



AMBITION 2030 | GOALS AND TARGETS 2025

ESG 2030

The decade of decisive action

OUR COMMITMENTS



Accelerated and sustainable growth

Step-up green growth

Distinctive and resilient portfolio

Solid balance sheet



**Leading the energy transition
to create superior value**



ESG excellence and attractive returns

ESG reference

Green leadership positioning

Strong return visibility



Future-proof organization

Global, agile, and efficient

Talented and empowered people

Innovative and digitally driven

WE WILL CONTINUE TO BE AN ESG REFERENCE IN THE MARKET

A BACKBONE OF A FUTURE-PROOF ORGANIZATION



**LEADING THE ENERGY
TRANSITION**



Committed to protect the
Environment



... with a positive impact on
Society



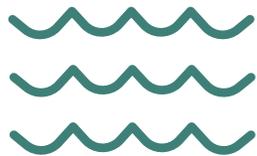
... and a strong **G**overnance
structure

2021-2030 IS THE DECADE OF DECISIVE ACTION

THE ROLE OF EDP IN THE DECADE TO COME

2030 is around the corner and the energy sector plays a key role on the transition efforts towards a decarbonized society, in line with the Paris Agreement's ambition. By the end of this decade, the global energy consumption has increased, with electricity outpacing all other fuels, meeting 21% of global final energy consumption, and renewables providing nearly 40% of energy supply*. In Europe, where EDP has more than two thirds of its business, the level of ambition is high Carbon neutrality is to be achieved by 2050 and 55% of the electricity supply needs to be renewable by 2030. Decentralized consumption is a reality and electricity has also become a common energy carrier in light transport vehicles. Industry is being electrified where possible, with corporate PPA still on the rise and green H2 becoming economically attractive. EDP navigates this landscape easily as it has anticipated its CO2 net-zero target goal for 2030. CO2 residual emissions are now managed through offsetting practices carefully selected and recognized under established net-zero standards.

This journey was achieved supported by a strong ethical conduct with human rights at its core. Our governance model has been reinforced, aligned by the new ESG standards and we continue to report our performance in a transparent and regular way, helping the company maintaining its level of trust from its different stakeholders. Collaboration through partnerships in different sectors were strengthened, aiming at proactively contributing to overcome the main societal challenges.



TO LEAD THE ENERGY
TRANSITION WE COMMIT...

* WEO, 2020, STEPS Scenario.

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GOALS TO DRIVE SUSTAINABILITY



LEADING THE ENERGY TRANSITION

1 CLEAN GENERATION

Decarbonize generation achieving carbon neutrality and compensating residual CO2 emissions

2 SUSTAINABLE CONSUMPTION

Decarbonize consumption and promote low carbon and energy efficiently product and services

3 INNOVATION AND DIGITAL TRANSFORMATION

Strengthen the focus on four innovation pillars: cleaner energy, smarter grids, storage and flexibility and client solutions, enhanced by a strong digital culture

4 JUST TRANSITION

Promote a just transition by mobilizing renewable energy investments in coal phase-out regions and support workers and communities in a sustainable and economically inclusive way

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GOALS TO DRIVE SUSTAINABILITY



COMMITTED TO PROTECT THE ENVIRONMENT

5 CIRCULAR ECONOMY

Accelerate circularity of our assets and business models, with a particular concern on water management

6 NATURAL CAPITAL

Assess and integrate Natural Capital into our decision-making processes, having biodiversity protection as a main driver

7 ADAPTATION AND RESILIENCE

Mitigate climate risks and reinforce EDP's resilience to medium and long-term climate effects

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GOALS TO DRIVE SUSTAINABILITY



...WITH A POSITIVE IMPACT ON SOCIETY

8 DIVERSITY AND WELLBEING

Provide a fair and safe workplace at EDP and build upon strong principles of Diversity and Inclusion

9 SUSTAINABLE BUSINESS PARTNERSHIP

Apply decarbonization, gender equality and reporting criteria in the selection of materials and services and in the choice of suppliers

10 INCLUSIVE COMMUNITIES

Contribute to a better society and local communities' development through continuous social investment



...AND A STRONG GOVERNANCE STRUCTURE

11 ETHICAL BEHAVIOR

Continue to enhance a strong ethical culture internalized in all principles and internal policies

12 ESG GOVERNANCE STRUCTURE

Clearer link of variable compensation to ESG standards and shareholder value, and best practices in remuneration policy

GOALS TO DRIVE
SUSTAINABILITY



By 2030

our main targets



LEADING THE ENERGY TRANSITION

100% of our installed capacity and electricity generation will be renewable

98% CO_{2eq} emission intensity reduction (Scope 1&2), against 2015⁽¹⁾

50% CO_{2eq} emission reduction in Scope 3, against 2015

50% of our clients are purchasing our sustainable services⁽²⁾

100% of smart grids worldwide

100k EV charging points installed⁽³⁾



COMMITTED TO PROTECT THE ENVIRONMENT

Biodiversity **No Net Loss** in all new projects

90% of waste recovered from renewable technologies

100% of light fleet will be electric



... WITH A POSITIVE IMPACT ON SOCIETY

35% of female employees

75% sustainable purchases

100 M€ of SDG social investment



... AND A STRONG GOVERNANCE STRUCTURE

Top quartile in **ESG** rating performance

⁽¹⁾ To achieve carbon neutrality, the residual emissions will be compensated by 2030; ⁽²⁾ Liberalized B2C electricity market; ⁽³⁾ includes private, private with public access and public charging points



GOALS AND TARGETS FOR 2025

Achieving our ambition requires a clear roadmap with milestones to be achieved by 2025

By the end of 2025 EDP has no coal generation. In Iberia, CCGTs started working more hours to compensate the absence of coal, but are reducing their operational hours by now, as new wind and solar capacity installation increases its pace. Electricity consumption continues to grow after the pandemic shock and consumers choices are targeting more sustainable product and services. Energy efficiency and decentralized solar panels are leading the demand side services and energy communities are becoming more mature. Light EV vehicles are more affordable and charging infrastructures are becoming more available and accessible. Digital is key for managing an increasing decentralized energy systems.



ENERGY TARGETS



1.0 CLEAN GENERATION

2025 TARGETS

	GOAL	METRIC	BASELINE 2020	TARGET
1.1	REDUCE CO _{2eq} EMISSIONS	Reduce CO _{2eq} emissions intensity (scope 1 and 2) ⁽¹⁾	-57%	-70%
1.1.1		Reduce CO _{2eq} emissions (scope 3) ⁽¹⁾	-21%	-30%
1.2	INCREASE RENEWABLE CAPACITY	Renewable installed capacity	18.6 GW	29 GW⁽²⁾
1.2.1	Increase solar capacity	Solar PV installed capacity	0.35 GW	7 GW⁽²⁾
1.2.2	Be coal free	Coal installed capacity	8.4%	0%
1.3	INCREASE THE VOLUME OF SUSTAINABLE BUSINESS	Revenues aligned with EU taxonomy	58%	>70%
1.4	INCREASE STORAGE CAPACITY	Maintain pumping storage capacity (MW)	2.3 GW	2.3 GW
1.4.1		Increase battery storage capacity	0 MW	400 MW

⁽¹⁾ Against 2015 levels; ⁽²⁾ includes 1.5 GW from EDP Renewables decentralized solar platform in the USA, also included in the 'Decentralized solar installed capacity' target (goal 2.4)



2.0 SUSTAINABLE CONSUMPTION

2025 TARGETS



	GOAL	METRIC	BASELINE 2020	TARGET
2.1	REDUCE CO _{2eq} EMISSIONS IN EDP'S CLIENTS	Accumulated avoided CO ₂ emissions	1.4 MtCO ₂ ⁽¹⁾	15 MtCO ₂ ⁽²⁾
2.2	SUSTAIN HIGH LEVELS OF COSTUMER'S SATISFACTION	Customer's satisfaction index	79%	>75%
2.3	INCREASE ELECTRICITY CLIENTS WITH SUSTAINABLE SERVICES	Ratio between B2C electricity clients with sustainable services (#) and total B2C electricity clients (#)	12%	26%
2.3.1	... mobility services	Total number of clients with mobility services (#) ⁽³⁾	19k	180k
2.3.2	...green electricity	Total growth of green electricity as a percentage of growth ⁽³⁾	5.76 TWh	+100%
2.4	INCREASE DECENTRALIZED SOLAR	Decentralized solar installed capacity in both clients B2B and B2C in the period	0.3 GW	3.7 GW ⁽⁴⁾
2.5	INCREASE EV CHARGING POINTS	Total EV charging points installed (#) in the period	1.9k	>40k
2.6	INCREASE EDP'S ELETRIC FLEET	EDP'S light electric fleet ⁽⁵⁾ as a percentage of total fleet	11%	>40%

⁽¹⁾ Not including Green electricity supplied; ⁽²⁾ BAU; ⁽³⁾ See assumptions; ⁽⁴⁾ includes 1.5 GW from EDP Renewables decentralized solar platform in the USA, also included in the 'Renewable installed capacity' targets (goals 1.2 and 1.2.1); ⁽⁵⁾ Includes plug-in hybrids



3.0 INNOVATION AND DIGITAL TRANSFORMATION

2025 TARGETS



	GOAL	METRIC	BASELINE 2020	TARGET
3.1	INCREASE R&D+i + DIGITALISATION	Accumulated investment in R&D+i and Digitalization ⁽¹⁾	111 M€ 200 M€ ⁽²⁾	2,000 M€
3.2	IMPROVE RESILIENCE IN IT INFRASTRUCTURES	BitSight rating	800	Advanced ⁽³⁾

4.0 JUST TRANSITION

2025 TARGETS

	GOAL	METRIC	TARGET
4.1	IMPLEMENT JUST TRANSITION PLANS (JTP) IN ALL EDP'S PHASE-OUT COAL POWER PLANTS	The ratio between EDP's coal power plants with JTP and total EDP's coal power plants under decommissioning processes	Not applicable 100%

⁽¹⁾ Accumulated 2021-2025; ⁽²⁾ 111 M€ of R&D+I and 200 M€ of Digitalization; ⁽³⁾ ≥740



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GOALS AND TARGETS FOR 2025

Achieving a positive impact on society requires a thorough attention to the environmental impacts that continue to exist. Climate is being addressed mainly by the transformation of EDP's business portfolio, where adaptation is also key to improve company's resilience. Focus is now on integrating the principles of natural capital preservation and circular economy into decision-making processes in each stage of the value chain.

Neutrality brings new challenges on the role nature can play and offsetting must go beyond climate positive and enhance local biodiversity on this new ecosystem restoration decade.



ENVIRONMENTAL TARGETS



5.0 CIRCULAR ECONOMY

2025 TARGETS



	GOAL	METRIC	BASELINE 2020	TARGET
5.1	ACCELERATE CIRCULARITY IN RENEWABLE ENERGY	Recovery of operational waste and dismantlement of solar and wind farms	77%	>80%
5.2	REDUCE WASTE	Total operational waste ⁽¹⁾	-72%	-85%
5.3	INCREASE RECYCLING	Total waste recycled from operations	37%	85%
5.4	REDUCE WATER CONSUMPTION	Freshwater consumption ⁽¹⁾	-75%	-78%

⁽¹⁾ Against 2015 levels



6.0 NATURAL CAPITAL

2025 TARGETS



	GOAL	METRIC	BASELINE 2020	TARGET
6.1	REDUCE AIR POLLUTANT EMISSIONS	Total NOx emissions ⁽¹⁾	-75%	-90%
6.1.1		Total SO ₂ emissions ⁽¹⁾	-66%	-85%
6.1.2		Total particulate emissions ⁽¹⁾	-35%	-75%

7.0 ADAPTATION AND RESILIENCE

2025 TARGETS

	GOAL	METRIC	BASELINE 2020	TARGET
7.1	ALL BUSINESS UNITS WITH ADAPTATION PLANS IMPLEMENTED	Action plan in each business unit implemented and disclosed	25%⁽²⁾	100%

⁽¹⁾ Against 2015 levels; ⁽²⁾ By 2020, 4 BU are designing Adaptation Plans (EDP P, E-REDES, EDP E, EDP B)



GOALS AND TARGETS FOR 2025

A clear roadmap to be achieved by 2025 also includes strong commitments with society.

By the end of 2025 EDP's coal power plants are in their final stage of decommissioning. New jobs are being created, employees have been helped to adapt to new ways of working and digital skills are becoming key job requirements. Gender diversity is internalized, although technical jobs are still mainly male. The growth to new markets helped increasing cultural diversity in our company but diversification was not an obstacle for health and safety issues. The frequency and severity of accidents fall significantly and a health and safety culture is now internalized.

EDP's suppliers are paramount for increasing sustainability ambition and EDP has been able to influence its supply chain, with sustainable purchases becoming a common practice.

Local communities and engagement practices have not been forgotten and are a key drive for building trust. Local support is driven by the UN Sustainable Development Goals and aligned with main EDP's priorities.





8.0 DIVERSITY AND WELLBEING

2025 TARGETS



	GOAL	METRIC	BASELINE 2020	TARGET
8.1	INCREASE GENDER DIVERSITY	Ratio between female employees and total employees	25%	30%
8.1.1		Ratio between Female employees in managerial and total managerial positions	25%	30%
8.2	INCREASE RATE OF EMPLOYEES WITH DISABILITIES	Ratio between employees with disabilities and total employees	1.2%	2%
8.3	DIVERSIFY EMPLOYEES' CULTURAL BACKGROUNDS	Employees working outside its country of origin	2%	5%
8.4	MAINTAIN EMPLOYEES' LEVEL OF MOTIVATION	To be rated as a <i>High Performance Company</i> (external Rater)	✓ (80%)	✓
8.5	IMPROVE HEALTH AND SAFETY	Total severity index	400	<150
8.5.1		Fatal accidents	3	0
8.5.2		Number of work accidents per million hours worked (employees and contractors)	1.74	1.55



9.0 SUSTAINABLE PARTNERSHIPS

2025 TARGETS

	GOAL	METRIC	BASELINE 2020	TARGET
9.1	SUPPLIERS COMPLIANT WITH ESG	Ratio between the number of suppliers compliant with ESG and total procured suppliers	<100%	100%
9.1.1	Purchases compliant with Integrity and Human and Labor Rights	Ratio between the number of compliant suppliers and total procured suppliers	99.8%	100%
9.1.2	Environmental and occupational H&S certification from suppliers exposed to high risks	Ratio between the number of suppliers with certification and total suppliers exposed to risks	69% (H&S) 55% (Env)	100%
9.1.3	Select, audit and evaluate critical suppliers through sustainability criteria performance	Ratio between the number of critical suppliers evaluated and audited and total number of critical suppliers	100% but criteria to be extended	100%



10.0 INCLUSIVE COMMUNITIES

2025 TARGETS



	GOAL	METRIC	BASELINE 2020	TARGET
10.1	INVEST IN COMMUNITIES ALIGNED WITH SDG:	Accumulated OPEX 2021-2025 ⁽¹⁾	13.1 M€	50 M€
10.1.1	...in social inclusiveness	Accumulated OPEX 2021-2025	8.4 M€⁽²⁾	15 M€
10.1.2	...in skills	Accumulated OPEX 2021-2025	1.9 M€	20 M€
10.1.3	...in energy inclusiveness	Accumulated OPEX 2021-2025	0.7 M€	5 M€
10.1.4	...in biodiversity	Accumulated OPEX 2021-2025	0.5 M€	5 M€
10.1.5	...in decarbonization	Accumulated OPEX 2021-2025	0.2 M€	5 M€
10.2	INVEST IN ACCESS TO ENERGY	A2E CAPEX, accumulated 2021-2025	4.6 M€⁽³⁾	20 M€

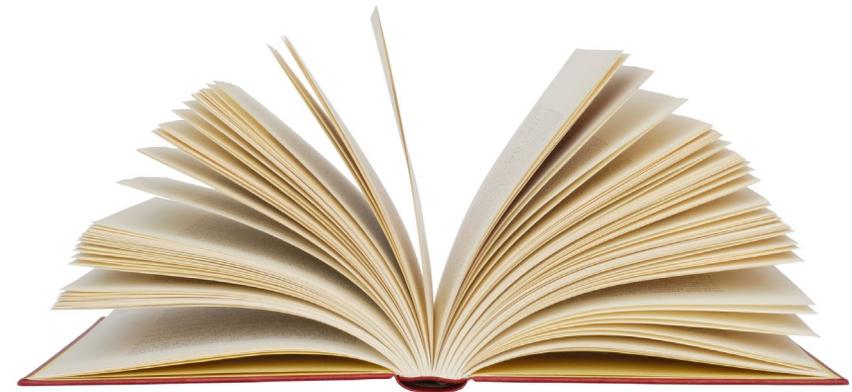
⁽¹⁾ Includes cultural heritage (1.4 M€), not detailed below; ⁽²⁾ 2020 baseline influenced by Covid; ⁽³⁾ Accumulated 2018-2020



GOALS AND TARGETS FOR 2025

To maintain a clear leadership in ESG performance, EDP's internal governance is being reinforced and best practices are achieved before 2025.

By the end of 2025, EDP has entered in new markets, opened to cultural diversity and new ways of working. During this period, a strong training on ethics has been on the top of EDP's agenda, working closely to internally strengthen EDP's corporate ethical culture. Compliance, as a core pillar of our governance structure, has been reinforced, with its robust management system aiming a continuous assessment of relevant risks and an integrated coordination of mechanisms in place to promote integrity and compliance practices worldwide.



GOVERNANCE TARGETS



11.0 ETHICAL BEHAVIOR

2025 TARGETS



	GOAL	METRIC	BASELINE 2020	TARGET
11.1	MAINTAIN EDP's RECOGNITION BY ETHISPHERE	External recognition as top 100 worldwide companies	✓	✓

12.0 ESG GOVERNANCE STRUCTURE

2025 TARGETS

	GOAL	METRIC	BASELINE 2020	TARGET
12.1	LEAD IN ESG PERFORMANCE	Top quartile in ESG rating performance	✓	✓