the PV plants and CAPEX of the distribution companies on grid losses reduction;
2. Renewable generation based on current load factors;
3. CO2 price - European Emission Allowances average price in 2022, i.e., 81,1 €/tCO2;

4. Global (grid) emission factors by geography to estimate CO2 savings from the savings initiatives

C4.3c

(C4.3c) What methods do you use to drive investment in emissions reduction activities?

Method	Comment
Compliance with regulatory requirements/standards	Focus on renewable generation allows for reducing our exposure to risk of further regulatory restrictions on CO2 emissions.
Dedicated budget for low-carbon product R&D	EDP has a dedicated budget for R&D that is allocated to 7 main areas, in accordance with EDP's business strategy, which positions itself at all stages of the energy industry value chain: renewable energies, networks, distributed energy systems, green hydrogen, energy storage & flexibility, sustainable mobility and decarbonization. In 2022, R&D expenditure amounted to EUR 186 million.
Internal price on carbon	EDP uses internal price of carbon to assess the impact of current and future carbon regulation on energy prices and volumes, existing assets' value and to evaluate capital investments in new electricity generation assets.

C4.5

(C4.5) Do you classify any of your existing goods and/or services as low-carbon products?

Yes

C4.5a

(C4.5a) Provide details of your products and/or services that you classify as low-carbon products.

Level of aggregation

Group of products or services

Taxonomy used to classify product(s) or service(s) as low-carbon

The EU Taxonomy for environmentally sustainable economic activities

Type of product(s) or service(s)

Power

Other, please specify

Renewable electricity generation

Description of product(s) or service(s)

Generation from wind, solar and hydropower plants. EDP's strategic focus on renewable generation growth led to a progressive decarbonization of the company' electricity generation portfolio. In 2022, EDP's installed capacity worldwide was 79% renewable and the share of renewables to the total electricity generation was 74% , thus delivering electricity with a significant low carbon content. In addition, 100% certified renewable electricity is also part of EDP's product portfolio. According to the most recent Strategic Update released, by 2025 EDP foresees its generation portfolio to be over 90% renewable-based and its emissions intensity to be 70% below 2015 levels, putting the company well on track to meet its 2030 commitment: 100% renewable capacity portfolio. Furthermore, EDP submitted in 2022 to the Science Based Target initiative and got approval of a new reduction target aligned with the Net-Zero standard: 95% scope 1 and 2 CO2 emissions reduction per MWh by 2030, compared to 2020, and 96% reduction by 2040 from the same base year.

Have you estimated the avoided emissions of this low-carbon product(s) or service(s)

Yes

Methodology used to calculate avoided emissions

Other, please specify

CO2e emissions that would have occurred if the electricity generated by renewable energy sources were produced by thermal power plants

Life cycle stage(s) covered for the low-carbon product(s) or services(s)

Use stage

Functional unit used

1 MWh of electricity generated from renewable sources

Reference product/service or baseline scenario used

1 MWh of electricity generated by coal and gas power plants

Life cycle stage(s) covered for the reference product/service or baseline scenario

Use stage

Estimated avoided emissions (metric tons CO2e per functional unit) compared to reference product/service or baseline scenario

22 748 854

Explain your calculation of avoided emissions, including any assumptions

Avoided emissions are the CO2e emissions that would have occurred if the electricity generated by renewable energy sources were produced by thermal power plants. For each country where we operate and generate renewable power, the avoided emissions are obtained by multiplying the net renewable energy production by the emission factor of the thermoelectric mix of that country.

Revenue generated from low-carbon product(s) or service(s) as % of total revenue in the reporting year

18

C-EU4.6

(C-EU4.6) Describe your organization's efforts to reduce methane emissions from your activities.

Methane emissions are not relevant to EDP's operation. EDP does not extract, transport or distribute gas, which are the most significant sources of methane emissions. However, there are areas where we estimate and manage our methane emissions.

Stationary combustion in thermal power plants accounts for 99,6% of EDP's total scope 1 GHG emissions. The company monitors GHG emissions from its thermal generation assets according to the European Union Emission Trading System (EU ETS): The Monitoring and Reporting Regulation (MMR) – General guidance for installations. These guidelines do not contemplate CH4 emissions, as they are immaterial in thermal electricity generation. According to official data from the Portuguese Environmental Agency, CH4 emissions from fuel combustion in electricity generation account for 0,08% of total GHG emissions (expressed in CO2e) from that activity and, consequently, are not relevant. (Source: Portugal National Inventory Report 2017. CRF Table 1.s1 - 1.a - Public Electricity and Heating. Five-year average for the most recent available years).

Mobile combustion in the company fleet represents less than 0,1% of EDP's total scope 1 GHG emissions and the company accounts for the immaterial methane emissions associated with this source. EDP is implementing a plan to renew its company fleet to more efficient vehicles, including electric and hybrid vehicles, having committed to achieve electrification of 100% of its light-duty fleet segment by 2030. Since 2010, the number of electric vehicles has grown more than 25-fold representing, by the end of 2022, 14.6% of the total light-duty fleet of more than 3,500 vehicles. Methane emissions are incorporated into our absolute (Abs 1) and intensity (Int 1) GHG emissions reduction Science Based Targets, as they pertain only to our scope 1 and scope 2 emissions, including all GHGs.

C5. Emissions methodology

C5.1

(C5.1) Is this your first year of reporting emissions data to CDP?

No

C5.1a

(C5.1a) Has your organization undergone any structural changes in the reporting year, or are any previous structural changes being accounted for in this disclosure of emissions data?

Row 1

Has there been a structural change?

Yes, an acquisition

Name of organization(s) acquired, divested from, or merged with

Sunseap

Details of structural change(s), including completion dates

In February of 2022 EDP Renewables, a subsidiary of EDP, completed the acquisition of a 91% stake on Sunseap, the largest distributed solar power operator and the 4th largest solar power operator in Southeast Asia. This acquisition enabled the company to establish its presence in Asia-Pacific (APAC) with 563 MW of solar projects operational and under construction and a considerable portfolio in different stages of development, namely 10 GW of renewable projects.

C5.1b

(C5.1b) Has your emissions accounting methodology, boundary, and/or reporting year definition changed in the reporting year?

	Change(s) in methodology, boundary, and/or reporting year definition?
Row 1	No

C5.1c

(C5.1c) Have your organization's base year emissions and past years' emissions been recalculated as a result of any changes or errors reported in C5.1a and/or C5.1b?

	Base year recalculation	Base year emissions recalculation policy, including significance threshold	Past years' recalculation
Row 1	No, because the operations acquired or divested did not exist in the base year	EDP follows GHG Protocol recommendations for recalculation policy and follows SBTi's proposed threshold of 5%.	No

C5.2

(C5.2) Provide your base year and base year emissions.

Scope 1

Base year start

janeiro 1, 2020

Base year end

dezembro 31, 2020

Base year emissions (metric tons CO2e)

9 304 139,219

Comment

The base year for our active reduction targets is 2020 (science-based target for scope 1, scope 2 and scope 3).

Scope 2 (location-based)

Base year start

janeiro 1, 2020

Base year end

dezembro 31, 2020

Base year emissions (metric tons CO2e)

594 400,796

Comment

The base year for our active reduction targets is 2020 (science-based target for scope 1, scope 2 and scope 3).

Scope 2 emission results only differ slightly for location-based and market-based methods because almost all electricity consumed by EDP and included in this scope (electricity consumption in office buildings, renewable power stations self-consumption and electricity losses in distribution networks) was generated and supplied by the EDP Group and therefore emissions are accounted for under scope 1. Exceptions are markets where EDP distributes more electricity than it generates (Portugal and Brazil) and markets where EDP does not have supply activities and, therefore, consumes electricity supplied by third parties (North America and European countries other than Portugal and Spain).

In Brazil no country-wide I-REC system is currently in place, therefore residual mix figures, used to calculate our scope 2 emissions in this markets according to the market-based method, is very similar to average grid emission factors, used in the location-based method. In Spain, all of EDPR's electricity consumption are covered by Guarantees of Origin. For the markets where we don’t distribute or supply electricity (North America and Rest of Europe) we use RECs to certify 100% of our North America consumption, which contributes for the difference between methods.

Scope 2 (market-based)

Base year start

janeiro 1, 2020

Base year end

dezembro 31, 2020

Base year emissions (metric tons CO2e)

573 856,16

Comment

The base year for our active reduction targets is 2020 (science-based target for scope 1, scope 2 and scope 3).

Scope 2 emission results only differ slightly for location-based and market-based methods because almost all electricity consumed by EDP and included in this scope (electricity consumption in office buildings, renewable power stations self-consumption and electricity losses in distribution networks) was generated and supplied by the EDP Group and therefore emissions are accounted for under scope 1. Exceptions are markets where EDP distributes more electricity than it generates (Portugal and Brazil) and markets where EDP does not have supply activities and, therefore, consumes electricity supplied by third parties (North America and European countries other than Portugal and Spain).

In Brazil no country-wide I-REC system is currently in place, therefore residual mix figures, used to calculate our scope 2 emissions in this markets according to the market-based method, is very similar to average grid emission factors, used in the location-based method. In Spain, all of EDPR's electricity consumption are covered by Guarantees of Origin. For the markets where we don't distribute or supply electricity (North America and Rest of Europe) we use RECs to certify 100% of our North America consumption, which contributes for the difference between methods.

Scope 3 category 1: Purchased goods and services

Base year start

janeiro 1, 2020

Base year end

dezembro 31, 2020

Base year emissions (metric tons CO2e)

1 115 541

Comment

We use a hybrid approach: spend-based method and average data method based on Life Cycle Assessment (LCA). For some aquisitions, we use direct data from the suppliers. Scope and emissions categorization comply with the requirements of the GHG Protocol Value Chain (Scope 3) Accounting and Reporting Standard. Activity data sources: EDP; Ecoinvent database when primary data was not available. Emission factors source: calculated from publish data (national energy authorities and LCA studies). GWP source: IPCC 5th Assessment Report (2014).

Scope 3 category 2: Capital goods

Base year start

janeiro 1, 2020

Base year end

dezembro 31, 2020

Base year emissions (metric tons CO2e)

1 877 828

Comment

We use a hybrid approach: spend-based method and average data method based on Life Cycle Assessment (LCA). For some aquisitions, we use direct data from the suppliers. Scope and emissions categorization comply with the requirements of the GHG Protocol Value Chain (Scope 3) Accounting and Reporting Standard. Activity data sources: EDP; Ecoinvent database when primary data was not available. Emission factors source: calculated from publish data (national energy authorities and LCA studies). GWP source: IPCC 5th Assessment Report (2014).

Scope 3 category 3: Fuel-and-energy-related activities (not included in Scope 1 or 2)

Base year start

janeiro 1, 2020

Base year end

dezembro 31, 2020

Base year emissions (metric tons CO2e)

4 131 485

Comment

We use a hybrid approach: spend-based method and average data method based on Life Cycle Assessment (LCA). For some aquisitions, we use direct data from the suppliers. Scope and emissions categorization comply with the requirements of the GHG Protocol Value Chain (Scope 3) Accounting and Reporting Standard. Activity data sources: EDP; Ecoinvent database when primary data was not available. Emission factors source: calculated from publish data (national energy authorities and LCA studies). GWP source: IPCC 5th Assessment Report (2014).

Scope 3 category 4: Upstream transportation and distribution

Base year start

janeiro 1, 2020

Base year end

dezembro 31, 2020

Base year emissions (metric tons CO2e)

38 505

Comment

We use a hybrid approach: spend-based method and average data method based on Life Cycle Assessment (LCA). For some aquisitions, we use direct data from the suppliers. Scope and emissions categorization comply with the requirements of the GHG Protocol Value Chain (Scope 3) Accounting and Reporting Standard. Activity data

sources: EDP; Ecoinvent database when primary data was not available. Emission factors source: calculated from publish data (national energy authorities and LCA studies). GWP source: IPCC 5th Assessment Report (2014).

Scope 3 category 5: Waste generated in operations

Base year start

janeiro 1, 2020

Base year end

dezembro 31, 2020

Base year emissions (metric tons CO2e)

11 296

Comment

We use a hybrid approach: spend-based method and average data method based on Life Cycle Assessment (LCA). For some aquisitions, we use direct data from the suppliers. Scope and emissions categorization comply with the requirements of the GHG Protocol Value Chain (Scope 3) Accounting and Reporting Standard. Activity data sources: EDP; Ecoinvent database when primary data was not available. Emission factors source: calculated from publish data (national energy authorities and LCA studies). GWP source: IPCC 5th Assessment Report (2014).

Scope 3 category 6: Business travel

Base year start

janeiro 1, 2020

Base year end

dezembro 31, 2020

Base year emissions (metric tons CO2e)

3 008,9

Comment

Scope and emissions categorization defined to comply with the requirements of the GHG Protocol Value Chain (Scope 3) Accounting and Reporting Standard. Activity data sources: EDP and suppliers. Emission factors source: calculated from published data (national energy authorities or default data from GHG Protocol Transport tool). GWP source: IPCC Assessment Report 5 (2014).

Scope 3 category 7: Employee commuting

Base year start

janeiro 1, 2020

Base year end

dezembro 31, 2020

Base year emissions (metric tons CO2e)

10 502

Comment

Scope and emissions categorization defined to comply with the requirements of the GHG Protocol Value Chain (Scope 3) Accounting and Reporting Standard. Activity data sources: internal survey. Emissions are calculated using the GHG Protocol Transport tool. Emission factors source: calculated from published data (national energy authorities or default data from GHG Protocol Transport tool). GWP source: IPCC Assessment Report 5 (2014).

Scope 3 category 8: Upstream leased assets

Base year start

janeiro 1, 2020

Base year end

dezembro 31, 2020

Base year emissions (metric tons CO2e)

0

Comment

EDP didn't have upstream leased assets

Scope 3 category 9: Downstream transportation and distribution

Base year start

janeiro 1, 2020

Base year end

dezembro 31, 2020

Base year emissions (metric tons CO2e)

0

Comment

Support activities (offices and stores) associated with electricity and gas retail. Categories that account for less than 1% of total scope 3 emissions or are not applicable to EDP are considered not relevant.

Scope 3 category 10: Processing of sold products

Base year start

janeiro 1, 2020

Base year end

dezembro 31, 2020

Base year emissions (metric tons CO2e)

0

Comment

This category is not applicable to EDP. EDP's products (electricity and gas) are supplied in their final consuming form, therefore they do not require further processing.

Scope 3 category 11: Use of sold products

Base year start

janeiro 1, 2020

Base year end

dezembro 31, 2020

Base year emissions (metric tons CO2e)

2 405 104,37

Comment

Scope and emissions categorization defined to comply with the requirements of the GHG Protocol Value Chain (Scope 3) Accounting and Reporting Standard. Activity data sources: EDP (gas retail activity). Emissions are calculated using the GHG Protocol stationary combustion tool. Emission factors source: calculated from published data (national energy authorities or default IPCC value). GWP source: IPCC Assessment Report 5 (2014).

Scope 3 category 12: End of life treatment of sold products

Base year start

janeiro 1, 2020

Base year end

dezembro 31, 2020

Base year emissions (metric tons CO2e)

0

Comment

This category is not applicable to EDP.

Scope 3 category 13: Downstream leased assets

Base year start

janeiro 1, 2020

Base year end

dezembro 31, 2020

Base year emissions (metric tons CO2e)

0

Comment

EDP did not use downstream leased assets in the base year

Scope 3 category 14: Franchises

Base year start
janeiro 1, 2020

Base year end
dezembro 31, 2020

Base year emissions (metric tons CO2e)
0

Comment
EDP did not have franchised activities in the base year

Scope 3 category 15: Investments

Base year start
janeiro 1, 2020

Base year end
dezembro 31, 2020

Base year emissions (metric tons CO2e)
1 415,65

Comment
Emissions from Ocean Winds, a 50-50 joint venture between EDP Renováveis, S.A. and ENGIE for the offshore wind business

Scope 3: Other (upstream)

Base year start
janeiro 1, 2020

Base year end
dezembro 31, 2020

Base year emissions (metric tons CO2e)
0

Comment
EDP has no scope 3 upstream emissions other than the ones disclosed

Scope 3: Other (downstream)

Base year start
janeiro 1, 2020

Base year end
dezembro 31, 2020

Base year emissions (metric tons CO2e)

0

Comment

EDP has no scope 3 downstream emissions other than the ones disclosed

C5.3

(C5.3) Select the name of the standard, protocol, or methodology you have used to collect activity data and calculate emissions.

Brazil GHG Protocol Programme
Defra Environmental Reporting Guidelines: Including streamlined energy and carbon reporting guidance, 2019
European Union Emission Trading System (EU ETS): The Monitoring and Reporting Regulation (MMR) – General guidance for installations
The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition)
The Greenhouse Gas Protocol: Scope 2 Guidance
The Greenhouse Gas Protocol: Corporate Value Chain (Scope 3) Standard

C6. Emissions data

C6.1

(C6.1) What were your organization's gross global Scope 1 emissions in metric tons CO2e?

Reporting year

Gross global Scope 1 emissions (metric tons CO2e)

9 405 035,18

Comment

Includes emissions from thermal power plant generation, fleet emissions, fugitive emissions (SF6) and gas consumption in office buildings.

C6.2

(C6.2) Describe your organization's approach to reporting Scope 2 emissions.

Row 1

Scope 2, location-based

We are reporting a Scope 2, location-based figure

Scope 2, market-based

We are reporting a Scope 2, market-based figure

Comment

Almost all electricity consumed by EDP and included in this scope (electricity consumption in office buildings, renewable power plants self-consumption and electricity losses in distribution networks) was generated and supplied by the EDP Group and therefore emissions are accounted for under scope 1. Exceptions are markets where EDP distributes more electricity than it generates (Portugal and Brazil) and markets where EDP does not have supply activities and, therefore, consumes electricity supplied by third parties (North America and European countries other than Portugal and Spain).

In Portugal, the Guarantees of Origin (GoO) system is not yet in place, therefore residual mix figures, used to calculate our scope 2 emissions according to the market-based method, are very similar to average grid emission factors, used in the location-based method. Markets where we don't distribute or supply electricity (North America and Rest of Europe) contribute only marginally to our electricity consumption. The total compensation of emissions through schemes like Renewable Energy Certificates (RECs) or GoO, in the USA, Spain and Brazil, result in a slight improvement of scope 2 emissions calculated with the market-based method.

C6.3

(C6.3) What were your organization's gross global Scope 2 emissions in metric tons CO2e?

Reporting year

Scope 2, location-based

469 323,33

Scope 2, market-based (if applicable)

442 767,53

Comment

Emissions from electricity consumption in office buildings, self-consumption in power plants and distribution grid losses

C6.4

(C6.4) Are there any sources (e.g. facilities, specific GHGs, activities, geographies, etc.) of Scope 1, Scope 2 or Scope 3 emissions that are within your selected reporting boundary which are not included in your disclosure?

No

C6.5

(C6.5) Account for your organization's gross global Scope 3 emissions, disclosing and explaining any exclusions.

Purchased goods and services

Evaluation status

Relevant, calculated

Emissions in reporting year (metric tons CO2e)

712 587,15

Emissions calculation methodology

Supplier-specific method

Hybrid method

Percentage of emissions calculated using data obtained from suppliers or value chain partners

100

Please explain

Emissions related to products and services acquisition using a hybrid method including spend-based data and average data (LCA). For operation and maintenance activities of wind parks the emissions were calculated using supplier-specific data.

Capital goods

Evaluation status

Relevant, calculated

Emissions in reporting year (metric tons CO2e)

2 935 134,31

Emissions calculation methodology

Supplier-specific method

Hybrid method

Percentage of emissions calculated using data obtained from suppliers or value chain partners

100

Please explain

For facilities construction (power plants, mainly wind and solar parks) emissions were calculated using supplier-specific data. For other equipment acquisition or services the emissions were calculated using a hybrid method including spend-based data and average data (LCA).

Fuel-and-energy-related activities (not included in Scope 1 or 2)

Evaluation status

Relevant, calculated

Emissions in reporting year (metric tons CO2e)

4 159 031,23

Emissions calculation methodology

Supplier-specific method
Average data method
Distance-based method

Percentage of emissions calculated using data obtained from suppliers or value chain partners

100

Please explain

Production (extraction and processing) of fuels (coal, natural gas, fuel oil and diesel) used by EDP for electricity generation. Generation/processing of electricity and natural gas purchased for retail.

Upstream transportation and distribution

Evaluation status

Not relevant, calculated

Emissions in reporting year (metric tons CO2e)

5 686,73

Emissions calculation methodology

Supplier-specific method
Distance-based method

Percentage of emissions calculated using data obtained from suppliers or value chain partners

50

Please explain

Categories that account for less than 1% of total scope 3 emissions or are not applicable to EDP are considered not relevant.

Waste generated in operations

Evaluation status

Not relevant, calculated

Emissions in reporting year (metric tons CO2e)

9 706,68

Emissions calculation methodology

Waste-type-specific method

Percentage of emissions calculated using data obtained from suppliers or value chain partners

100

Please explain

Transport and disposal of waste generated in EDP's activities (mainly gypsum and ashes from coal power plants). Categories that account for less than 1% of total scope 3 emissions or are not applicable to EDP are considered not relevant.

Business travel

Evaluation status

Not relevant, calculated

Emissions in reporting year (metric tons CO2e)

9 127,76

Emissions calculation methodology

Supplier-specific method

Distance-based method

Percentage of emissions calculated using data obtained from suppliers or value chain partners

100

Please explain

EDP employee business travel (air, train and road travel). Categories that account for less than 1% of total scope 3 emissions or are not applicable to EDP are considered not relevant.

Employee commuting

Evaluation status

Not relevant, calculated

Emissions in reporting year (metric tons CO2e)

10 959,66

Emissions calculation methodology

Fuel-based method

Distance-based method

Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

Please explain

EDP employee commuting, assessed through a survey involving all EDP Group companies included in the consolidation perimeter. Categories that account for less than 1% of total scope 3 emissions or are not applicable to EDP are considered not relevant.

Upstream leased assets

Evaluation status

Not relevant, explanation provided

Please explain

Use of rented assets (especially machinery) in construction activities. Categories that account for less than 1% of total scope 3 emissions or are not applicable to EDP are considered not relevant.

Downstream transportation and distribution

Evaluation status

Not relevant, explanation provided

Please explain

Support activities (offices and stores) associated with electricity and gas retail. Categories that account for less than 1% of total scope 3 emissions or are not applicable to EDP are considered not relevant.

Processing of sold products

Evaluation status

Not relevant, explanation provided

Please explain

This category is not applicable to EDP. EDP's products (electricity and gas) are supplied in their final consuming form, therefore they do not require further processing.

Use of sold products

Evaluation status

Relevant, calculated

Emissions in reporting year (metric tons CO2e)

1 437 165,81

Emissions calculation methodology

Average data method

Percentage of emissions calculated using data obtained from suppliers or value chain partners

100

Please explain

Scope and emissions categorization defined to comply with the requirements of the GHG Protocol Value Chain (Scope 3) Accounting and Reporting Standard. Activity data sources: EDP (retail acivity). Emission factors source: calculated from published data (national energy authorities and LCA studies). GWP source: IPCC Assessment Report 5 (2014).

End of life treatment of sold products

Evaluation status

Not relevant, explanation provided

Please explain

This category is not applicable to EDP. EDP's sold products (electricity and gas) do not generate waste, therefore no end of life treatment is required.

Downstream leased assets

Evaluation status

Not relevant, explanation provided

Please explain

EDP did not use downstream leased assets in the reporting year.

Franchises

Evaluation status

Not relevant, explanation provided

Please explain

EDP did not have franchised activities in the reporting year.

Investments

Evaluation status

Not relevant, explanation provided

Please explain

Emissions from Ocean Winds, a 50-50 joint venture with ENGIE for the offshore wind operations. Not calculated in the reporting year. Categories that account for less than 1% of total scope 3 emissions or are not applicable to EDP are considered not relevant.

Other (upstream)

Evaluation status

Not relevant, explanation provided

Please explain

EDP had no emissions from upstream or downstream activities other than the ones reported in categories C1 to C15.

Other (downstream)

Evaluation status

Not relevant, explanation provided

Please explain

EDP had no emissions from upstream or downstream activities other than the ones reported in categories C1 to C15.

C6.7

(C6.7) Are carbon dioxide emissions from biogenic carbon relevant to your organization?

No

C6.10

(C6.10) Describe your gross global combined Scope 1 and 2 emissions for the reporting year in metric tons CO2e per unit currency total revenue and provide any additional intensity metrics that are appropriate to your business operations.

Intensity figure

0,000478

Metric numerator (Gross global combined Scope 1 and 2 emissions, metric tons CO2e)

9 874 358,51

Metric denominator

unit total revenue

Metric denominator: Unit total

20 650 764 387

Scope 2 figure used

Location-based

% change from previous year

32,5

Direction of change

Decreased

Reason(s) for change

Other emissions reduction activities
Change in output
Change in revenue

Please explain

Compared to 2021, combined scope 1 and 2 emissions deceased by 7%. To contribute to this reduction there was the reduction in power plants self-consumption and grid losses, new and increased wind and solar installed capacity and less generation from coal power plants. These outputs compensated for the increase of generation from CCGT power plants that replaced the loss of hydro generation in Portugal. Meanwhile revenues strongly increased by 38%, resulting in much less emissions per unit total revenue. This explains the direction of change.

Intensity figure
0,16

Metric numerator (Gross global combined Scope 1 and 2 emissions, metric tons CO2e)
9 874 358,51

Metric denominator
megawatt hour generated (MWh)

Metric denominator: Unit total
61 630 069,77

Scope 2 figure used
Location-based

% change from previous year
9,1

Direction of change
Decreased

Reason(s) for change
Other emissions reduction activities

Please explain
Compared to 2021, combined scope 1 and 2 emissions deceased by 7%. To contribute to this reduction there was the reduction in power plants self-consumption and grid losses, new and increased wind and solar installed capacity and less generation from coal power plants. These outputs compensated for the increase of generation from CCGT power plants that replaced the loss of hydro generation in Portugal. This combined with the slight increase in electricity produced (+ 2.6%), meant that specific Scope 1 and 2 emissions decreased by around 9% compared to 2021.

C7. Emissions breakdowns

C7.1

(C7.1) Does your organization break down its Scope 1 emissions by greenhouse gas type?
Yes

C7.1a

(C7.1a) Break down your total gross global Scope 1 emissions by greenhouse gas type and provide the source of each used greenhouse warming potential (GWP).

Greenhouse gas	Scope 1 emissions (metric tons of CO2e)	GWP Reference
CO2	9 395 281	IPCC Fifth Assessment Report (AR5 – 100 year)
CH4	33	IPCC Fifth Assessment Report (AR5 – 100 year)
SF6	9 138	IPCC Fifth Assessment Report (AR5 – 100 year)
N2O	222	IPCC Fifth Assessment Report (AR5 – 100 year)

C-EU7.1b

(C-EU7.1b) Break down your total gross global Scope 1 emissions from electric utilities value chain activities by greenhouse gas type.

	Gross Scope 1 CO2 emissions (metric tons CO2)	Gross Scope 1 methane emissions (metric tons CH4)	Gross Scope 1 SF6 emissions (metric tons SF6)	Total gross Scope 1 emissions (metric tons CO2e)	Comment
Fugitives	0	0	0,389	9 138	Corresponds to SF6 fugitive emissions in gas insulated switchgears and transformers from generation and distribution activities
Combustion (Electric utilities)	9 380 834,4	0	0	9 380 834,4	CO2 emissions from thermal power plants, calculated according with the European Union Emission Trading System (EU ETS): The Monitoring and Reporting Regulation (MMR) – General guidance for installations. These guidelines do not contemplate the calculation of CH4 emissions, as they are immaterial in thermal electricity generation. According to official data from the Portuguese

					Environmental Agency, CH4 emissions from fuel combustion in electricity generation account for 0,08% of total GHG emissions (expressed in CO2e) from that activity. (Source: Portugal National Inventory Report 2017. CRF Table 1.s1 - 1.a - Public Electricity and Heating. Five-year average for the most recent available years).
Combustion (Gas utilities)	0	0	0	0	There are no combustion emissions associated with EDP's gas business. In 2017, EDP sold its gas distribution assets in Portugal and Spain, alienating its gas distribution networks and solely maintaining the gas supply activity.
Combustion (Other)	166,8	0	0	166,8	Emissions from stationary combustion - natural gas consumption in office buildings) and mobile (company fleet) combustion in support activities.
Emissions not elsewhere classified	14 578	1,2	0	14 896	Emissions from mobile combustion (own fleet), including CO2, CH4 and N2O

C7.2

(C7.2) Break down your total gross global Scope 1 emissions by country/area/region.

Country/area/region	Scope 1 emissions (metric tons CO2e)
Portugal	2 020 120,5
Spain	7 368 206,4
Brazil	15 571,1
North America	645,3

[1]	
Other, please specify Rest of Europe (FR, BE, IT, PL, RO, GR, UK)	491,8
Other, please specify APAC (...)	0

[1] North America includes activities in the USA, Canada and Mexico

C7.3

(C7.3) Indicate which gross global Scope 1 emissions breakdowns you are able to provide.

By activity

C7.3c

(C7.3c) Break down your total gross global Scope 1 emissions by business activity.

Activity	Scope 1 emissions (metric tons CO2e)
Stationary combustion in thermal power plants	9 380 834,4
Fugitive emissions	9 137,97
Mobile combustion in company fleet	14 896
Natural gas consumption (office buildings)	166,82

C-CE7.4/C-CH7.4/C-CO7.4/C-EU7.4/C-MM7.4/C-OG7.4/C-ST7.4/C-TO7.4/C-TS7.4

(C-CE7.4/C-CH7.4/C-CO7.4/C-EU7.4/C-MM7.4/C-OG7.4/C-ST7.4/C-TO7.4/C-TS7.4) Break down your organization's total gross global Scope 1 emissions by sector production activity in metric tons CO2e.

	Gross Scope 1 emissions, metric tons CO2e	Comment
Electric utility activities	9 405 035,18	Includes all the emissions associated with the value chain of EDP activity, namely thermal power plants emissions and fugitive emissions (generation and T&D).

C7.7

(C7.7) Is your organization able to break down your emissions data for any of the subsidiaries included in your CDP response?

Yes

C7.7a

(C7.7a) Break down your gross Scope 1 and Scope 2 emissions by subsidiary.

Subsidiary name
EDP Renovaveis S.A.

Primary activity
Wind Generation

Select the unique identifier(s) you are able to provide for this subsidiary
ISIN code – bond
LEI number

ISIN code – bond
ES0127797019

ISIN code – equity

CUSIP number

Ticker symbol

SEDOL code

LEI number
529900MUFAH07Q1TAX06

Other unique identifier

Scope 1 emissions (metric tons CO2e)
1 672,5

Scope 2, location-based emissions (metric tons CO2e)
26 555,8

Scope 2, market-based emissions (metric tons CO2e)
0

Comment
As a company dedicated to renewable energy generation (wind and solar), scope 1 emissions are very low and only refer to own fleet and fugitive (SF6) emissions.

Subsidiary name

EDP Energias do Brasil S.A.

Primary activity

Electricity networks

Select the unique identifier(s) you are able to provide for this subsidiary

ISIN code – bond
LEI number

ISIN code – bond

BRENBRACNOR2

ISIN code – equity

CUSIP number

Ticker symbol

SEDOL code

LEI number

529900MT3VH5D7T9FR43

Other unique identifier

Scope 1 emissions (metric tons CO2e)

15 420,1

Scope 2, location-based emissions (metric tons CO2e)

84 696,2

Scope 2, market-based emissions (metric tons CO2e)

84 696,2

Comment

Main activitis of EDP Energias do Brasil are generation, transmission, distribution an supply of electricity in Brazil. Although EDP Brasil owns a thermal power plant, it was almost not operating in 2022, hence the low value of scope 1 emissions, which refer mainly to the fleet and fugitive (SF6) emissions . Scope 2 emissions refer to distribution grid losses

Subsidiary name

EDP España S.A.

Primary activity

Electricity networks

Select the unique identifier(s) you are able to provide for this subsidiary

ISIN code – bond

LEI number

ISIN code – bond

ES0106025036

ISIN code – equity

CUSIP number

Ticker symbol

SEDOL code

LEI number

5299004K3IJ5KNKRYY78

Other unique identifier

Scope 1 emissions (metric tons CO2e)

7 367 886,5

Scope 2, location-based emissions (metric tons CO2e)

0

Scope 2, market-based emissions (metric tons CO2e)

0

Comment

Main activities of EDP España S.A. are generation, diistribution and supply of electricity. Scope 1 emissions refer mainly to thermal power plants operating in Spain. No scope 2 emissions are disclosed as all acquired electricity is produced by the company itself.

C7.9

(C7.9) How do your gross global emissions (Scope 1 and 2 combined) for the reporting year compare to those of the previous reporting year?

Decreased

C7.9a

(C7.9a) Identify the reasons for any change in your gross global emissions (Scope 1 and 2 combined), and for each of them specify how your emissions compare to the previous year.

	Change in emissions (metric tons CO2e)	Direction of change in emissions	Emissions value (percentage)	Please explain calculation
Change in renewable energy consumption	0	No change	0	No significant change compared to the previuos year
Other emissions reduction activities	1 469 536	Decreased	13,9	Emissions reduction initiatives impacting scope 1 and 2: new renewable generation capacity (wind and solar in several European, North America and APAC countries), grid loss reduction, power plant self-consumption reduction and distributed PV in office buildings. These initiatives amounted to emissions reduction of about 1.5 MtCO2e, which represents around 14% decrease in EDP's combined S1 + S2 emissions from 2021: (1,469,536/9,874,359)100 = 13.9%.
Divestment	510 136	Decreased	4,8	Divestment in wind and solar parks in different geographies (asset rotation strategy), impacting scope 1 and 2. It was assumed that the corresponding loss of capacity was replaced by the marginal power plant (CCGT), resulting in increased emissions of about 0,51 MtCO2e. Thus, this divestment represents around 5% decrease in EDP's combined S1 + S2 emissions from 2021: (510136/9,874,359)100 = 4.8%.
Acquisitions	1 608 793	Increased	15,2	Installation of new wind and solar parks in different geographies, impactng scope 1 and 2 These initiatives amounted to emissions reduction of about 1.6 MtCO2e, which represents around 15% increase in EDP's combined S1 + S2 emissions from 2021: (1,608793/9,874,359)100 = 15.2%.

Mergers	0	No change	0	No mergers in 2022
Change in output	397 356	Decreased	4	The combined effect of increased generation from CCGT (+2.6 TWh) and reduced generation from coal-fired power plants (- 0.74 TWh) resulted in an decrease of about 0.4 MtCO2e emissions, i.e., - 4% in EDP's combined scope 1 and 2 emissions from 2020: (397,356/9,874,359)*100= 4.0%.
Change in methodology	0	No change	0	No change in methodology
Change in boundary	0	No change	0	No change in boundary
Change in physical operating conditions	0	No change	0	No change in physical operationg conditions
Unidentified	0	No change	0	No unidentified change
Other	0	No change	0	No other change

C7.9b

(C7.9b) Are your emissions performance calculations in C7.9 and C7.9a based on a location-based Scope 2 emissions figure or a market-based Scope 2 emissions figure?

Location-based

C8. Energy

C8.1

(C8.1) What percentage of your total operational spend in the reporting year was on energy?

More than 95% but less than or equal to 100%

C8.2

(C8.2) Select which energy-related activities your organization has undertaken.

	Indicate whether your organization undertook this energy-related activity in the reporting year
Consumption of fuel (excluding feedstocks)	Yes

Consumption of purchased or acquired electricity	Yes
Consumption of purchased or acquired heat	No
Consumption of purchased or acquired steam	No
Consumption of purchased or acquired cooling	No
Generation of electricity, heat, steam, or cooling	Yes

C8.2a

(C8.2a) Report your organization's energy consumption totals (excluding feedstocks) in MWh.

	Heating value	MWh from renewable sources	MWh from non-renewable sources	Total (renewable and non-renewable) MWh
Consumption of fuel (excluding feedstock)	LHV (lower heating value)	5 003,4	36 888 754,8	36 893 758,2
Consumption of purchased or acquired electricity		68 041,1	31 507,6	99 548,7
Consumption of self-generated non-fuel renewable energy		45 329 214,1		45 329 214,1
Total energy consumption		45 402 258,6	36 920 262,4	82 322 521

C8.2b

(C8.2b) Select the applications of your organization's consumption of fuel.

	Indicate whether your organization undertakes this fuel application
Consumption of fuel for the generation of electricity	Yes
Consumption of fuel for the generation of heat	No
Consumption of fuel for the generation of steam	No

Consumption of fuel for the generation of cooling	No
Consumption of fuel for co-generation or tri-generation	Yes

C8.2c

(C8.2c) State how much fuel in MWh your organization has consumed (excluding feedstocks) by fuel type.

Sustainable biomass

Heating value

LHV

Total fuel MWh consumed by the organization

0

MWh fuel consumed for self-generation of electricity

0

MWh fuel consumed for self-generation of heat

0

MWh fuel consumed for self- cogeneration or self-trigeneration

0

Comment

EDP did not consume sustainable biomass

Other biomass

Heating value

LHV

Total fuel MWh consumed by the organization

1 153,9

MWh fuel consumed for self-generation of electricity

0

MWh fuel consumed for self-generation of heat

1 153,9

MWh fuel consumed for self- cogeneration or self-trigeneration

0

Comment

Figure for consumed self-generation of heat refers to mobile combustion of EDP's fleet from biofuels.

Other renewable fuels (e.g. renewable hydrogen)

Heating value

LHV

Total fuel MWh consumed by the organization

0

MWh fuel consumed for self-generation of electricity

0

MWh fuel consumed for self-generation of heat

0

MWh fuel consumed for self- cogeneration or self-trigeneration

0

Comment

EDP did not consume other renewable fuels

Coal

Heating value

LHV

Total fuel MWh consumed by the organization

17 343 028,9

MWh fuel consumed for self-generation of electricity

17 343 028,9

MWh fuel consumed for self-generation of heat

0

MWh fuel consumed for self- cogeneration or self-trigeneration

0

Comment

Figures refer to consumption of coal for power generation

Oil

Heating value

LHV

Total fuel MWh consumed by the organization

65 895,1

MWh fuel consumed for self-generation of electricity

65 895,1

MWh fuel consumed for self-generation of heat

0

MWh fuel consumed for self- cogeneration or self-trigeneration

0

Comment

Figures refer to consumption of fueloil and gasoil for power generation

Gas

Heating value

LHV

Total fuel MWh consumed by the organization

17 211 500

MWh fuel consumed for self-generation of electricity

16 932 076,9

MWh fuel consumed for self-generation of heat

0

MWh fuel consumed for self- cogeneration or self-trigeneration

279 423,1

Comment

Figures refer to consumption of natural gas for power generation in CCGT and CHP power plants

Other non-renewable fuels (e.g. non-renewable hydrogen)

Heating value

LHV

Total fuel MWh consumed by the organization

2 273 334,1

MWh fuel consumed for self-generation of electricity

2 212 542,6

MWh fuel consumed for self-generation of heat

60 791,5

MWh fuel consumed for self- cogeneration or self-trigeneration

0

Comment

Figures for consumed other non-renewable fuels refer to:
1- mobile combustion of EDP's fleet (gasoline and gasoil) - 60791,5 MWh.
2- Bast furnece gas consumed at a coal-fired powwr plant in Spain - 2212542,6 MWh.

Total fuel

Heating value

LHV

Total fuel MWh consumed by the organization

36 894 912

MWh fuel consumed for self-generation of electricity

36 553 543,5

MWh fuel consumed for self-generation of heat

61 945,4

MWh fuel consumed for self- cogeneration or self-trigeneration

279 423,1

Comment

Figures refer to all fuel MWh consumed by EDP in 2022, either for power generation, cogeneration and fleet

C-EU8.2d

(C-EU8.2d) For your electric utility activities, provide a breakdown of your total power plant capacity, generation, and related emissions during the reporting year by source.

Coal – hard

Nameplate capacity (MW)

2 540,2

Gross electricity generation (GWh)

7 344,4

Net electricity generation (GWh)

6 830

Absolute scope 1 emissions (metric tons CO2e)

5 943 721,8

Scope 1 emissions intensity (metric tons CO2e per GWh)

870,2

Comment

Figures refer to coal power plants in Spain and Brazil.

Lignite

Nameplate capacity (MW)

0

Gross electricity generation (GWh)

0

Net electricity generation (GWh)

0

Absolute scope 1 emissions (metric tons CO2e)

0

Scope 1 emissions intensity (metric tons CO2e per GWh)

0

Comment

EDP does not own lignite-fired power plants

Oil

Nameplate capacity (MW)

0

Gross electricity generation (GWh)

0

Net electricity generation (GWh)

0

Absolute scope 1 emissions (metric tons CO2e)

0

Scope 1 emissions intensity (metric tons CO2e per GWh)

0

Comment

EDP does not own oil-fired power plants

Gas

Nameplate capacity (MW)

2 885,6

Gross electricity generation (GWh)

9 246,5

Net electricity generation (GWh)

9 033,4

Absolute scope 1 emissions (metric tons CO2e)

3 331 611,8

Scope 1 emissions intensity (metric tons CO2e per GWh)

368,8

Comment

Figures refer to CCGT power plants in Portugal and Spain.

Sustainable biomass

Nameplate capacity (MW)

0

Gross electricity generation (GWh)

0

Net electricity generation (GWh)

0

Absolute scope 1 emissions (metric tons CO2e)

0

Scope 1 emissions intensity (metric tons CO2e per GWh)

0

Comment

EDP does not own biomass-fired power plants

Other biomass

Nameplate capacity (MW)

0

Gross electricity generation (GWh)

0

Net electricity generation (GWh)

0

Absolute scope 1 emissions (metric tons CO2e)

0

Scope 1 emissions intensity (metric tons CO2e per GWh)

0

Comment

EDP does not own other biomass-fired power plants

Waste (non-biomass)

Nameplate capacity (MW)

0

Gross electricity generation (GWh)

0

Net electricity generation (GWh)

0

Absolute scope 1 emissions (metric tons CO2e)

0

Scope 1 emissions intensity (metric tons CO2e per GWh)

0

Comment

EDP does not own waste power plants

Nuclear

Nameplate capacity (MW)

0

Gross electricity generation (GWh)

0

Net electricity generation (GWh)

0

Absolute scope 1 emissions (metric tons CO2e)

0

Scope 1 emissions intensity (metric tons CO2e per GWh)

0

Comment

EDP, through Iberenegia, S.A.U., a subsidiary company of EDP España S.A.U., holds a 15.5% stake in the Trillo nuclear power plant. EDP is a minor shareholder and has no operational or financial control over this power plant, which is outside our reporting boundary.

Fossil-fuel plants fitted with CCS

Nameplate capacity (MW)

0

Gross electricity generation (GWh)

0

Net electricity generation (GWh)

0

Absolute scope 1 emissions (metric tons CO2e)

0

Scope 1 emissions intensity (metric tons CO2e per GWh)

0

Comment

EDP does not own fossil-fuel plants fitted with CCS

Geothermal

Nameplate capacity (MW)

0

Gross electricity generation (GWh)

0

Net electricity generation (GWh)

0

Absolute scope 1 emissions (metric tons CO2e)

0

Scope 1 emissions intensity (metric tons CO2e per GWh)

0

Comment

EDP does not own geothermal power plants

Hydropower

Nameplate capacity (MW)

6 928,7

Gross electricity generation (GWh)

15 383,6

Net electricity generation (GWh)

15 283,1

Absolute scope 1 emissions (metric tons CO2e)

44,7

Scope 1 emissions intensity (metric tons CO2e per GWh)

0

Comment

Figures refer to large and mini-hydro power plants in Portugal, Spain and Brazil. Scope 1 emissions refer to SF6 fugitive emissions from anxiliary equipment

Wind

Nameplate capacity (MW)

12 136

Gross electricity generation (GWh)

29 793,6

Net electricity generation (GWh)

29 591,8

Absolute scope 1 emissions (metric tons CO2e)

0

Scope 1 emissions intensity (metric tons CO2e per GWh)

0

Comment

Figures refer to wind farms in Portugal, Spain, Brazil, North America, several European countries and APAC.

Solar

Nameplate capacity (MW)

973,6

Gross electricity generation (GWh)

748,5

Net electricity generation (GWh)

732,7

Absolute scope 1 emissions (metric tons CO2e)

0

Scope 1 emissions intensity (metric tons CO2e per GWh)

0

Comment

Figures refer to solar PV parks in several geographies (Europe, America and Asia).

Marine

Nameplate capacity (MW)

0

Gross electricity generation (GWh)

0

Net electricity generation (GWh)

0

Absolute scope 1 emissions (metric tons CO2e)

0

Scope 1 emissions intensity (metric tons CO2e per GWh)

0

Comment

EDP does not own marine power plants

Other renewable

Nameplate capacity (MW)

0

Gross electricity generation (GWh)

0

Net electricity generation (GWh)

0

Absolute scope 1 emissions (metric tons CO2e)

0

Scope 1 emissions intensity (metric tons CO2e per GWh)

0

Comment

EDP does not own other renewable power plants besides hydro, wind and solar.

Other non-renewable

Nameplate capacity (MW)

22,8

Gross electricity generation (GWh)

154,1

Net electricity generation (GWh)

153,5

Absolute scope 1 emissions (metric tons CO2e)

105 501,5

Scope 1 emissions intensity (metric tons CO2e per GWh)

151,5

Comment

Figures refer to gas-fired CHP. Denominator includes steam generation (279.42 GWh).

Total

Nameplate capacity (MW)

25 487

Gross electricity generation (GWh)

62 670,7

Net electricity generation (GWh)

61 624,5

Absolute scope 1 emissions (metric tons CO2e)

9 380 879,7

Scope 1 emissions intensity (metric tons CO2e per GWh)

151,5

Comment

Scope 1 emissions intensity includes 279.42 GWh from steam generation in CHP plants

C8.2g

(C8.2g) Provide a breakdown by country/area of your non-fuel energy consumption in the reporting year.

Country/area

Portugal

Consumption of purchased electricity (MWh)

0

Consumption of self-generated electricity (MWh)

2 326 009,7

Consumption of purchased heat, steam, and cooling (MWh)

0

Consumption of self-generated heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

2 326 009,7

Country/area

Spain

Consumption of purchased electricity (MWh)

0

Consumption of self-generated electricity (MWh)

613 047,2

Consumption of purchased heat, steam, and cooling (MWh)

0

Consumption of self-generated heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

613 047,2

Country/area

Brazil

Consumption of purchased electricity (MWh)

0

Consumption of self-generated electricity (MWh)

381 551,3

Consumption of purchased heat, steam, and cooling (MWh)

0

Consumption of self-generated heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

381 551,3

Country/area

Other, please specify

Rest of the World (Europe, North and South America and Asia)

Consumption of purchased electricity (MWh)

68 041,1

Consumption of self-generated electricity (MWh)

0

Consumption of purchased heat, steam, and cooling (MWh)

0

Consumption of self-generated heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

68 041,1

C-EU8.4

(C-EU8.4) Does your electric utility organization have a transmission and distribution business?

Yes

C-EU8.4a

(C-EU8.4a) Disclose the following information about your transmission and distribution business.

Country/area/region

Brazil

Voltage level

Distribution (low voltage)

Annual load (GWh)

26 491,32

Annual energy losses (% of annual load)

9,5

Scope where emissions from energy losses are accounted for

Scope 2 (location-based)

Emissions from energy losses (metric tons CO2e)

227 841,95

Length of network (km)

96 054,7

Number of connections

3 774 901

Area covered (km2)

50 800

Comment

EDP, through their distribution companies EDP S. Paulo and EDP Espírito Santo, holds concession contracts for electricity distribution in the Brazilian States of S. Paulo and Espírito Santo. The loss figure includes both technical and commercial losses and represent the weighted average loss of both grids.

Country/area/region

Portugal

Voltage level
Distribution (low voltage)

Annual load (GWh)
45 494,45

Annual energy losses (% of annual load)
8,3

Scope where emissions from energy losses are accounted for
Scope 2 (location-based)

Emissions from energy losses (metric tons CO2e)
526 831,22

Length of network (km)
232 089,1

Number of connections
6 424 819

Area covered (km2)
89 102

Comment
EDP, through its distribution company E-REDES, holds concession contracts for electricity distribution in Portugal mainland. E-REDES is also the Portuguese DSO (Distribution System Operator), holding the High and Medium Voltage networks. Data disclosed includes all the networks. The loss figure includes both technical and commercial losses.

Country/area/region
Spain

Voltage level
Distribution (low voltage)

Annual load (GWh)
13 285,9

Annual energy losses (% of annual load)
4,8

Scope where emissions from energy losses are accounted for
Scope 2 (location-based)

Emissions from energy losses (metric tons CO2e)
11 281,57

Length of network (km)

52 644,1

Number of connections

1 383 123

Area covered (km2)

25 800

Comment

EDP España, through its distribution companies E-Redes, Viesgo and Begasay, holds concession contracts for electricity distribution in the Principality of Asturias (Region of Cantabria, Autonomuos Community of Galicia (Lugo), Madrid Community, Castile & León (Burgos and Palencia), Valencian Community (Valencia and Alicante), Aragón (Zaragoza and Huesca) and Catalonia (Barcelona and Tarragona). The loss figure includes both technical and commercial losses.

C9. Additional metrics

C9.1

(C9.1) Provide any additional climate-related metrics relevant to your business.

Description

Other, please specify

Renewable generation installed capacity

Metric value

0,79

Metric numerator

Renewable installed capacity in 2022: 20739 MW

Metric denominator (intensity metric only)

Total installed capacity in 2022: 26187 MW

% change from previous year

1

Direction of change

Decreased

Please explain

The renewable installed capacity decreased slightly (-1%) due to an increase in thermal installed capacity not entirely compensated by the increase in renewable installed capacity.

Description

Other, please specify

% of Smart meter installed in Iberia

Metric value

78

Metric numerator

Smart meters installed by the end 2021: 5,355,824

Metric denominator (intensity metric only)

Number of delivery points: 7,621,334

% change from previous year

11

Direction of change

Increased

Please explain

Continuing the rool-out of smart meters in Iberia, by the end of 2022 EDP has added more than 610 thousand smart meters, thus increasing the % of smart meters installed from 70% in 2021 to 78% in 2022. The target in to achieve 100% smart meters by 2025.

Description

Other, please specify

Induced clients' savings (accumulated in the period 2015-2020)

Metric value

5,62

Metric numerator

Accumulated clients’ savings since 2015: 5.62 TWh

Metric denominator (intensity metric only)

No metric denominator, this is an absolute target

% change from previous year

10

Direction of change

Increased

Please explain

Since 2015, the sustainable product and services EDP provides to their customers allows them to save 5,62 TWh, up 10% from the previous year. This savings correspond to avoided emissions of about 11.9 MtCO2e.

C-EU9.5a

(C-EU9.5a) Break down, by source, your organization's CAPEX in the reporting year and CAPEX planned over the next 5 years.

Coal – hard

CAPEX in the reporting year for power generation from this source (unit currency as selected in C0.4)

18 028 697

CAPEX in the reporting year for power generation from this source as % of total CAPEX for power generation in the reporting year

0,5

CAPEX planned over the next 5 years for power generation from this source as % of total CAPEX planned for power generation over the next 5 years

0,1

Most recent year in which a new power plant using this source was approved for development

2012

Explain your CAPEX calculations, including any assumptions

These figures include all investment made in coal-fired power plants EDP owns in Brazil and Spain, and the CAPEX planned corresponds to the current business plan 2023-2026

Lignite

CAPEX in the reporting year for power generation from this source (unit currency as selected in C0.4)

0

CAPEX in the reporting year for power generation from this source as % of total CAPEX for power generation in the reporting year

0

CAPEX planned over the next 5 years for power generation from this source as % of total CAPEX planned for power generation over the next 5 years

0

Explain your CAPEX calculations, including any assumptions

EDP does not own lignite-fired power plants

Oil

CAPEX in the reporting year for power generation from this source (unit currency as selected in C0.4)

0

CAPEX in the reporting year for power generation from this source as % of total CAPEX for power generation in the reporting year

0

CAPEX planned over the next 5 years for power generation from this source as % of total CAPEX planned for power generation over the next 5 years

0

Explain your CAPEX calculations, including any assumptions

EDP does not own oil-fired power plants

Gas

CAPEX in the reporting year for power generation from this source (unit currency as selected in C0.4)

15 214 760

CAPEX in the reporting year for power generation from this source as % of total CAPEX for power generation in the reporting year

0,4

CAPEX planned over the next 5 years for power generation from this source as % of total CAPEX planned for power generation over the next 5 years

0,54

Most recent year in which a new power plant using this source was approved for development

2010

Explain your CAPEX calculations, including any assumptions

These figures include all investment made in CCGT and CHP powered by natural gas EDP owns in Portugal and Spain, and the CAPEX planned corresponds to the current business plan 2023-2026

Sustainable biomass

CAPEX in the reporting year for power generation from this source (unit currency as selected in C0.4)

0

CAPEX in the reporting year for power generation from this source as % of total CAPEX for power generation in the reporting year

0

CAPEX planned over the next 5 years for power generation from this source as % of total CAPEX planned for power generation over the next 5 years

0

Explain your CAPEX calculations, including any assumptions

EDP does not own biomass power plants

Other biomass

CAPEX in the reporting year for power generation from this source (unit currency as selected in C0.4)

0

CAPEX in the reporting year for power generation from this source as % of total CAPEX for power generation in the reporting year

0

CAPEX planned over the next 5 years for power generation from this source as % of total CAPEX planned for power generation over the next 5 years

0

Explain your CAPEX calculations, including any assumptions

EDP does not own sustainable biomass power plants

Waste (non-biomass)

CAPEX in the reporting year for power generation from this source (unit currency as selected in C0.4)

0

CAPEX in the reporting year for power generation from this source as % of total CAPEX for power generation in the reporting year

0

CAPEX planned over the next 5 years for power generation from this source as % of total CAPEX planned for power generation over the next 5 years

0

Explain your CAPEX calculations, including any assumptions

EDP does not own waste power plants

Nuclear

CAPEX in the reporting year for power generation from this source (unit currency as selected in C0.4)

0

CAPEX in the reporting year for power generation from this source as % of total CAPEX for power generation in the reporting year

0

CAPEX planned over the next 5 years for power generation from this source as % of total CAPEX planned for power generation over the next 5 years

0

Explain your CAPEX calculations, including any assumptions

The nuclear power plant in Spain in which EDP has a minority stake and no financial or operational control, is not included in our consolidation perimeter.

Geothermal

CAPEX in the reporting year for power generation from this source (unit currency as selected in C0.4)

0

CAPEX in the reporting year for power generation from this source as % of total CAPEX for power generation in the reporting year

0

CAPEX planned over the next 5 years for power generation from this source as % of total CAPEX planned for power generation over the next 5 years

0

Explain your CAPEX calculations, including any assumptions

EDP does not own biogeothermal power plants

Hydropower

CAPEX in the reporting year for power generation from this source (unit currency as selected in C0.4)

43 185 001

CAPEX in the reporting year for power generation from this source as % of total CAPEX for power generation in the reporting year

1,2

CAPEX planned over the next 5 years for power generation from this source as % of total CAPEX planned for power generation over the next 5 years

1,56

Most recent year in which a new power plant using this source was approved for development

2007

Explain your CAPEX calculations, including any assumptions

These figures include all investment made in hydro power plants EDP owns in Portugal, Spain and Brasil and the CAPEX planned corresponds to the current business plan 2023-2026

Wind

CAPEX in the reporting year for power generation from this source (unit currency as selected in C0.4)

3 442 313 597

CAPEX in the reporting year for power generation from this source as % of total CAPEX for power generation in the reporting year

97,9

CAPEX planned over the next 5 years for power generation from this source as % of total CAPEX planned for power generation over the next 5 years

37,9

Most recent year in which a new power plant using this source was approved for development

2022

Explain your CAPEX calculations, including any assumptions

These figures corresponds to the implementation of wind and solar parks EDP owns in several geographies and the CAPEX planned corresponds to the current business plan 2023-2026

Solar

CAPEX in the reporting year for power generation from this source (unit currency as selected in C0.4)

0

CAPEX in the reporting year for power generation from this source as % of total CAPEX for power generation in the reporting year

0

CAPEX planned over the next 5 years for power generation from this source as % of total CAPEX planned for power generation over the next 5 years

57,56

Most recent year in which a new power plant using this source was approved for development

2022

Explain your CAPEX calculations, including any assumptions

The CAPEX figures for solar parks in 2022 are included in the CAPEX for wind farms. The CAPEX planned corresponds to the current business plan 2023-2026

Marine

CAPEX in the reporting year for power generation from this source (unit currency as selected in C0.4)

0

CAPEX in the reporting year for power generation from this source as % of total CAPEX for power generation in the reporting year

0

CAPEX planned over the next 5 years for power generation from this source as % of total CAPEX planned for power generation over the next 5 years

0

Explain your CAPEX calculations, including any assumptions

EDP does not own marine power plants

Fossil-fuel plants fitted with CCS

CAPEX in the reporting year for power generation from this source (unit currency as selected in C0.4)

0

CAPEX in the reporting year for power generation from this source as % of total CAPEX for power generation in the reporting year

0

CAPEX planned over the next 5 years for power generation from this source as % of total CAPEX planned for power generation over the next 5 years

0

Explain your CAPEX calculations, including any assumptions

EDP does not own fossil fuel plants fitted with CCS

Other renewable (e.g. renewable hydrogen)

CAPEX in the reporting year for power generation from this source (unit currency as selected in C0.4)

0

CAPEX in the reporting year for power generation from this source as % of total CAPEX for power generation in the reporting year

0

CAPEX planned over the next 5 years for power generation from this source as % of total CAPEX planned for power generation over the next 5 years

2,34

Most recent year in which a new power plant using this source was approved for development

2021

Explain your CAPEX calculations, including any assumptions

EDP does not own renewable hydrogene power plants so far, but plans to invest in the period of the current business plan (2023-2026)

Other non-renewable (e.g. non-renewable hydrogen)

CAPEX in the reporting year for power generation from this source (unit currency as selected in C0.4)

0

CAPEX in the reporting year for power generation from this source as % of total CAPEX for power generation in the reporting year

0

CAPEX planned over the next 5 years for power generation from this source as % of total CAPEX planned for power generation over the next 5 years

0

Explain your CAPEX calculations, including any assumptions

EDP will not invest in other non-renewable plantsin the period of the current business plan (2023-2026)

C-EU9.5b

(C-EU9.5b) Break down your total planned CAPEX in your current CAPEX plan for products and services (e.g. smart grids, digitalization, etc.).

Products and services	Description of product/service	CAPEX planned for product/service	Percentage of total CAPEX planned products and services	End of year CAPEX plan
Smart grid	Investment in smart grids in Portugal, Spain and Brazil, including roll-out of smart meters in the low voltage delivery points, grid digitalization, quality, capacity and resilience. This investment impacts all economic sectors and potentially all EDP electricity customers (8.49 million in Portugal, Spain and Brazil). Investment in smart grids has several benefits: improving the grid quality and management and increasing operational efficiency and reliability of supply, while allowing for higher integration of distributed generation from renewable sources, electric mobility, demand side management and demand response schemes.	3 750 000 000	15	2026

Other, please specify Energy end-use efficiency product and services and energy management	EDP has a diversified portfolio of energy efficiency products and services targeted at the specific needs of the different customer segments (residential, tertiary, industry, transport and public sector) in Portugal, Spain, Brazil and, more recently, in the USA, Italy, Poland and APAC. The investment in these products and services impact all EDP's electricity and gas customers (about 9 million). Our portfolio includes: distributed generation (solar PV generation solutions), prosumer services, home storage systems, smart appliances, heat pumps, compact smart energy management devices, integrated energy management solutions, fuel switching projects, energy audits, electric mobility solutions, education projects and awareness campaigns. For the new Business Plan 2023-2026, EDP committed to provide sustainable products and services to its customers, including energy efficiency, electric mobility and distributed generation solutions, together with the increasing supply of green electricity. We expect to induce around 15 million tons of CO2 avoided emissions accumulated in the period 2015-2025.	1 267 000 000	5	2026

C-CE9.6/C-CG9.6/C-CH9.6/C-CN9.6/C-CO9.6/C-EU9.6/C-MM9.6/C-OG9.6/C-RE9.6/C-ST9.6/C-TO9.6/C-TS9.6

(C-CE9.6/C-CG9.6/C-CH9.6/C-CN9.6/C-CO9.6/C-EU9.6/C-MM9.6/C-OG9.6/C-RE9.6/C-ST9.6/C-TO9.6/C-TS9.6) Does your organization invest in research and development (R&D) of low-carbon products or services related to your sector activities?

	Investment in low-carbon R&D	Comment
Row 1	Yes	

C-CO9.6a/C-EU9.6a/C-OG9.6a

(C-CO9.6a/C-EU9.6a/C-OG9.6a) Provide details of your organization's investments in low-carbon R&D for your sector activities over the last three years.

Technology area	Stage of development in the reporting year	Average % of total R&D investment over the last 3 years	R&D investment figure in the reporting year (unit currency as selected in C0.4) (optional)	Average % of total R&D investment planned over the next 5 years	Explain how your R&D investment in this technology area is aligned with your climate commitments and/or climate transition plan
Battery storage	Applied research and development	0,9	1 153 503	15	Battery storage technologies are essential to support the switching of fossil fuels to renewable energy, which is verty much aligned with out climate transition plan. Battery storage will play an important role in the future electric system, balancing renewable generation integration and electricity demand. EDP's strategic plan within the current business plan includes investment in battery storage and hydrogene production (2.5% of total gross CAPEX in the period 2023-2026)
Smart grid integration	Full/commercial-scale demonstration	27,9	80 687 280	15	Smart grids are cucial for improving distribution grids management and loss

					reduction, while allowing for integration of increased renewable generation, sustainable mobility and storage. It also allows end-users to better manage their electricity consumption and the introduction of demand response schemes. EDP's strategic plan within the current business plan includes significant investment in smart grids (15% of total gross CAPEX in the period 2023-2026)
Solar energy generation	Small scale commercial deployment	19,8	57 135 969	15	Solar energy generation, specially distributed generation, is part of our strategy to allow decarbonisation of the economy. This is an important buseness area for our supply and renewable companies: EDP offers to its customers this service, either on a transational approach, or as-a-service business. EDP's strategic plan within the current business plan includes significant investment in solar energy generation, either utility scale or DG (34% of total gross CAPEX for centralised

					parks and 10% for DG in the period 2023-2026).
Other, please specify Data Leap & AI	Full/commercial-scale demonstration	5	14 447 504	5	These are projects based on big data, machine learnig or artificial intelligence, supporting all EDP core activities: renewable deployment, clients, energy management and smart grids.
Other, please specify Sustainable mobility and other efficient solutions for customers	Small scale commercial deployment	0,5	1 530 510	5	Promoting Sustainable mobility, either internally or towards our customers, namely electric mobility, is part of our climate change strategy, contributing to decarbonise the transoort sector.
Other, please specify Innovation operational costs	Applied research and development	11	31 722 424	10	These are mainly operation costs that support all innovation and R&D activities
Other, please specify Green Hydrogene	Pilot demonstration	1,4	4 075 451	15	Hydrogene is an important future energy vector, provided it is produced from renewable sources. Developing this vector is part of our climate action plan for the years to come. EDP's strategic plan within the current business plan includes investment in hydrogene production and electric storage (2.5% of total gross

					CAPEX in the period 2023-2026)
Other, please specify Venture Capital	Small scale commercial deployment	6,2	17 860 110	5	EDP uses venture capital to support start-up innovation projects in areas aligned with our business strategy.
Other, please specify DSM, DR and other EE projects	Full/commercial-scale demonstration	27,2	78 624 481	15	Renewable energy supply and electrification of consumption are among the most important areas of our climate transition plan. Therefore, improving end-use energy efficiency, demand-side management, demand response are part of the product and services EDP provides to his customers.

C10. Verification

C10.1

(C10.1) Indicate the verification/assurance status that applies to your reported emissions.

	Verification/assurance status
Scope 1	Third-party verification or assurance process in place
Scope 2 (location-based or market-based)	Third-party verification or assurance process in place
Scope 3	Third-party verification or assurance process in place

C10.1a

(C10.1a) Provide further details of the verification/assurance undertaken for your Scope 1 emissions, and attach the relevant statements.

Verification or assurance cycle in place

Annual process

Status in the current reporting year
Complete

Type of verification or assurance
Reasonable assurance

Attach the statement

EDP Integrated Annual Report 2022.pdf

Page/ section reference
Pages 602-604

Relevant standard
ISAE3000

Proportion of reported emissions verified (%)
100

C10.1b

(C10.1b) Provide further details of the verification/assurance undertaken for your Scope 2 emissions and attach the relevant statements.

Scope 2 approach
Scope 2 location-based

Verification or assurance cycle in place
Annual process

Status in the current reporting year
Complete

Type of verification or assurance
Limited assurance

Attach the statement

EDP Integrated Annual Report 2022.pdf

Page/ section reference
Pages 602-604

Relevant standard
ISAE3000

Proportion of reported emissions verified (%)
100

Scope 2 approach
Scope 2 market-based

Verification or assurance cycle in place
Annual process

Status in the current reporting year
Complete

Type of verification or assurance
Limited assurance

Attach the statement

EDP Integrated Annual Report 2022.pdf

Page/ section reference
Pages 602-604

Relevant standard
ISAE3000

Proportion of reported emissions verified (%)
100

C10.1c

(C10.1c) Provide further details of the verification/assurance undertaken for your Scope 3 emissions and attach the relevant statements.

Scope 3 category
Scope 3: Purchased goods and services
Scope 3: Capital goods
Scope 3: Fuel and energy-related activities (not included in Scopes 1 or 2)
Scope 3: Upstream transportation and distribution
Scope 3: Waste generated in operations
Scope 3: Business travel
Scope 3: Employee commuting
Scope 3: Use of sold products

Verification or assurance cycle in place
Annual process

Status in the current reporting year
Complete

Type of verification or assurance

Limited assurance

Attach the statement

EDP Integrated Annual Report 2022.pdf

Page/section reference

Page 602 and GRI table (page 194)

Relevant standard

ISAE3000

Proportion of reported emissions verified (%)

100

C10.2

(C10.2) Do you verify any climate-related information reported in your CDP disclosure other than the emissions figures reported in C6.1, C6.3, and C6.5?

Yes

C10.2a

(C10.2a) Which data points within your CDP disclosure have been verified, and which verification standards were used?

Disclosure module verification relates to	Data verified	Verification standard	Please explain
C6. Emissions data	Year on year change in emissions (Scope 1)	ISAE3000	Verification under third party independent assurance of EDP's Integrated Annual Report 2022. Annual verification of corporate-wide data. C6.1 – Scope 1 emissions. 1
C6. Emissions data	Year on year change in emissions (Scope 2)	ISAE3000	Verification under third party independent assurance of EDP's Integrated Annual Report 2022. Annual verification of corporate-wide data. C6.2 and C6.3 – Scope 2 emissions, location- and market-based. 1

C6. Emissions data	Year on year change in emissions (Scope 3)	ISAE3000	Verification under third party independent assurance of EDP's Integrated Annual Report 2022. Annual verification of corporate-wide data. C6.5 – Scope 3 emissions. 1
C9. Additional metrics	Renewable energy products	ISAE3000	Verification under third party independent assurance of EDP's Integrated Annual Report 2022. Annual verification of corporate-wide data. C9.1 – % of renewable electricity generation installed capacity 1
C6. Emissions data	Other, please specify Emissions intensity (per unit total revenue)	ISAE3000	Verification under third party independent assurance of EDP's Integrated Annual Report 2022. Annual verification of corporate-wide data. C6.10 - Emissions intensity per unit total revenue 1
C6. Emissions data	Other, please specify Emissions intensity (per MWh electricity generation)	ISAE3000	Verification under third party independent assurance of EDP's Integrated Annual Report 2022. Annual verification of corporate-wide data. C6.10 - Emissions intensity per MWh electricity generation 1
C4. Targets and performance	Emissions reduction activities	ISAE3000	Verification under third party independent assurance of EDP's Integrated Annual Report 2022. Annual verification of corporate-wide data. C4.3 - GHG reduction from emissions reductions initiatives in the reporting year. 1
C4. Targets and performance	Year on year emissions intensity figure	ISAE3000	Verification under third party independent assurance of EDP's Integrated AnnualReport 2022. Annual verification of corporate-wide data. C4.1 – Scope 1 and scope 2 emissions intensity.

			1
C4. Targets and performance	Financial or other base year data points used to set a science-based target	ISAE3000	Verification under third party independent assurance of EDP's Integrated AnnualReport 2022. Annual verification of corporate-wide data. C4.1b - Emissions and electricity generation data used in setting EDP Science-based target and reporting year % of achievement. 1
C8. Energy	Energy consumption	ISAE3000	Verification under third party independent assurance of EDP's Integrated AnnualReport 2022. Annual verification of corporate-wide data. C8.2a – Energy consumption totals. C8.2c – Energy consumption by fuel type. 1

1EDP Integrated Annual Report 2022.pdf

C11. Carbon pricing

C11.1

(C11.1) Are any of your operations or activities regulated by a carbon pricing system (i.e. ETS, Cap & Trade or Carbon Tax)?

Yes

C11.1a

(C11.1a) Select the carbon pricing regulation(s) which impacts your operations.

EU ETS

C11.1b

(C11.1b) Complete the following table for each of the emissions trading schemes you are regulated by.

EU ETS

% of Scope 1 emissions covered by the ETS

99,7

% of Scope 2 emissions covered by the ETS

0

Period start date

janeiro 1, 2022

Period end date

dezembro 31, 2022

Allowances allocated

9 372 358

Allowances purchased

13 591 143

Verified Scope 1 emissions in metric tons CO2e

9 405 035

Verified Scope 2 emissions in metric tons CO2e

0

Details of ownership

Facilities we own and operate

Comment

Includes only the facilities (power plants under the EU-ETS) we own and operate in Europe (Portugal and Spain). Although having represented only 0.1% of the total scope 1 emissions in the reporting year, emissions from the coal-fired power plant In Brazil are not accounted for because there are no emissions trading systems in this country so far.

C11.1d

(C11.1d) What is your strategy for complying with the systems you are regulated by or anticipate being regulated by?

EDP's compliance strategy for the EU-ETS is based on emission reduction as well as in allowances purchase. To comply with the EU-ETS, EDP has used allowances purchased and banked allowances (allowances that EDP did not use in the past years). The allocation of emissions allowances for the EDP installations on the 2021-2030 period is made in auction, in accordance with the Directive (EU) 2018/410 of the European Parliament and of the Council of 14 March 2018 amending Directive 2003/87/EC, which regulates the 4th phase of the EU-ETS-European Emission Trading Scheme. EDP's carbon credit management follows a hedging strategy, as in previous years, aiming at minimizing its exposure to market risk. The purchase of allowances is made on the secondary market and through over-the-counter transactions. In 2022, the power plants covered by the EU-ETS emitted about 9.3 Mton of CO2 , a 62% more than previous year. This increase was justified mainly for a very dry year in the Iberian Peninsula, with higher thermal production needed to compensate a substantial decrease in hydropower production, as well as due to the energy crisis in Europe caused by the Russia-

Ukraine war. In the medium and long term, EDP will significantly reduce its allocated allowances in line with the committed reduction targets and the net-zero strategy:
- by 2025, EDP will no longer have coal-fired power plants eligible under the EU-ETS system
- and by 2030, EDP will have no thermal power plants eligible under the EU-ETS system or any other emission trading system.

C11.2

(C11.2) Has your organization canceled any project-based carbon credits within the reporting year?

Yes

C11.2a

(C11.2a) Provide details of the project-based carbon credits canceled by your organization in the reporting year.

Project type

Afforestation

Type of mitigation activity

Carbon removal

Project description

Biofílica's partnership with Grupo Jari began in 2010, initially with the development of the Jari Amapá REDD+ Project on a property of approximately 246,000 hectares located in the Brasilian Amapá state. Regarding the forest cover, the area of this project was limited to 65 thousand hectares, which we intend to expand in the future in order to increase its potential for generating carbon credits.
Despite the reduced area, the project's activities cover the entire Jari Group property, where dozens of extractive communities and small rural producers live.
EDP through its subsidiary EDP Brasil purchased 1192 tCO2 from this initiative to offset part of its emissions in 2022.

Credits canceled by your organization from this project in the reporting year (metric tons CO2e)

1 192

Purpose of cancellation

Voluntary offsetting

Are you able to report the vintage of the credits at cancellation?

Yes

Vintage of credits at cancellation

2022

Were these credits issued to or purchased by your organization?

Purchased

Credits issued by which carbon-crediting program

VCS (Verified Carbon Standard)

Method(s) the program uses to assess additionality for this project

Consideration of legal requirements
Investment analysis

Approach(es) by which the selected program requires this project to address reversal risk

Monitoring and compensation

Potential sources of leakage the selected program requires this project to have assessed

Activity-shifting
Ecological leakage

Provide details of other issues the selected program requires projects to address

Stakeholder Engagement:
- Especially communities and public agencies interested in participating in project activities,
- vulnerable groups inclusion such as youth and women

Comment

No other comments

C11.3

(C11.3) Does your organization use an internal price on carbon?

Yes

C11.3a

(C11.3a) Provide details of how your organization uses an internal price on carbon.

Type of internal carbon price

Shadow price

How the price is determined

Alignment with the price of allowances under an Emissions Trading Scheme
Price/cost of voluntary carbon offset credits

Objective(s) for implementing this internal carbon price

Drive low-carbon investment

Navigate GHG regulations
Stress test investments

Scope(s) covered

Scope 1

Pricing approach used – spatial variance

Differentiated

Pricing approach used – temporal variance

Evolutionary

Indicate how you expect the price to change over time

Price forecasts depend on the scenario, year and geography. For instance, in Europe, CO2 price forecast range from EUR70 to EUR150 per ton of CO2 (2035), from EUR100 to EUR250 (2050); and in the USA, from USD30-USD100 in 2035 and USD80-USD250 in 2050.

Actual price(s) used – minimum (currency as specified in C0.4 per metric ton CO2e)

60

Actual price(s) used – maximum (currency as specified in C0.4 per metric ton CO2e)

100

Business decision-making processes this internal carbon price is applied to

Capital expenditure
Risk management
Opportunity management

Mandatory enforcement of this internal carbon price within these business decision-making processes

Yes, for all decision-making processes

Explain how this internal carbon price has contributed to the implementation of your organization's climate commitments and/or climate transition plan

Carbon reference prices are used to assess the impact of current and future carbon regulation—namely ETS 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 2050.

C12. Engagement

C12.1

(C12.1) Do you engage with your value chain on climate-related issues?

Yes, our suppliers

Yes, our customers/clients

C12.1a

(C12.1a) Provide details of your climate-related supplier engagement strategy.

Type of engagement

Engagement & incentivization (changing supplier behavior)

Details of engagement

Run an engagement campaign to educate suppliers about climate change

% of suppliers by number

9

% total procurement spend (direct and indirect)

34

% of supplier-related Scope 3 emissions as reported in C6.5

51

Rationale for the coverage of your engagement

The Company's climate objectives depend to a large extent on the performance of the suppliers with which EDP works, as well as its future objectives in this area. For this reason, the Company engages with critical and strategic suppliers, especially with the main component manufacturers, which represent 34% of our total procurement spend and 51% of scope 3 emissions. Through this engagement, the Company's ESG priorities are conveyed, among which decarbonization stands out. This engagement covers all critical suppliers with more than EUR25,000 spend, that respond to CDP or have SBTi commitment or directly disclose CO2 emissions to EDP.

Impact of engagement, including measures of success

Through the Request for Proposal (RFP) process, specific meetings and mailings, EDP communicates to suppliers the importance of knowing their climate commitments, targets and performance.

In this way, it is possible to analyse their impact on the company's activity and its future objectives. EDP and its business unit EDPR are committed to SBTi's near term and net zero targets.

On the other hand, this engagement process serves as a basis for the development of a green procurement strategy by the Company in the future.

This engagement covers 9% of our critical suppliers that have a higher impact in terms of our emissions (renewable energy manufacturers, fuel suppliers, etc.), representing 51% of our total scope 3 emissions. A good exaemple of this engagement is the agreement EDP reached with First Solar, a thin film PV technology company that sets industry benchmarks for quality, durability, and environmental performance. This technology has significantly lower CO2 footprint since its modules have the lowest carbon and water footprint of any commercially available PV module today, and excludes polysilicon from its components. This will contribute to lower significantly our scope 3, category 2 emissions, since solar PV is one of EDP's main bets in the short and medium term.

Comment

Please refer to the EDP and EDPR annual reports for more information on scope 3 emissions from the supply chain and the engagement process followed by both parties for measuring the footprint in upstream processes.

Type of engagement

Information collection (understanding supplier behavior)

Details of engagement

Collect GHG emissions data at least annually from suppliers
Collect targets information at least annually from suppliers
Collect other climate related information at least annually from suppliers

% of suppliers by number

30

% total procurement spend (direct and indirect)

60

% of supplier-related Scope 3 emissions as reported in C6.5

51

Rationale for the coverage of your engagement

EDP collects climate data from different categories of suppliers, especially those considered critical and major components. In 2022, overall, EDP worked with 4,199 suppliers and purchased €10,074 million. 97% of the spend was directed to 1,586 suppliers (spend under centralized procurement). Among these, 476 (i.e., 30%) were classified as critical ESG suppliers. These crital ESG suppliers represent close to 60% of total purchases and 51% of our scope 3 emissions. For example, for the purchase of major components (solar, wind, cables, etc.) the company conveys to suppliers its strategic priorities, among which decarbonization plays a key role. The emissions generated by these suppliers and their products is fundamental to measuring the Company's overall carbon footprint. The Company requests Life Cycle Assessments, Environmental Produc Declarations as well as other product information for this purpose.
Through mailings, requests for proposals (RFP) or meetings with suppliers, the

importance of climate change for the Company is conveyed and environmental information on products is requested.
Please note that for EDPR's business unit, 99% of emissions come from the Company's supply chain and upstream processes. Therefore, this engagement process with suppliers of major components, as well as a green procurement strategy, is essential to achieve EDP's climate objectives.

Impact of engagement, including measures of success

Through this information request, EDP can collect more accurate information on the climate footprint of products (emission factors). In this way, it can translate these emissions into its own assessment and calculation of climate targets. One of the EDP Group's main sources of emissions comes from the supply chain. Therefore, this engagement and collection is essential to cover more than 50% of our scope 3 emissions, thus improving its evaluation.

Comment

Please refer to EDP's Supplier Report 2022 (https://www.edp.com/en/sustainable-supply-chain-report-2022) for additional information.

C12.1b

(C12.1b) Give details of your climate-related engagement strategy with your customers.

Type of engagement & Details of engagement

Education/information sharing
Run an engagement campaign to educate customers about the climate change impacts of (using) your products, goods, and/or services

% of customers by number

100

% of customer - related Scope 3 emissions as reported in C6.5

33

Please explain the rationale for selecting this group of customers and scope of engagement

Engagement activity applies to all customers in the markets where EDP has electricity and gas supply activities (Portugal, Spain and Brazil). It covers natural gas customers, that account for 15% of our scope 3 emissions, as well as electricity customers, that account for 36% of our scope 3 emissions, thus totalling 33% customer-related scope 3 emissions. We are targeting gas customers because they are the ones that are the mostly impacted by the electrification strategy and the electricity customers that also benefit from the measures EDP promotes -energy efficiency improvement, sustainable mobility and distributed generation:
i) awareness campaigns targeted at energy and GHG reduction on the use of EDP's

products and services. Examples are available on www.edp.pt (in Portugal); www.edpenergia.es (in Spain); and www.edp.com.br (in Brazil).
ii) Energy efficiency improvement projects: supply of more efficient equipment and lighting, such as LED bulbs, street lighting, high performance engines, variable speed drives and heat pumps);
iii) Integrated energy services: e.g. the Save to Compete (S2C) programme in Portugal and Spain, the Cuota Ahorro programme in Spain and the E:ficient programme in Brazil. The S2C programme applies to the business sector in the Iberian Peninsula (large customers and SMEs) and consists of identifying measures to reduce energy consumption, promoting its implementation and costing through the savings generated. In 2021, S2C was updated with charging solutions and in 2022 was almost 100% dedicated to solar PV.
iv) Energy audits, energy certification systems for buildings and energy management systems;
v) Distributed generation projects: solarPV solutions to all types of consumers - residential, commercial or industrial - through self-consumption PV schemes.
vi) Electric mobility: EDP promotes electrification of transports to its customers through commercial solutions, including public and private electric vehicle charging infrastructures, awareness campaigns, simulators, app-based system for monitoring and managing electricity consumption of households and electric vehicle.
vii) Regulatory programs, either voluntary (Plan for the Promotion of Electricity Consumption Efficiency - PPEC – in Portugal), or mandatory schemes (in Spain and Brazil).
viii) EE education and awareness-raising campaigns and projects in schools

Impact of engagement, including measures of success

The impact of engaging with our customers is measured by the savings induced by our initiatives as well as the corresponding CO2 emissions avoided. All energy efficiency, sustainable mobility and distributed generation initiatives carried out in 2022 led to an estimated energy savings of 490 GWh, avoiding the emission of 185 ktCO2e. Since 2015, the total accumulated savings from our sustainable services have avoided about 11.9 MtCO2e (including supply of renewable elecricity through the guarantees of origine scheme), on track to meet the 2025 target - 15 MtCO2e.
In particular, it is worth mentioning the following company-specific initiatives:
- the Electric House program, aimed at b2c customers, which aims to promote the change of consumption of butane or propane gas for electricity, with an impact on energy consumption and safety and in alignment with the Group's strategy of electrification of consumption.
- the Plan for Promoting Efficiency in Electricity Consumption (PPEC), managed by the Portuguese regulator is a voluntary project based on national tenders , encouraging the implementation of measures for the adoption of more efficient habits and equipment by the different segments - residential, commercial and services, industry and agriculture. The programme considers either tangible or intangible measure. Since 2015, the measures carried out by EDP have already avoided about 1 MtCO2e.
-the Save to Compete programme that has led to accumulated saving of more than 600 GWh, avoiding about 170 ktons of CO2e.

- Distributed generation, both in the transactional model, with a customized installation service tailored to each customer, and in the "as-a-service" model, in which the investment and operation of the system is ensured by EDP during a certain contracted period of time with the customer. So far, EDP has already installed 699 MW of PV solar systems on its customers' houses or facilities. The target is to reach 3.7 GW by 2025. We also measure the impact of engaging with our customers by the number of customers with value-added services, which includes all the above mentioned P&S: energy efficiency, mobility and decentralized solar energy services. In 2022, 38.2% of our b2c customers in the liberalised market had such sustainable services. The goal was to offer these services to 25% of our customers in 2025 (target already exceeded) and 50% in 2030.

C12.2

(C12.2) Do your suppliers have to meet climate-related requirements as part of your organization's purchasing process?

Yes, climate-related requirements are included in our supplier contracts

C12.2a

(C12.2a) Provide details of the climate-related requirements that suppliers have to meet as part of your organization's purchasing process and the compliance mechanisms in place.

Climate-related requirement

Measuring product-level emissions

Description of this climate related requirement

Apart from what is requested in relation to emissions and climate change in other processes (request for proposals, pre-qualification, etc.). EDP has started to include ESG aspects in critical component contracts, where the request for environmental product declarations is a new requirement. In this way, the sharing of information on the environmental footprint of the products EDP purchases is integrated into the contracts of the main components, with the aim of continuing to improve the assessment process and identify the most sustainable products.

% suppliers by procurement spend that have to comply with this climate-related requirement

2

% suppliers by procurement spend in compliance with this climate-related requirement

2

Mechanisms for monitoring compliance with this climate-related requirement

Certification

Off-site third-party verification

Response to supplier non-compliance with this climate-related requirement

Retain and engage

C12.3

(C12.3) Does your organization engage in activities that could either directly or indirectly influence policy, law, or regulation that may impact the climate?

Row 1

External engagement activities that could directly or indirectly influence policy, law, or regulation that may impact the climate

Yes, we engage directly with policy makers

Yes, our membership of/engagement with trade associations could influence policy, law, or regulation that may impact the climate

Yes, we fund organizations or individuals whose activities could influence policy, law, or regulation that may impact the climate

Does your organization have a public commitment or position statement to conduct your engagement activities in line with the goals of the Paris Agreement?

Yes

Attach commitment or position statement(s)

EDPs' corporate strategy focus on leading the energy transition to create superior value on a path aligned with the ambition of the Paris Agreement to limit the increase of the global average temperature to 1.5C. This position has been stressed in all the fora and trade associations in which the company participates, as well as with all regulatory bodies EDP interacts with and is expressly stated in the Climate Transition Plan (Climate Policy) sponsored by the Executive Board of Directors and approved under the shareholders' Annual General Meeting .

CTP_EN_Climate Transtion Plan.pdf

Describe the process(es) your organization has in place to ensure that your external engagement activities are consistent with your climate commitments and/or climate transition plan

EDP defined specific targets - certified by the Science Based Target initiative - to contribute to tackle climate change: being coal-free by 2025, all green by 2030 and Net Zero by 2040.

EDP, as well as all companies owned by EDP based in Portugal, and Fundação EDP; controlled companies, weather based in Portugal or abroad; Fundación EDP and Instituto EDP have local teams that manage the relation with the supervisory bodies of the energy sector and sector associations in the market where they operate and are responsible for verifying the consistency of the membership in organizations and

associations and positions advocacy alignment to EDP's Group strategic objectives, including alignment with Paris Agreement goals. These structures ensure the overall alignment of EDP's climate policy engagement activities with the corporate climate strategy.

The review process of EDP's membership alignment is carried out mainly in three stages: (i) Before joining an association, through an in-depth analysis of the public positions, the mission, the organization, and its alignment to EDP's Group strategic objectives must be carried out, including the positioning regarding the Paris Agreement goals. New memberships must be approved by the respective Board of Directors and such information shall be provided to the Executive Board of Directors. In respect to any expenditure to be incurred, EDP's internal regulations shall be observed; (ii) Once the membership has been formalized, monitor the organization's activity with a view to disclosing EDP Group's position and verifying the respective alignment; (iii) Finally, carrying out an annual meeting in order to verify the alignment with EDP's strategy and, if this is the case, renew membership, to be approved by the respective Board of Directors, and such information shall be provided to the Executive Board of Directors.

Where a misalignment with EDP's strategy occurs, the following actions should be taken:

• Contribute actively, through working groups, promoting the EDP Group's position and/ or taking positions of responsibility within it, to promote common ground that enables alignment with the Group's strategy, namely regarding climate transition, influencing the policies and perspectives of that organization.
• Expressly state non-support of the activity carried out.
• Ultimately, consider not reviewing membership and/or to formalize the forfeiture of membership, publicly disclosing it.

C12.3a

(C12.3a) On what policy, law, or regulation that may impact the climate has your organization been engaging directly with policy makers in the reporting year?

Specify the policy, law, or regulation on which your organization is engaging with policy makers

Fit for 55 Package

Category of policy, law, or regulation that may impact the climate

Carbon pricing, taxes, and subsidies

Focus area of policy, law, or regulation that may impact the climate

Carbon taxes
Emissions trading schemes
Carbon offsets

Subsidies for renewable energy projects
Taxes on products or services

Policy, law, or regulation geographic coverage

Regional

Country/area/region the policy, law, or regulation applies to

EU27

Your organization's position on the policy, law, or regulation

Support with minor exceptions

Description of engagement with policy makers

The EU aims to lead the worldwide emissions reduction effort, with a strong emissions reduction by 2030 and achieving carbon neutrality by 2050. The EU Green Deal includes a set of actions to support the transition to a low carbon economy while promoting economic growth. The Fit for 55 package refers to the EU's target of reducing net greenhouse gas emissions by at least 55% by 2030 through a set of proposals to revise and update EU legislation and to put in place new initiatives with the aim of ensuring that EU policies are into line with the climate goals. EDP has been engaging with European institutions and European associations to follow-up several legislative procedures within the Fit for 55 Package Via Eurelectric, EDP has been participating in conferences and webinars, meetings with European decision-makers and contributing to the elaboration of emends to the proposals.

Details of exceptions (if applicable) and your organization's proposed alternative approach to the policy, law or regulation

EDP supports the revision of the Fit for 55 legislative package to drive emissions reduction in a cost-effective manner, but it needs to provide stable upwards long-term trends, a more an ambitious renewable target and a stable framework and a proper regulation that creates a favourable investment environment and ensure the appropriate price signals for decarbonization.

Have you evaluated whether your organization's engagement on this policy, law, or regulation is aligned with the goals of the Paris Agreement?

Yes, we have evaluated, and it is aligned

Please explain whether this policy, law or regulation is central to the achievement of your climate transition plan and, if so, how?

Despite of the unprecedent growth in the renewables sector, there is still a long way to go to achieve net-zero emissions by 2050. The Fit for 55 Package comprises several pieces of legislation that are crucial to accelerate the development and deployment of renewable energy projects. It also sends a strong signal to the market and push for climate action. Aiming to be a leader of the energy transition, with a strategy fully committed to the energy transition, EDP supports policy and regulatory decisions made with this same ambition and that translates into measurable actions. The implementation of the Fit for 55 Package will be decisive to provide policy certainty and predictability for business and push for the transition of energy systems, leveraging EDP's climate

transition plan and promoting the necessary business environment for the investments foreseen in Business Plan for 2023-2026.

Specify the policy, law, or regulation on which your organization is engaging with policy makers

REPowerEU Plan

Category of policy, law, or regulation that may impact the climate

Climate change mitigation

Focus area of policy, law, or regulation that may impact the climate

Climate-related targets
Renewable energy generation

Policy, law, or regulation geographic coverage

Regional

Country/area/region the policy, law, or regulation applies to

EU27

Your organization's position on the policy, law, or regulation

Support with minor exceptions

Description of engagement with policy makers

In response to the hardships and global energy market disruption caused by Russia's invasion of Ukraine, EC proposes to develop a REPowerEU plan to reduce dependence on Russian fossil fuels and fast forward the green transition based on a massive scaling-up and speeding-up of renewable energy in power generation, industry, buildings, and transport, save energy and diversify energy supplies. Within this scope, EDP held several meetings with European and national policy makers identifying the most relevant issues bearing not neglecting the energy transition, decarbonization and climate change topics.

Details of exceptions (if applicable) and your organization's proposed alternative approach to the policy, law or regulation

EDP supports the REPowerEU Plan in order to accelerate clean energy transition, diversification of energy sources and saving energy.

Have you evaluated whether your organization's engagement on this policy, law, or regulation is aligned with the goals of the Paris Agreement?

Yes, we have evaluated, and it is aligned

Please explain whether this policy, law or regulation is central to the achievement of your climate transition plan and, if so, how?

Permitting is one of the majors constrains to the deployment of renewables and, consequently, a challenge that EDP faces when trying to achieve its climate targets. Therefore, the policies and measures foreseen under the REPowerEU Plan are

fundamental to create the necessary framework conditions to enable a massive RES deployment. Under the new permitting rules, Member States must map and designate renewables acceleration areas for the RES deployment, in line with the national contributions to the RES target. The renewable acceleration areas are a necessary and valuable tool to accelerate the permitting procedures. Moreover, measures concerning the promotion of the deployment of solar energy and the increase of energy efficiency are also aligned with EDP's climate transition plan.

Specify the policy, law, or regulation on which your organization is engaging with policy makers

Electricity Market Design

Category of policy, law, or regulation that may impact the climate

Low-carbon products and services

Focus area of policy, law, or regulation that may impact the climate

Electricity grid access for renewables
Energy attribute certificate systems
Green electricity tariffs/renewable energy PPAs

Policy, law, or regulation geographic coverage

Regional

Country/area/region the policy, law, or regulation applies to

EU27

Your organization's position on the policy, law, or regulation

Support with major exceptions

Description of engagement with policy makers

In the wake of the difficulties in the EU energy market in 2022, with particularly high and volatile prices and serious concerns about security of supply, EU called on the Commission to work swiftly on the structural reform of the electricity market, with the dual objective of securing European energy sovereignty and achieving climate neutrality. EC's proposed to revise the rules for electricity market design and for improving the EU protection against market manipulation in the wholesale energy market - revisions to several pieces of EU legislation, notably the Electricity Regulation, the Electricity Directive, and the REMIT Regulation. It aims at making the EU energy market more resilient and making the energy bills of European consumers and companies more independent from the short-term market price of electricity. It introduces measures that incentivise longer term contracts with non-fossil power production and bring more clean flexible solutions into the system to compete with gas, such as demand response and storage. EDP has been engaging with policy makers since the beginning of the legislative procedure. First, by preparing a response to the public consultation on the revision of the electricity market design. Since then, EDP has been actively engaging namely with Eurelectric and EFET through the participation in

working groups and the draft of position papers and emends to the Electricity Market Design proposal. Through Eurelectric, EDP had also participated in meetings with MEPs and as a speaker in relevant conferences and webinars at the European level.

Details of exceptions (if applicable) and your organization's proposed alternative approach to the policy, law or regulation

EDP considers that the market is working efficiently, in particular the spot market which is usually at the heart of the discussion. The market design can evolve, improving some aspects and keeping what works efficiently unchanged.

However, there is room for improvement in some areas, and above all proper implementation of the CEP and other legislative pieces should be enforced.

The evolution of the market design should be based on some guiding principles:

1. Integrity of internal electricity market by preventing fragmentation
2. Regulatory stability and a framework fit for investment
3. Market cohesion between ST and LT tools
4. Security of supply and system resilience
5. Consumer protection but with the right incentives towards decarbonization and a more active role from demand side

Have you evaluated whether your organization's engagement on this policy, law, or regulation is aligned with the goals of the Paris Agreement?

Yes, we have evaluated, and it is aligned

Please explain whether this policy, law or regulation is central to the achievement of your climate transition plan and, if so, how?

Electricity Market Design revision needs to preserve and enhance the incentives for investments and provide investors with certainty and predictability, ensuring long-term price signals, hedging tools, and promoting investments renewable capacity. As part of its climate transition plan, EDP foresees a 25 billion of gross investment over the next three years, of which 85% dedicated to renewable energy. To leverage those investments, it is fundamental that the Electricity Market Design promotes voluntary CfDs and removes barriers to the roll-out of PPAs. It will be equally necessary to ensure it does not create distortions that could impact the availability of firm and flexible capacity and the liquidity in forward markets. The increase of RES foreseen in the Fit for 55 Package and in the REPowerEU Plan, aligned with EDP ambitions and investments, will require higher flexibility in the system and backup capacity to ensure the power system's security of supply. For that reason, it is needed that this revision ensures such mechanisms. Overall, a revision of the Electricity Market Design that promotes and enables such conditions in the market will be central to achieve the decarbonisation and net-zero targets defined.

Specify the policy, law, or regulation on which your organization is engaging with policy makers

Green Deal Industrial Plan

Category of policy, law, or regulation that may impact the climate

Climate change mitigation

Focus area of policy, law, or regulation that may impact the climate

Renewable energy generation

Policy, law, or regulation geographic coverage

Regional

Country/area/region the policy, law, or regulation applies to

EU27

Your organization's position on the policy, law, or regulation

Support with minor exceptions

Description of engagement with policy makers

EDP believes the Industrial Policy must go hand-in-hand with Energy and Climate Policy.

Therefore, the industrial policy must also be aligned and act as an enabler, ensuring a resilient supply chain and affordability in all upstream materials and processes. The investment is absolutely necessary to reach the 2030 and 2050 targets and in the growth of a competitive and decarbonised economy. The EU focus seems to be in a more robust framework for the long run, but this is not compatible with the need for investment that is needed now. Investment wise, 2030 is now. The 2030 targets won't be reached if the investment decisions do not take place immediately as they still have a long way to go from that to actual implementation. The framework needs to be right and include levers to trigger investment to speed-up the pace and be able to recover and get back on track. Through Eurelectric, EDP has been engaging with stakeholders and policymakers regarding this topic. EDD has also been participating as a speaker in relevant conferences and webinars at the European level.

Details of exceptions (if applicable) and your organization's proposed alternative approach to the policy, law or regulation

Regarding the Net-Zero Industrial Act, EDP considers the proposal overall positive, in particular, the visibility on manufacturing capacity targets, the foreseen creation of a Sovereignty Fund, and the provisions on permitting and strategic net-zero projects, as it will streamline the entire process (when implemented).

It must be ensured that investments are allocated where they are needed the most, in the strategic net-zero technologies with the highest impact for the green transition. EDP strongly believe that the strategic net-zero technologies outlined in the EC proposed Annex should remain the priority focus of the NZIA targets and provisions. Widening the scope of NZIA should be avoided, in order to "make Europe the home of clean tech" as Commission's President von der Leyen called for earlier this year.

Concerning the Critical Raw Materials Act, EDP considers that the proposal should prioritise on stockpiling, recycling, and reusing, and substitution. In what concerns to the list of strategic raw materials, it would be important to include glass and carbon fibers for wind production.

Have you evaluated whether your organization's engagement on this policy, law, or regulation is aligned with the goals of the Paris Agreement?

Yes, we have evaluated, and it is aligned

Please explain whether this policy, law or regulation is central to the achievement of your climate transition plan and, if so, how?

The path to economic growth and competitiveness is the same of energy transition and decarbonization of the economy, which requires long-term investments The energy transition (in the EU but also worldwide) will imply demand increase for critical raw materials; development of manufacturing and processing capacity; development of skills and competences for manufacturing, installing, transforming, recycling, and reusing, and all the net-zero ecosystem activities. Currently, the supply of critical raw materials, processed components and goods is highly concentrated in a few geographies which also poses a risk of dependency and possible disruptions in the supply chains. For these reasons, the Green Deal Industrial Plan is very important to EDP climate strategy.

C12.3b

(C12.3b) Provide details of the trade associations your organization is a member of, or engages with, which are likely to take a position on any policy, law or regulation that may impact the climate.

Trade association

Eurelectric

Is your organization's position on climate change policy consistent with theirs?

Consistent

Has your organization attempted to influence their position in the reporting year?

Yes, we publicly promoted their current position

Describe how your organization's position is consistent with or differs from the trade association's position, and any actions taken to influence their position

Eurelectric's mission is to contribute to the development and competitiveness of the electricity industry, to provide effective representation for the industry in public affairs and to promote the role of a low-carbon electricity mix in the advancement of society. In this regard, Eurelectric's main objectives are:

• Achieving a carbon-neutral electricity mix in Europe well before mid-century
• Ensuring a cost-efficient, reliable supply through an integrated market
• Developing energy efficiency and the electrification of the demand-side to mitigate climate change.

Eurelectric's positions are available at its website www.eurelectric.org/publications/

EDP has one representative in Eurelectric Board of Directors and participates in all the association's committees as well: i) Electrification & Sustainability, ii) Generation & Environment, iii) Markets and Investments, iv) Distribution & Market Facilitation and v) Customers and Retail Services. EDP regularly contributes with specific inputs to the association's common position papers and answers to consultation processes. In 2021, two landmark publications of Eurelectric were the "Connecting the dots: Distribution grid investment to power the energy transition" and "Electric Decade: Policy actions & recommendations".

Funding figure your organization provided to this trade association in the reporting year (currency as selected in C0.4)

42 000

Describe the aim of your organization's funding

The funding respects to sponsoring events and studies, as well as specific technical publications. Through Eurelectric. EDP supports and influences the energy transition in Europe, helps promoting electrification through renewable energy as a key driver to achieve the Paris agreement and supports the development of technical information to inform decision making processes, mainly new regulations and their impact on the climate transition needs.

Have you evaluated whether your organization's engagement with this trade association is aligned with the goals of the Paris Agreement?

Yes, we have evaluated, and it is aligned

Trade association

Other, please specify

AELEC – Spanish Electricity Industry Association

Is your organization's position on climate change policy consistent with theirs?

Consistent

Has your organization attempted to influence their position in the reporting year?

Yes, we publicly promoted their current position

Describe how your organization's position is consistent with or differs from the trade association's position, and any actions taken to influence their position

AELEC is an electric sector organization aiming to represent, promote, manage and defend the general and common interests of its members. The entity was created in 2018 (before was UNESA) and focuses on various activities of this industry, developing studies and analyses of the various aspects of electrical activity, such as transportation or regulation, pricing and tariffs, economic and financial aspects, international and institutional relations, quality of service, research and social communication. The AELEC represents and coordinates the activities of the sector, developed by representatives of power companies in various international organizations, such as EURELECTRIC.

EDP Spain is one of the energy companies that is part of this association and member of the Board of Directors.

Funding figure your organization provided to this trade association in the reporting year (currency as selected in C0.4)

1 466 604,84

Describe the aim of your organization's funding

The funding is an annual membership fee, it can include contributions to specific technical publications. EDP is a member of AELEC to contribute to support its activity on the dissemination, disclosure and promotion of the technical and regulated aspects of electricity activities, helping to develop an appropriate energy transition in Spain.

Have you evaluated whether your organization's engagement with this trade association is aligned with the goals of the Paris Agreement?

Yes, we have evaluated, and it is aligned

Trade association

Other, please specify

ELECPOR – Portuguese Electricity Industry Association

Is your organization's position on climate change policy consistent with theirs?

Consistent

Has your organization attempted to influence their position in the reporting year?

Yes, we publicly promoted their current position

Describe how your organization's position is consistent with or differs from the trade association's position, and any actions taken to influence their position

ELECPOR represents and defends the common interests of its associates, currently the five main national companies in the sector, including EDP. As a business sectoral association, it acts as an intermediary and instrument of such companies in the development and discussion of policies, guidelines and regulation of the electricity sector to the Portuguese and international entities. ELECPOR is a member of EURELECTRIC, whose positions are described above.

EDP chairs the Board of Directors.

Funding figure your organization provided to this trade association in the reporting year (currency as selected in C0.4)

264 400

Describe the aim of your organization's funding

The funding is an annual membership fee, EDP is a member of ELECPOR to contribute to support its activity on the dissemination, disclosure and promotion of the technical and regulated aspects of electricity activities, helping to develop an appropriate energy transition in Portugal.

Have you evaluated whether your organization's engagement with this trade association is aligned with the goals of the Paris Agreement?

Yes, we have evaluated, and it is aligned

Trade association

Other, please specify

APE - Portuguese Energy Association

Is your organization's position on climate change policy consistent with theirs?

Consistent

Has your organization attempted to influence their position in the reporting year?

Yes, we publicly promoted their current position

Describe how your organization's position is consistent with or differs from the trade association's position, and any actions taken to influence their position

APE is the Portuguese Association that represents the World Energy Council. APE strongly supports cap and trade schemes, EU-ETS reform, energy efficiency, clean energy generation and adaptation and resilience. EDP supports APE's position on climate change legislation.

EDP is a member of the Board of Directors and chairs the Board.

Funding figure your organization provided to this trade association in the reporting year (currency as selected in C0.4)

5 500

Describe the aim of your organization's funding

The funding is an annual membership fee. EDP is a member of APE to contribute to support its activity on the development of studies at the various levels of the value chain of energy products and services and on the organization of conferences, meetings and seminars in Portugal.

Have you evaluated whether your organization's engagement with this trade association is aligned with the goals of the Paris Agreement?

Yes, we have evaluated, and it is aligned

Trade association

Other, please specify

APREN – Portuguese Renewable Energy Association

Is your organization's position on climate change policy consistent with theirs?

Consistent

Has your organization attempted to influence their position in the reporting year?

Yes, we publicly promoted their current position

Describe how your organization's position is consistent with or differs from the trade association's position, and any actions taken to influence their position

APREN is a non-profit association, founded in October 1988, that promotes the development of renewable energy generation in Portugal. Its associates are companies holding permits to explore power plants for electricity production from renewable sources, representing more than 90% of all renewable installed capacity in Portugal.

APREN develops its work together with official authorities and other similar entities, either national or international, being an important key player in the development of energy policies for Portugal. The Association privileges the coordination and permanent contact with the Portuguese Government, the ministries responsible for energy and environmental issues and their official agencies, as well as a fruitful dialogue with the crucial national stakeholders related to the production of electricity from renewable sources and representatives from the civil society.

APREN has also a strong involvement at European level, through the participation in European projects and through its partnership with several European Associations. This enables the monitoring of European Energy Policy. EDP supports APREN's position on

all subjects related to renewable energy.

EDP Renewables (EDP Group's subsidiary for renewable energy generation) is a member of the Board of Directors (deputy chairman).

Funding figure your organization provided to this trade association in the reporting year (currency as selected in C0.4)

79 200

Describe the aim of your organization's funding

The funding is an annual membership fee. EDP is a member of APREN to support its activity on the dissemination and promotion of the technical and regulated aspects that can accelerate de deployment of renewable energy in Portugal.

Have you evaluated whether your organization's engagement with this trade association is aligned with the goals of the Paris Agreement?

Yes, we have evaluated, and it is aligned

Trade association

WindEurope

Is your organization's position on climate change policy consistent with theirs?

Consistent

Has your organization attempted to influence their position in the reporting year?

Yes, we publicly promoted their current position

Describe how your organization's position is consistent with or differs from the trade association's position, and any actions taken to influence their position

WindEurope is the voice of the wind industry, actively promoting the use of wind power in Europe and worldwide and representing the wind sector development before the European Commission.

The association defends wind generation support. WindEurope participated in the European Commission stakeholder consultation on the new renewable energy directive (REDII). EDP supports WindEurope position on climate change legislation.

EDP Renewables (EDP Group's subsidiary for renewable energy generation) is a leading member of the Board of Directors.

Funding figure your organization provided to this trade association in the reporting year (currency as selected in C0.4)

69 200,01

Describe the aim of your organization's funding

The funding is an annual membership fee. EDP is a member of WindEurope to support its activity on the dissemination and promotion of the technical and regulated aspects that can accelerate de deployment of renewable energy in Europe, in particular wind energy.

Have you evaluated whether your organization's engagement with this trade association is aligned with the goals of the Paris Agreement?

Yes, we have evaluated, and it is aligned

Trade association

Other, please specify

AEE - Asociación Empresarial Eólica

Is your organization's position on climate change policy consistent with theirs?

Consistent

Has your organization attempted to influence their position in the reporting year?

Yes, we publicly promoted their current position

Describe how your organization's position is consistent with or differs from the trade association's position, and any actions taken to influence their position

AEE is the voice of the wind sector in Spain. It promotes the use of wind energy in Spain, Europe and worldwide. It represents and defends the interests of the sector. With about 200 member companies, it represents more than 90% of the sector in Spain which includes promoters, wind generator and component manufacturers, national and regional associations, organizations connected with the sector, consultants, lawyers and financial entities, among others. AEE coordinates research into the areas surrounding wind energy and provides services to its members, meeting their different needs. It contributes to the formulation of the normative framework with a view to the sector developing under the best possible conditions. It disseminates the reality of wind energy and endeavours to raise awareness in society.

EDP Renewables (EDP Group's subsidiary for renewable energy generation) is a member of the Board of Directors (chairman).

Funding figure your organization provided to this trade association in the reporting year (currency as selected in C0.4)

38 436

Describe the aim of your organization's funding

The funding is an annual membership fee. EDP is a member of AEE to support its activity on the dissemination and promotion of the technical and regulated aspects that can accelerate de deployment of renewable energy in Spain.

Have you evaluated whether your organization's engagement with this trade association is aligned with the goals of the Paris Agreement?

Yes, we have evaluated, and it is aligned

Trade association

Other, please specify

American Clean Power Association

Is your organization's position on climate change policy consistent with theirs?

Consistent

Has your organization attempted to influence their position in the reporting year?

Yes, we publicly promoted their current position

Describe how your organization's position is consistent with or differs from the trade association's position, and any actions taken to influence their position

American Clean Power Association (before AWEA) is a national association in the United States representing the players in the wind power industry. With hundreds of members, ranging from utilities, researchers, parts manufacturers, and energy companies, AWEA promotes wind energy as a clean source of electricity for American consumers. The wind force is creating a major impact on combating climate change and reducing greenhouse gases. Through sustainable initiatives, the association hopes to change attitudes and improve the environment.

EDP's subsidiary EDP Renewables is one of the partner companies and member of the Board of Directors.

Funding figure your organization provided to this trade association in the reporting year (currency as selected in C0.4)

94 962,34

Describe the aim of your organization's funding

The funding is an annual membership fee. EDP is a member of American Clean Power Association to support its role in providing up-to-date information about the wind energy industry, contribute to the discussion around renewable energy policies and promote knowledge sharing with the general public.

Have you evaluated whether your organization's engagement with this trade association is aligned with the goals of the Paris Agreement?

Yes, we have evaluated, and it is aligned

Trade association

Other, please specify

PWEA - Polish Wind Energy Association

Is your organization's position on climate change policy consistent with theirs?

Consistent

Has your organization attempted to influence their position in the reporting year?

Yes, we publicly promoted their current position

Describe how your organization's position is consistent with or differs from the trade association's position, and any actions taken to influence their position

The PWEA is a non-governmental organisation established in 1999 (previously known as "VIS VENTI Association for Supporting Wind Energy"). It is one of the most effective organisations lobbying for the establishment of a relevant legal framework allowing for the development and operation of renewable energy sources, in particular wind energy, in Poland. PWEA is an association of the leading companies active on the wind energy market in Poland: investors, developers, turbine and component manufacturers, both from Poland and abroad.

Funding figure your organization provided to this trade association in the reporting year (currency as selected in C0.4)

6 127,98

Describe the aim of your organization's funding

The funding is an annual membership fee. EDP is a member of PWEA to support its activity on the dissemination and promotion of the technical and regulated aspects that can accelerate de deployment of renewable energy in Poland.

Have you evaluated whether your organization's engagement with this trade association is aligned with the goals of the Paris Agreement?

Yes, we have evaluated, and it is aligned

Trade association

Other, please specify

RWEA - Romanian Wind Energy Association

Is your organization's position on climate change policy consistent with theirs?

Consistent

Has your organization attempted to influence their position in the reporting year?

Yes, we publicly promoted their current position

Describe how your organization's position is consistent with or differs from the trade association's position, and any actions taken to influence their position

The RWEA was founded in Bucharest in 2008 and is a professional association serving as a non-governmental organization. The association is a voluntary organisation for participants in the wind energy industry in Romania. It exists to promote the proper role of wind energy in the energy mix in Romania and, consequently, to promote clean, safe and effective energy for Romania.

EDP Renewables (EDP Group's subsidiary for renewable energy generation) is a member of the Board of Directors.

Funding figure your organization provided to this trade association in the reporting year (currency as selected in C0.4)

20 047,81

Describe the aim of your organization's funding

The funding is an annual membership fee. EDP is a member of RWEA to support its activity on the dissemination and promotion of the technical and regulated aspects that can accelerate de deployment of renewable energy in Romania.

Have you evaluated whether your organization's engagement with this trade association is aligned with the goals of the Paris Agreement?

Yes, we have evaluated, and it is aligned

Trade association

Other, please specify

ABEEOLICA - Associação Brasileira de Energia Eólica

Is your organization's position on climate change policy consistent with theirs?

Consistent

Has your organization attempted to influence their position in the reporting year?

Yes, we publicly promoted their current position

Describe how your organization's position is consistent with or differs from the trade association's position, and any actions taken to influence their position

Established in 2002, ABEEólica, the Brazilian Wind Energy Association, is a non-profit institution that brings together and represents the wind energy in this country. Members

come from all links in the wind energy chain. Since it was created, ABEEólica has effectively contributed to the development and recognition of wind energy as a competitive, clean, renewable, low-impact source of energy, and a strategic element of this country's energy matrix.

EDP Renewables (EDP Group's subsidiary for renewable energy generation) is a member of the Board of Directors.

Funding figure your organization provided to this trade association in the reporting year (currency as selected in C0.4)

19 141,34

Describe the aim of your organization's funding

The funding is an annual membership fee. EDP is a member of ABEEólica to support its activity on the dissemination and promotion of the technical and regulated aspects that can accelerate de deployment of renewable energy in Brazil.

Have you evaluated whether your organization's engagement with this trade association is aligned with the goals of the Paris Agreement?

Yes, we have evaluated, and it is aligned

Trade association

Other, please specify

MAREC - Mid-Atlantic Renewable Energy Coalition

Is your organization's position on climate change policy consistent with theirs?

Consistent

Has your organization attempted to influence their position in the reporting year?

Yes, we publicly promoted their current position

Describe how your organization's position is consistent with or differs from the trade association's position, and any actions taken to influence their position

The Mid-Atlantic Renewable Energy Coalition (MAREC) was formed in September 2009 as a non-profit Pennsylvania corporation. Currently MAREC's membership consists of wind developers, solar developers, wind turbine manufacturers, service companies, and non-profit organizations dedicated to the growth of renewable energy technologies to improve our environment, diversify our electric generation portfolio, and boost economic development in the region. Its mission is to improve and enhance the opportunities for renewable energy development in the nine jurisdictions in the Mid-Atlantic region. The primary areas of focus of MAREC are to provide education and expertise on the environmental sustainability of wind and solar energy; offer technical expertise and advice to assist in understanding the operating and environmental impacts of integrating

wind and solar into the electrical power system; and promote fair policies, rules and regulations to expand the region's electric transmission system to accommodate the growth of renewable energy generation.

Funding figure your organization provided to this trade association in the reporting year (currency as selected in C0.4)

28 488,7

Describe the aim of your organization's funding

The funding is an annual membership fee. EDP is a member of MAREC to support its activity on providing education and expertise on the environmental sustainability of wind and solar energy; offer technical expertise and advice to assist in understanding the operating and environmental impacts of integrating wind and solar into the electrical power system; and promote fair policies, rules and regulations to expand the region's electric transmission system to accommodate the growth of renewable energy generation.

Have you evaluated whether your organization's engagement with this trade association is aligned with the goals of the Paris Agreement?

Yes, we have evaluated, and it is aligned

Trade association

Other, please specify

WEF – World Economic Forum

Is your organization's position on climate change policy consistent with theirs?

Consistent

Has your organization attempted to influence their position in the reporting year?

Yes, we publicly promoted their current position

Describe how your organization's position is consistent with or differs from the trade association's position, and any actions taken to influence their position

WEF is a world organism for public/private partnerships, business, academia, and governments working together for global solutions. Political, business, cultural, and civic leaders work together to build positioning and to engage in crucial debates to solve world economic issues. Up to 2022, EDP engaged in sustainability debates, as well as in a working group for the resilience of the electric sector. From 2022 on, EDP has been engaging on the partnership, preparing of the Davos Annual Meeting and onboarding through Energy and Climate Platforms. WEF is committed to supporting global efforts in the private and public sectors to limit global temperature rise and stave off disaster. It aims to work with leaders to increase climate commitments, collaborate with partners to

develop private initiatives, and provide a platform for innovators to realize their ambition and contribute solutions. Its goals and ambitions are consistent with EDP position.

Funding figure your organization provided to this trade association in the reporting year (currency as selected in C0.4)

352 343,98

Describe the aim of your organization's funding

The funding corresponds to an annual fee, working group payment and participation in high-level conferences, EDP is a member of WEF to support its activity in leading institutional partnerships and mobilizing world players throughout the year, building awareness and shaping the agenda, whole driving collective action and impact and scaling partners' initiative. Involvement in WEF is key to continue positioning EDP as a global leader in the Energy Transition.

Have you evaluated whether your organization's engagement with this trade association is aligned with the goals of the Paris Agreement?

Yes, we have evaluated, and it is aligned

Trade association

Other, please specify

ABRADEE - Associação Brasileira de Distribuidores de Energia Elétrica

Is your organization's position on climate change policy consistent with theirs?

Consistent

Has your organization attempted to influence their position in the reporting year?

Yes, we publicly promoted their current position

Describe how your organization's position is consistent with or differs from the trade association's position, and any actions taken to influence their position

ABRADEE's mission is to be a reference in legislative, regulatory and technological debates that promote the development of electricity distribution on sustainable economic and social bases. EDP has a seat on the Board of Directors of the Association; it leads Working Groups; it has a membership in the Sandbox Governance R&D Management Committee; and it participates in the various WGs of the Association.

Funding figure your organization provided to this trade association in the reporting year (currency as selected in C0.4)

225 215,25

Describe the aim of your organization's funding

The funding is an annual membership fee, EDP is a member of ABRADEE since it is the only association of the electricity distribution segment in Brazil, which is essential to EDP's business, namely to the integration of renewables into the electric grid.

Have you evaluated whether your organization's engagement with this trade association is aligned with the goals of the Paris Agreement?

Yes, we have evaluated, and it is aligned

Trade association

Solar Energy Industries Association (SEIA)

Is your organization's position on climate change policy consistent with theirs?

Consistent

Has your organization attempted to influence their position in the reporting year?

Yes, we publicly promoted their current position

Describe how your organization's position is consistent with or differs from the trade association's position, and any actions taken to influence their position

The Solar Energy Industry Association is a professional organization of sectoral nature, for the representation, promotion, management, and defence of the general and common interests of its members. The Association's works aims to promote an equitable transition to a clean energy future and ensure the benefits of solar energy are available to all communities. Solar energy is one of the cleanest and most abundant renewable energy sources available. In order to take advantage of this profitable renewable technology and considering its increasing competitiveness, EDP is committed to developing and expanding its solar portfolio and it is aligned with the mission of the Solar Energy Industry Association.

Funding figure your organization provided to this trade association in the reporting year (currency as selected in C0.4)

180 428,45

Describe the aim of your organization's funding

The funding is an annual membership fee. EDP is a member of SEIA to support its activity on the dissemination and promotion of the solar energy around the world, with studies, fact sheets, state regulatory filings, legislative analysis, public relations and media, industry advocacy, ISO and PUC engagement.

Have you evaluated whether your organization's engagement with this trade association is aligned with the goals of the Paris Agreement?

Yes, we have evaluated, and it is aligned

Trade association

Other, please specify

Schneider Electric NEO Network (New Energy Opportunity)

Is your organization's position on climate change policy consistent with theirs?

Consistent

Has your organization attempted to influence their position in the reporting year?

Yes, we publicly promoted their current position

Describe how your organization's position is consistent with or differs from the trade association's position, and any actions taken to influence their position

Schneider Electric NEO Network is a community of organizations advancing reliable and cost effective renewable energy and cleantech solutions worldwide. Through the NEO Network, EDPR NA was able to acquire market intelligence on the clean energy buyer/procurement market in the US, as well as target and reach out to new corporate offtakes for its projects, in line with EDP positioning.

Funding figure your organization provided to this trade association in the reporting year (currency as selected in C0.4)

122 539,41

Describe the aim of your organization's funding

The funding is an annual membership fee. EDP is a member of NEO Network to support its activity in ensuring the smooth procurement of clean energy through the facilitation of information exchanges, market reports and "buyer's meetings" between energy suppliers and C&I energy buyers.

Have you evaluated whether your organization's engagement with this trade association is aligned with the goals of the Paris Agreement?

Yes, we have evaluated, and it is aligned

Trade association

Other, please specify

CIP - CONFEDERACAO EMPRESARIAL DE PORTUGAL

Is your organization's position on climate change policy consistent with theirs?

Consistent

Has your organization attempted to influence their position in the reporting year?

Yes, we publicly promoted their current position

Describe how your organization's position is consistent with or differs from the trade association's position, and any actions taken to influence their position

CIP aims to contribute to the Portuguese economy growth, to its competitiveness and innovation and to optimize productivity. EDP engages through the Business council/ Industry and Commerce Chambers (EA&S); Climate and environmental National Strategic Council (SUST); and Strategic National Energy Council (C&EP, REG).

Funding figure your organization provided to this trade association in the reporting year (currency as selected in C0.4)

100 584

Describe the aim of your organization's funding

The funding is an annual membership fee. EDP is a member of CIP to support its activity on the contribution to the Portuguese economy growth, to competitiveness, innovation and optimizing productivity.

Have you evaluated whether your organization's engagement with this trade association is aligned with the goals of the Paris Agreement?

Yes, we have evaluated, and it is aligned

Trade association

Other, please specify

American Energy Action

Is your organization's position on climate change policy consistent with theirs?

Consistent

Has your organization attempted to influence their position in the reporting year?

Yes, we publicly promoted their current position

Describe how your organization's position is consistent with or differs from the trade association's position, and any actions taken to influence their position

Create a powerful voice respected by policy makers and elected officials. Promoting change towards the implementation of Renewable energy.

Funding figure your organization provided to this trade association in the reporting year (currency as selected in C0.4)

94 962,34

Describe the aim of your organization's funding

The funding is an annual membership fee. EDP is a member of American Energy Action to support its activity on the dissemination and promotion on policy makers and general public opinion, towards a more educated opinion and public vote.

Have you evaluated whether your organization's engagement with this trade association is aligned with the goals of the Paris Agreement?

Yes, we have evaluated, and it is aligned

Trade association

Global Wind Energy Council (GWEC)

Is your organization's position on climate change policy consistent with theirs?

Consistent

Has your organization attempted to influence their position in the reporting year?

Yes, we publicly promoted their current position

Describe how your organization's position is consistent with or differs from the trade association's position, and any actions taken to influence their position

GWEC is the international trade association for the wind power industry. Its mission is to ensure that wind power is established as one of the world's leading energy sources, providing substantial environmental and economic benefits. EDP sponsors its activity and contributed to the positioning build-up for COP27. With wind turbines in operation and under development in 16 markets, EDP is one of the world's largest producers of wind energy, considered one of the most important sources of energy. It is renewable, does not run out, and is easily produced all over the planet. It is not limited to high ground, or even land areas, as wind turbines can be installed with relative ease in the water, in coastal areas or even on the high seas, such as with the Windfloat wind farm, a pioneering project from EDP, which puts us at the forefront of innovation with regard to offshore wind energy. Therefore, EDP is aligned with GWEC mission.

Funding figure your organization provided to this trade association in the reporting year (currency as selected in C0.4)

50 000

Describe the aim of your organization's funding

The funding is an annual membership fee. EDP is a member of GWEC to support its activity on the dissemination and promotion of Wind Power through sustainable platforms of interventions.

Have you evaluated whether your organization's engagement with this trade association is aligned with the goals of the Paris Agreement?

Yes, we have evaluated, and it is aligned

Trade association

Other, please specify

EFET - European Federation of Energy Traders

Is your organization's position on climate change policy consistent with theirs?

Consistent

Has your organization attempted to influence their position in the reporting year?

Yes, we publicly promoted their current position

Describe how your organization's position is consistent with or differs from the trade association's position, and any actions taken to influence their position

EFET promotes competition, transparency an opens access in the European energy sector. Works to build trust in power, gas and carbons markets across Europe, so that they may underpin a sustainable, efficient and secure energy supply and enable the transition to a carbon neutral economy. EDP actively participates in different working groups of the organization.

Funding figure your organization provided to this trade association in the reporting year (currency as selected in C0.4)

18 600

Describe the aim of your organization's funding

The funding is an annual membership fee. EDP is a member of EFET to support its activity on the dissemination and promotion of its studies, improvements, standards and bases of understanding.

Have you evaluated whether your organization's engagement with this trade association is aligned with the goals of the Paris Agreement?

Yes, we have evaluated, and it is aligned

Trade association

SolarPower Europe

Is your organization's position on climate change policy consistent with theirs?

Consistent

Has your organization attempted to influence their position in the reporting year?

Yes, we publicly promoted their current position

Describe how your organization's position is consistent with or differs from the trade association's position, and any actions taken to influence their position

As the member-led association for the European solar PV sector, SolarPower Europe represents over 300 organisations across the entire solar sector. With solar sitting on the horizon of unprecedented expansion, they work together with their members to create the right regulatory and business environment to take solar to the next level. EDPR actively participates in different working groups of the organization.

Funding figure your organization provided to this trade association in the reporting year (currency as selected in C0.4)

11 395,48

Describe the aim of your organization's funding

The funding is an annual membership fee. EDP is a member of Solar Power Europe to support its activity on the dissemination and promotion of the technical and regulated aspects that can accelerate de deployment of renewable energy in Europe, in particular solar energy.

Have you evaluated whether your organization's engagement with this trade association is aligned with the goals of the Paris Agreement?

Yes, we have evaluated, and it is aligned

Trade association

Other, please specify

ChargeUp Europe

Is your organization's position on climate change policy consistent with theirs?

Consistent

Has your organization attempted to influence their position in the reporting year?

Yes, we publicly promoted their current position

Describe how your organization's position is consistent with or differs from the trade association's position, and any actions taken to influence their position

ChargeUp Europe is the industry association for the electric vehicle (EV) charging infrastructure sector. The association works to accelerate the switch to zero emission mobility and ensure that EV drivers can enjoy a seamless charging experience with access to high quality, readily available charging infrastructure across Europe EDP actively participates in different working groups of the organization. EDP is a member of the Board and also participates actively in different working groups of the organization.

Funding figure your organization provided to this trade association in the reporting year (currency as selected in C0.4)

30 000

Describe the aim of your organization's funding

The funding is an annual membership fee. EDP is a member of ChargeUp Europe to support its activity on the dissemination and promotion of policies and investments needed to facilitate the scale and volume of electric vehicles expected to come onto the EU market.

Have you evaluated whether your organization's engagement with this trade association is aligned with the goals of the Paris Agreement?

Yes, we have evaluated, and it is aligned

Trade association

Other, please specify

EASE - European Association for Storage of Energy

Is your organization's position on climate change policy consistent with theirs?

Consistent

Has your organization attempted to influence their position in the reporting year?

Yes, we publicly promoted their current position

Describe how your organization's position is consistent with or differs from the trade association's position, and any actions taken to influence their position

EASE represents organizations active across the entire energy storage value chain. EASE supports the deployment of energy storage to support the cost-effective transition to a resilient, climate-neutral, and secure energy system. They promote a fair, future oriented, sustainable energy market design that recognises storage as an indispensable element of the energy system to build a bridge between EU policymakers and the energy storage stakeholders. EDPR actively participates in different working groups of the organization.

Funding figure your organization provided to this trade association in the reporting year (currency as selected in C0.4)

0

Describe the aim of your organization's funding

Have you evaluated whether your organization's engagement with this trade association is aligned with the goals of the Paris Agreement?

Yes, we have evaluated, and it is aligned

Trade association

Other, please specify

E.DSO - European Distribution System Operators

Is your organization's position on climate change policy consistent with theirs?

Consistent

Has your organization attempted to influence their position in the reporting year?

Yes, we publicly promoted their current position

Describe how your organization's position is consistent with or differs from the trade association's position, and any actions taken to influence their position

E.DSO promotes and enables customers empowerment and the increase in the use of clean energy sources through electrification, the development of smart and digital grid technologies in real-life situations, new market designs and regulation. EDP has two members on the Board and also participates actively in different working groups of the organization.

Funding figure your organization provided to this trade association in the reporting year (currency as selected in C0.4)

30 030

Describe the aim of your organization's funding

The funding is an annual membership fee. EDP is a member of E.DSO to support its activity on the dissemination and promotion on EU research, demonstration and innovation (RD&I), policy and Member State regulation to support smart grids development for a sustainable energy system.

Have you evaluated whether your organization's engagement with this trade association is aligned with the goals of the Paris Agreement?

Yes, we have evaluated, and it is aligned

C12.3c

(C12.3c) Provide details of the funding you provided to other organizations or individuals in the reporting year whose activities could influence policy, law, or regulation that may impact the climate.

Type of organization or individual

Non-Governmental Organization (NGO) or charitable organization

State the organization or individual to which you provided funding

United Nations Global Compact

The UN Global Compact is a voluntary initiative created under the United Nations auspices.

UN Global Compact is a call to action for Businesses to align their strategies and operations with human rights, labour, environment and anti-corruption as well as in taking actions to advance on the UN Sustainable Development Goals

Funding figure your organization provided to this organization or individual in the reporting year (currency as selected in C0.4)

19 612

Describe the aim of this funding and how it could influence policy, law or regulation that may impact the climate

The UN Global Compact is a voluntary initiative. Upon joining the UN Global Compact, larger companies are required to make an annual contribution to support their engagement in the UN Global Compact. These contributions support both global and country-level operations and, by agreement, are split between the global secretariat and Local Networks.

UN Global Compact develops a strong line of action regarding the climate and environment, such as the Business Ambition for 1.5º to showcase business leadership on climate action aligned with limiting global temperature rise to 1.5°C and involves members in policy dialogues that can positively influence international standards.

EDP subscribed the UN Global Compact 10 principles in 2004 and reports on progress annually.

In 2022 EDP subscribed the Sustainable Ocean Principles, that provide a framework for responsible business practices across sectors and geographies. They build upon and supplement the Ten Principles of the United Nations Global Compact on human rights, labour, environment and anti-corruption.

Have you evaluated whether this funding is aligned with the goals of the Paris Agreement?

Yes, we have evaluated, and it is aligned

Type of organization or individual

Non-Governmental Organization (NGO) or charitable organization

State the organization or individual to which you provided funding

World Business Council for Sustainable Development (WBCSD)

WBCSD is a global, CEO-led community of over 200 businesses working collectively to accelerate the system transformations needed for a net zero, nature positive, and more equitable future.

Funding figure your organization provided to this organization or individual in the reporting year (currency as selected in C0.4)

129 000

Describe the aim of this funding and how it could influence policy, law or regulation that may impact the climate

The funding is an annual membership fee.
The WBCSD facilitates the sharing of knowledge, enables and accelerates the adoption of standards and tools and create advocacy inputs for common policy asks form businesses members taking action on sustainability.
EDP is a member of the WBCSD, actively participating in the association's programs, namely Climate and Energy, and EDP's CEO is member to the Executive Committee.

Have you evaluated whether this funding is aligned with the goals of the Paris Agreement?

Yes, we have evaluated, and it is aligned

Type of organization or individual

Non-Governmental Organization (NGO) or charitable organization

State the organization or individual to which you provided funding

Business Council for Sustainable Development Portugal
BCSD is the local branch of WBCSD.

Funding figure your organization provided to this organization or individual in the reporting year (currency as selected in C0.4)

4 000

Describe the aim of this funding and how it could influence policy, law or regulation that may impact the climate

The funding is an annual membership fee.
The work of BCSD comprises mainly:
Working groups (WG) – which favour collaboration between companies to create innovative solutions, mechanisms and tools that allow responding to business challenges in the transition to sustainability;
Training – open to professionals and employees of companies and organizations, whatever the sector, stage of the journey to sustainability, level of knowledge and maturity in terms of sustainability;
Communication, events and publications – to set the national agenda with regard to sustainability issues and raise awareness among the business community and society.
A member of EDP's Executive Board, is a member of BCSD's Board since 2021. EDP participates in several working groups of BCSD.

Have you evaluated whether this funding is aligned with the goals of the Paris Agreement?

Yes, we have evaluated, and it is aligned

Type of organization or individual

Non-Governmental Organization (NGO) or charitable organization

State the organization or individual to which you provided funding

Global Alliance for Sustainable Energy

A private association that brings together utility companies from diverse geographies, major manufacturers in the wind power and solar PV supply chains as well as sector associations and innovation partners.

Funding figure your organization provided to this organization or individual in the reporting year (currency as selected in C0.4)

10 000

Describe the aim of this funding and how it could influence policy, law or regulation that may impact the climate

EDP is a founding member and the funding is an annual membership fee.

The Global Alliance for Sustainable Energy aims to redefine the meaning of 'sustainable energy' and embrace all those working in and impacted by renewables, joining efforts with civil society, end-users, policymakers, academic institutions, materials suppliers, Original Equipment Manufacturers and likeminded utilities to interface with governments and investors. The initiative is fully aligned with the 2030 agenda set out in the UN Sustainable Development Goals (SDGs).

Have you evaluated whether this funding is aligned with the goals of the Paris Agreement?

Yes, we have evaluated, and it is aligned

C12.4

(C12.4) Have you published information about your organization's response to climate change and GHG emissions performance for this reporting year in places other than in your CDP response? If so, please attach the publication(s).

Publication

In mainstream reports

Status

Complete

Attach the document

EDP Integrated Annual Report 2022.pdf

Page/Section reference

Page 83 (Decarbonising the world); pages 144-147 (Climate Change); pages 189-190 (Operational and ESG indicators)

Content elements

Emissions figures
Emission targets
Other metrics

Comment

All information aligned with the TCFD recommendations were included in a special report - the "Climate Transition Plan" - approved under the shareholders' Annual General Meeting .

Publication

In mainstream reports, incorporating the TCFD recommendations

Status

Complete

Attach the document

CTP_EN_Climate Transtion Plan.pdf

Page/Section reference

All document

Content elements

Governance
Strategy
Risks & opportunities
Emissions figures
Emission targets
Other metrics

Comment

The Climate Transition Plan, approved under the shareholders' Annual General Meeting, includes all information aligned with the TCFD recommendations.

C12.5

(C12.5) Indicate the collaborative frameworks, initiatives and/or commitments related to environmental issues for which you are a signatory/member.

	Environmental collaborative framework, initiative and/or commitment	Describe your organization's role within each framework, initiative and/or commitment
Row 1	Business Ambition for 1.5C European Climate Pact	EDP is part of Race to Zero initiative by the High Level Climate Champions after being one of the first signatories of the

	Race to Zero Campaign Task Force on Climate-related Financial Disclosures (TCFD) UN Global Compact We Mean Business World Business Council for Sustainable Development (WBCSD) Other, please specify Corporate Leaders Group (CLG); The Climate Group (EV100); Renewable Hydrogen Coalition; Act4Nature	Business Ambition for 1.5C campaign at its launch in September 2019. EDP's CEO was appointed in 2022 member of the Executive Committee of WBCSD for 2 year term 2023-2024 and EDP teams follow workstreams on Climate and Energy and contribute to policy priorities in environmental and climate work by the organization. Through a public commitment, under which joined the Task Force on Climate-related Financial Disclosures, EDP underlined its proactivity in the international Climate Agenda and its commitments to transparency of information relating to its decarbonization strategy and continues to follow TFCD recommendations. Under the UN Global Compact EDP continues to be part of the Advance Group of the CFO Taskforce, representing combined market capitalization equivalent to more than USD 1.6 billion, committing to integrate Key Performance Indicators (KPIs) to measure their progress in implementing the CFO Principles for Integrated SDG Investments and Finance. Under UN Global Compact EDP endorsed the 9 Principles for a Sustainable Ocean on the occasion of the UN Ocean Conference, in June 2022 in Lisbon. Signatories to these Principles accept the urgency and global importance of having healthy oceans and undertake to take measures to promote the well-being of the ocean for current and future generations under the initiative headings of "Ocean Health and Productivity", "Governance and Engagement" and "Data and Transparency". EDP is part of Act4Nature, an initiative launched by BCSD Portugal on the International Day of Biological Diversity, on 22 May 2020, comes under Act4Nature International, a movement created in France in 2018 by the association Entreprises pour l'Environnement (EpE), also a member of the Global Network of the World Business Council for Sustainable Development (WBCSD). Streamlined by the Biodiversity working group, of which EDP is a member and which also includes the Steering Committee Committee and Advisory Board of this initiative. EDP has joined the Initiative Act4Nature Initiative in 2020 by signing up to the 10 common commitments and 12 individual commitments by 2030. In 2022, the Biodiversity working group organised and hosted the "1st Natural Capital Conference", which took place on 23/11/2022, in Lisbon. EDP joined calls for action with frequent policy partners on climate issues, such as the following initiatives promoted by: - We Mean Business Coalition - Business and Civil Society is all in for delivery statement at COP27, November 2022, reaffirming its own commitment to limit global temperature rise to 1.5°C and

		call on governments to urgently pursue delivery. - Corporate Leaders Group (Europe) - an open letter in May 2022 supported by organizations including the Science Based Target Initiative, signed by different companies, addressed to the President of the European Commission (EC) and Heads of State and Governments of EU Members States before and relating to the publication of the REPowerEU Plan by the EC. The letters states that given the devastating invasion of Ukraine, the EU should act rapidly to reduce its dependence on Russian fossil fuels and to address the increase in energy prices. - The Climate Group - EDP was signatory of the letter from the industry prepared in May 2022 by the EV100 initiative of The Climate Group calling Members of the European Parliament and the Governments of the Members States to adopt, in the context of the "Fit for 55" legislation, the progressive elimination across the EU of sales of new internal combustion passenger cars and vans (light commercial vehicles) (including hybrids) by 2035. - Renewable Hydrogen Coalition - EDP join the call to keep the Renewable Energy Directive revision (REDIII) for RH2 only (no inclusion of low-carbon hydrogen) and to support ambitious binding renewable hydrogen/RFNBO targets for industry and transport as proposed by the European Commission (EC), which are now under threat. The letter aims at shaping positions in the European Parliament.

C15. Biodiversity

C15.1

(C15.1) Is there board-level oversight and/or executive management-level responsibility for biodiversity-related issues within your organization?

	Board-level oversight and/or executive management-level responsibility for biodiversity-related issues	Description of oversight and objectives relating to biodiversity
Row 1	Yes, both board-level oversight and executive management-level responsibility	A Director on EDP's Corporate Executive Board has formal responsibility over sustainability issues (CSO), including biodiversity issues. The Director currently in charge is assigned with all the company's cross-cutting critical themes of sustainability, namely environment, climate change, biodiversity and social. This Director is responsible for submitting to the Board's approval the company's strategy related to biodiversity:

		to contribute to reducing biodiversity loss, prioritising the mitigation hierarchy and aiming at a positive result in the biodiversity balance in the long term.

C15.2

(C15.2) Has your organization made a public commitment and/or endorsed any initiatives related to biodiversity?

	Indicate whether your organization made a public commitment or endorsed any initiatives related to biodiversity	Biodiversity-related public commitments	Initiatives endorsed
Row 1	Yes, we have made public commitments and publicly endorsed initiatives related to biodiversity	Commitment to Net Positive Gain Commitment to No Net Loss Adoption of the mitigation hierarchy approach Commitment to not explore or develop in legally designated protected areas Commitment to respect legally designated protected areas Commitment to avoidance of negative impacts on threatened and protected species Commitment to no conversion of High Conservation Value areas Other, please specify Commitment to No Net Deforestation	CBD – Global Biodiversity Framework SDG Other, please specify Act4Nature and "Compromisso Empresarial Brasileiro para a Biodiversidade"

C15.3

(C15.3) Does your organization assess the impacts and dependencies of its value chain on biodiversity?

Impacts on biodiversity

Indicate whether your organization undertakes this type of assessment

No, but we plan to within the next two years

Dependencies on biodiversity

Indicate whether your organization undertakes this type of assessment

No, but we plan to within the next two years

C15.4

(C15.4) Does your organization have activities located in or near to biodiversity-sensitive areas in the reporting year?

Yes

C15.4a

(C15.4a) Provide details of your organization's activities in the reporting year located in or near to biodiversity -sensitive areas.

Classification of biodiversity -sensitive area

Natura 2000 network of protected areas

Country/area

Poland

Name of the biodiversity-sensitive area

Asset: 1 in Natura 2000 Network (adjacent); 1 in Regional Park (inside 81%) and 1 in Landscape Protection Area (adjacent).

Proximity

Overlap

Briefly describe your organization's activities in the reporting year located in or near to the selected area

Wind farms operation

Indicate whether any of your organization's activities located in or near to the selected area could negatively affect biodiversity

Yes, but mitigation measures have been implemented

Mitigation measures implemented within the selected area

Site selection
Project design
Scheduling
Physical controls
Operational controls
Abatement controls
Restoration
Biodiversity offsets

Explain how your organization’s activities located in or near to the selected area could negatively affect biodiversity, how this was assessed, and describe any mitigation measures implemented

Through the prospection phase and prior to other procedures and EIAs (Environmental Impact Assessments), EDP 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 impact assessment (EIA) 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, minimized and compensated - following the mitigation hierarchy- during all the project phases. EDP is committed to protecting the environment and biodiversity, and therefore the scope of environmental assessment (EIA) 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).

During the construction phase, the Company implements a set of minimization, restoration and compensation measures necessary to avoid and remediate potential impacts. As example of a preventive measure the Company has the environmental surveillance during the construction phase. This surveillance enables EDP 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.

Finally, EDP has a corporate environmental management system (EMS), certified according to ISO 14001 by an accredited external independent third party. Under these EMS external audits are performed to assess:
• the implementation of Environmental Policy
• the internal procedures in place to minimize the potential effects environment (climate change, Biodiversity, Pollution, etc.)
• business units and overall performance on environmental issues.

Through its on-site management systems, EDP 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. EDP’s initiatives have the same mitigation hierarchy: avoid, minimize, restore and compensate all the negative impacts that our projects could have.

EDP establishes several measures, procedures and commitments towards biodiversity protection. Among these measures it is worth stressing: will be implemented Biodiversity

Action Plans areas considered at risk for biodiversity and Nature Based Solutions (NbS).

Classification of biodiversity -sensitive area

Other biodiversity sensitive area, please specify

Protected areas; permanent protected areas; conservation priority areas; buffer zones; ecological reserves

Country/area

Brazil

Name of the biodiversity-sensitive area

Several protected areas, permanent protected areas, conservation priority areas, buffer zones and ecological reserves in different states (S. Paulo, Espírito Santo, Minas Gerais, Tocantins, Amapá, Pará).

Proximity

Overlap

Briefly describe your organization's activities in the reporting year located in or near to the selected area

Operation of wind farm, solar parks and hydropower plants

Indicate whether any of your organization's activities located in or near to the selected area could negatively affect biodiversity

Yes, but mitigation measures have been implemented

Mitigation measures implemented within the selected area

Site selection
Project design
Scheduling
Physical controls
Operational controls
Abatement controls
Restoration
Biodiversity offsets

Explain how your organization's activities located in or near to the selected area could negatively affect biodiversity, how this was assessed, and describe any mitigation measures implemented

Through the prospection phase and prior to other procedures and EIAs (Environmental Impact Assessments), EDP 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 impact assessment (EIA) 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, minimized and compensated - following the mitigation hierarchy- during all the project phases. EDP is committed to protecting the environment and biodiversity, and therefore the scope of environmental assessment (EIA) 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).

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Finally, EDP has a corporate environmental management system (EMS), certified according to ISO 14001 by an accredited external independent third party. Under these EMS external audits are performed to assess:
• the implementation of Environmental Policy
• the internal procedures in place to minimize the potential effects environment (climate change, Biodiversity, Pollution, etc.)
• business units and overall performance on environmental issues.

Through its on-site management systems, EDP 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. EDP’s initiatives have the same mitigation hierarchy: avoid, minimize, restore and compensate all the negative impacts that our projects could have.

EDP establishes several measures, procedures and commitments towards biodiversity protection. Among these measures it is worth stressing: will be implemented Biodiversity Action Plans areas considered at risk for biodiversity and Nature Based Solutions (NbS).

Classification of biodiversity -sensitive area

Natura 2000 network of protected areas

Country/area

Portugal

Name of the biodiversity-sensitive area

Assets: 6 adjacent and 26 in Natura 2000 Network

Proximity

Overlap

Briefly describe your organization's activities in the reporting year located in or near to the selected area

Wind farms operation

Indicate whether any of your organization's activities located in or near to the selected area could negatively affect biodiversity

Yes, but mitigation measures have been implemented

Mitigation measures implemented within the selected area

Site selection
Project design
Scheduling
Physical controls
Operational controls
Abatement controls
Restoration
Biodiversity offsets

Explain how your organization's activities located in or near to the selected area could negatively affect biodiversity, how this was assessed, and describe any mitigation measures implemented

Through the prospection phase and prior to other procedures and EIAs (Environmental Impact Assessments), EDP 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 impact assessment (EIA) 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, minimized and compensated - following the mitigation hierarchy- during all the project phases. EDP is committed to protecting the environment and biodiversity, and therefore the scope of environmental assessment (EIA) 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).

During the construction phase, the Company implements a set of minimization, restoration and compensation measures necessary to avoid and remediate potential impacts. As example of a preventive measure the Company has the environmental surveillance during the construction phase. This surveillance enables EDP 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.

Finally, EDP has a corporate environmental management system (EMS), certified according to ISO 14001 by an accredited external independent third party. Under these EMS external audits are performed to assess:
• the implementation of Environmental Policy
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Classification of biodiversity -sensitive area

Natura 2000 network of protected areas

Country/area

Romania

Name of the biodiversity-sensitive area

Wind farms: 2 adjacent and 1 partially within of Natura 2000 Network
Solar plants: 1 inside of Natura 2000 Network

Proximity

Overlap

Briefly describe your organization's activities in the reporting year located in or near to the selected area

Wind and Solar Parks operation

Indicate whether any of your organization's activities located in or near to the selected area could negatively affect biodiversity

Yes, but mitigation measures have been implemented

Mitigation measures implemented within the selected area

Site selection
Project design
Scheduling
Physical controls
Operational controls
Abatement controls
Restoration
Biodiversity offsets

Explain how your organization's activities located in or near to the selected area could negatively affect biodiversity, how this was assessed, and describe any mitigation measures implemented

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Classification of biodiversity -sensitive area

Natura 2000 network of protected areas

Country/area

Spain

Name of the biodiversity-sensitive area

Assets: 10 adjacent, 18 partially within and 1 inside of Natura 2000 Network.

Proximity

Overlap

Briefly describe your organization's activities in the reporting year located in or near to the selected area

Wind farms operation

Indicate whether any of your organization's activities located in or near to the selected area could negatively affect biodiversity

Yes, but mitigation measures have been implemented

Mitigation measures implemented within the selected area

Site selection
Project design
Scheduling
Physical controls
Operational controls
Abatement controls
Restoration
Biodiversity offsets

Explain how your organization's activities located in or near to the selected area could negatively affect biodiversity, how this was assessed, and describe any mitigation measures implemented

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Classification of biodiversity -sensitive area

Natura 2000 network of protected areas

Country/area

Brazil

Name of the biodiversity-sensitive area

Assets: 17 partially inside and 6 within protected areas

Proximity

Overlap

Briefly describe your organization's activities in the reporting year located in or near to the selected area

Distribution transformer substation
Photovoltaic Solar plant
Photovoltaic Solar plants
Hydroelectric power plants
Thermoelectric power plants
Electricity transmission lines

Indicate whether any of your organization's activities located in or near to the selected area could negatively affect biodiversity

Yes, but mitigation measures have been implemented

Mitigation measures implemented within the selected area

Site selection
Project design
Scheduling
Physical controls
Operational controls
Abatement controls
Restoration
Biodiversity offsets

Explain how your organization's activities located in or near to the selected area could negatively affect biodiversity, how this was assessed, and describe any mitigation measures implemented

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C15.5

(C15.5) What actions has your organization taken in the reporting year to progress your biodiversity-related commitments?

	Have you taken any actions in the reporting period to progress your biodiversity-related commitments?	Type of action taken to progress biodiversity- related commitments
Row 1	Yes, we are taking actions to progress our biodiversity-related commitments	Land/water protection Land/water management

		Species management Law & policy

C15.6

(C15.6) Does your organization use biodiversity indicators to monitor performance across its activities?

	Does your organization use indicators to monitor biodiversity performance?	Indicators used to monitor biodiversity performance
Row 1	Yes, we use indicators	State and benefit indicators Pressure indicators

C15.7

(C15.7) Have you published information about your organization's response to biodiversity-related issues for this reporting year in places other than in your CDP response? If so, please attach the publication(s).

Report type	Content elements	Attach the document and indicate where in the document the relevant biodiversity information is located
In voluntary sustainability report or other voluntary communications	Content of biodiversity-related policies or commitments Governance Impacts on biodiversity Details on biodiversity indicators Risks and opportunities Biodiversity strategy	The document is exclusively related to Biodiverity 1
In mainstream financial reports	Content of biodiversity-related policies or commitments Impacts on biodiversity Biodiversity strategy Other, please specify Main initiatives on biodiversity protection carried out in 2022.	Pages 137-140 - Protection of Biodiversity 2

1 Biodiversity Report 2020-2022 EN_1.pdf

2 EDP Integrated Annual Report 2022.pdf

C16. Signoff

C-FI

(C-FI) Use this field to provide any additional information or context that you feel is relevant to your organization's response. Please note that this field is optional and is not scored.

No additional information

C16.1

(C16.1) Provide details for the person that has signed off (approved) your CDP climate change response.

	Job title	Corresponding job category
Row 1	Member of EDP's Executive Board of Directors with formal responsibility over sustainability, risk and other company's crosscutting critical themes.	Director on board

Submit your response

In which language are you submitting your response?

English

Please confirm how your response should be handled by CDP

	I understand that my response will be shared with all requesting stakeholders	Response permission
Please select your submission options	Yes	Public

Please confirm below

I have read and accept the applicable Terms