



Environmental Policy

1. Description and responsibilities

1.1 Commitments

Global Commitments

EDP recognizes the fundamental right to a clean healthy and sustainable environment, considering Environment protection as a strategic management element aimed at preventing air, water and soil pollution and reducing the impacts and dependencies of its activity on nature. To this end, the company undertakes the following set of commitments to guarantee the implementation and continual maintenance of robust and effective environmental management systems, establishing Sustainable Development as the overarching objective:

- ↘ Integrate environmental protection and the enhancement of natural capital into decision-making processes, at different stages of the asset life cycle activities, including planning, design, construction, operation, power reinforcement, and decommissioning;
- ↘ Identify, assess, and mitigate the environmental risks of its activities, seeking to maximise opportunities and extend this process to the supply chain, promoting the improvement of the environmental performance;
- ↘ Prevent pollution, particularly in response to emergencies in disaster and/or serious accidents situations, including those involving hazardous substances;
- ↘ Promote the continuous improvement of processes, practices, and environmental performance by setting goals and objectives to reduce environmental impacts and by encouraging research, development and innovation;
- ↘ Comply with applicable environmental legislation, as well as other voluntarily assumed obligations, anticipating the application of new legislation whenever possible;
- ↘ Consult key stakeholders, in particular, affected communities and indigenous people, and consider their relevant expectations in the implementation of this policy and in decision-making processes;
- ↘ Communicate performance regularly and transparently, ensuring balance, understanding and accessibility by stakeholders, particularly local and affected communities;
- ↘ Provide training to employees on the company's environmental impacts, dependencies, risks and opportunities. Empower and raise awareness for the improvement of individual and collective environmental performance, contributing to public clarification;
- ↘ Foster the improvement of environmental performance of the customer, through the offer of products and services with a smaller environmental footprint;

EDP integrates the commitments of this Policy into management decision-making and due diligence processes, including those related to mergers and acquisitions.

Based on the Group strategic priorities, EDP also assumes a set of **specific commitments**.

Climate Change

EDP commits to a decarbonization pathway aligned with the Paris Agreement and climate science, reducing the impacts of climate change through:

Mitigation, by:

- ↘ Increasing installed capacity and production from renewable energy sources;
- ↘ Reducing direct and indirect greenhouse gas emissions, in a decarbonization pathway aligned with recognized Net Zero power sector standards;
- ↘ Promoting the reduction of emission in the supply chain, ensuring alignment with the Group climate objectives;
- ↘ Providing low-carbon energy solutions, promoting the electrification of consumption;
- ↘ Improving energy efficiency in its own operations, enhancing the portfolio of energy-efficient products and services offered to customers, and enabling access to energy-efficiency solutions for vulnerable communities.

Adaptation, by:

- ↘ Assessing the level of exposure of its assets to physical climate risks, considering different time horizons and climate scenarios;
- ↘ Promoting the adaptation of its assets to climate change and increasing its resilience.

Circular Economy

For economic development decoupled from the intensive extraction of natural resources and promoting the regeneration of nature and its services, EDP commits to promoting the efficient use of natural resources, from a life cycle analysis perspective, in particular by:

- ↘ Minimizing the use of natural resources;
- ↘ Optimizing and efficiently manage its assets;
- ↘ Maximizing the valorisation of waste and its reintroduction into the economy.
- ↘ Promoting circularity in the selection and use of equipment;
- ↘ Developing products and services that promote the circular economy;
- ↘ Promoting the sustainable management of water resources, minimizing its consumption, with special attention to areas of water stress.

Biodiversity

In the framework of the Kunming-Montreal commitment, to preserve and protect nature and its essential services and halt the loss of biodiversity by 2030, EDP commits to contributes to:

- ↘ Reducing biodiversity loss, prioritizing the mitigation hierarchy, and seeking a positive balance in the long term;
- ↘ Deepening scientific knowledge, particularly through the establishment of partnerships.





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