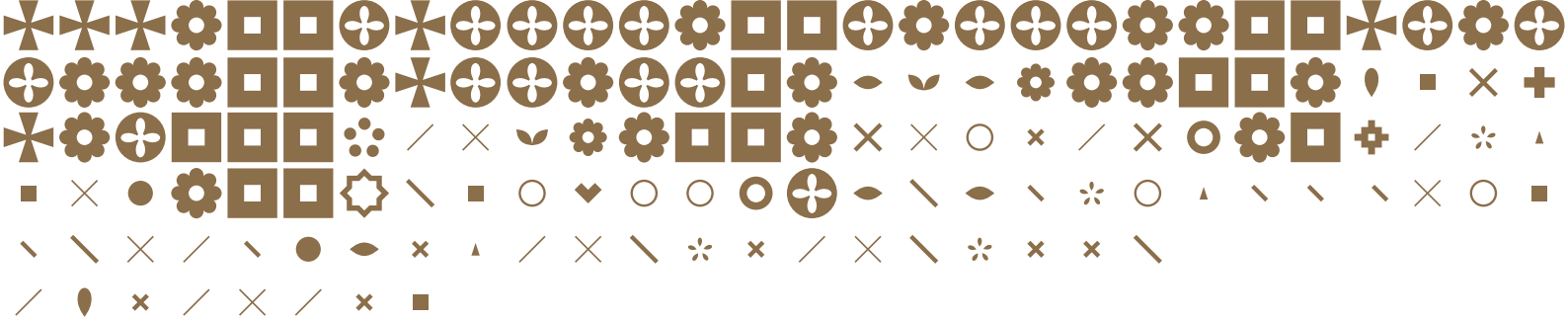




edp

ENERGY THAT MAKES A DIFFERENCE

SOCIAL REPORT 2014



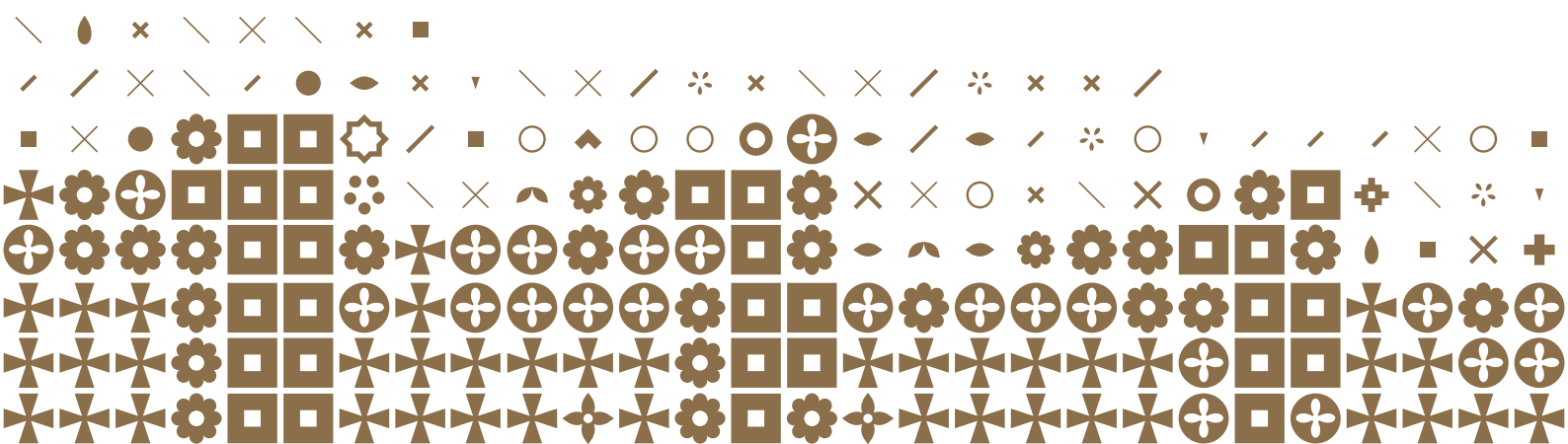
edp

ENERGY

THAT MAKES A DIFFERENCE

TRANSFORM, IMPROVE, MAKE THE WORLD MOVE...
THAT'S WHERE WE PUT ALL OF OUR ENERGY.
AN ENERGY THAT IS BUILT IN 14 COUNTRIES,
MADE OF PROXIMITY, OF COMMITMENT,
OF ENVOVEMENT AND RESPONSIBILITY.

**BUT ABOVE ALL,
AN ENERGY THAT MAKES A DIFFERENCE.**





AN ENERGY
THAT TRANSFORMS
THE ECONOMY

A commitment to an increase in
the use of hydroelectric power plants,
promoting the country's energy independence.





STATEMENT

For the seventh year running, the vision that we have of our business, the unique way in which we operate, our concern for excellent execution and our performance in developing our human resources have been acknowledged worldwide. We continued to be quoted in the Dow Jones Sustainability Index and we were considered the best in the Utilities Industry Group for the second year running.

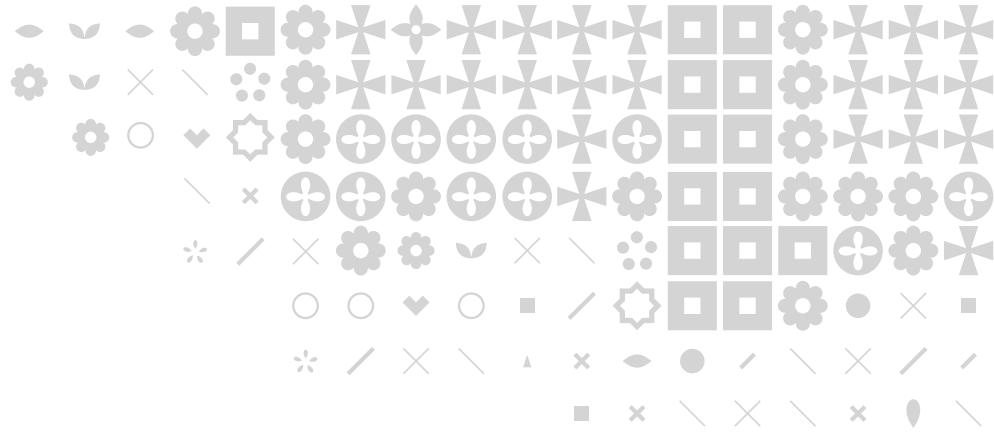
EDP is the largest Portuguese business group and operates in four of the six continents. We are great investors in infrastructure that provides an essential service to society. We accept, as corporate citizens, that we are proactive agents in the economic environmental and social development of the communities around us. We make an effort to interact with all our internal and external stakeholders with integrity, transparency and total respect for human dignity.

We have 11,798 employees of 28 different nationalities. We respect their diversity - gender, experience and nationality and are committed to the professional and personal progress of every one of them. EDP is fully aware that only their support, entrepreneurship and dedication make it possible to achieve its goals. The Group's success has reflected the resilience and alignment of all our teams.

2014 was an intense year in terms of labour relations. We successfully completed negotiation of the new collective labour agreement in Portugal, which covers the 6,700 or so employees at all companies owned 100% by EDP. We undertook a fair, transparent downsizing of employees in the Iberian Peninsula and Brazil, as part of the Group's generational renewal strategy.



ANTÓNIO PITA DE ABREU



The year's positive trend extended to training. There was an increase of almost 25% in the total number of hours of training. The average was 44 hours per employee (33% more than in 2013). We extended the activity of EDP University to new segments of the workforce, personnel without university degrees, and increased e-learning, which allows the trainees more flexible access at lower costs.

Occupational health and safety are essential values in the EDP Group. Efforts made in this area, which resulted in 14% fewer accidents than in 2013. Nonetheless, there were unfortunately eight fatal accidents involving external workers in 2014 (seven in Portugal and one in Brazil). The exceptional amount of major construction work (hydroelectric power stations) in which the Group was involved contributed to this.

Every year that goes by, we increase our target of excellence and never give up on our quest for more and better results. We want to keep improving all the time.

The results achieved have received internal and external recognition and spur us on in our determination.

ANTÓNIO PITA DE ABREU





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AN ENERGY THAT TRANSFORMS THE FUTURE

Engaged with the community
through its voluntary programmes
and initiatives that promote
social innovation.



02.

SOCIAL AGENTS AND ORGANISATIONAL STRUCTURE

EDP is a global energy company, a leader in innovation, sustainability and the creation of value. It fosters initiative in its employees, inspires confidence in its shareholders and stakeholders and aims to improve the quality life of present and future generations.

EDP operates on four continents and in 14 countries and occupies an important position in the global energy panorama. It has more than 11,000 employees of 28 nationalities, 9.6 million electricity customers and 1.3 million gas supply points all over the world



As the largest Portuguese industrial group, the largest investor in Portugal and the largest Portuguese investor abroad, EDP is fully aware of its role in society and its responsibility to its employees and stakeholders.

ORGANISATIONAL STRUCTURE

The dual model governance structure of EDP is composed of the General Meeting, Executive Board of Directors, General and Supervisory Board and the Statutory Auditor.

The separation of the management and supervision roles is embodied in the existence of an Executive Board of Directors, which is responsible for the management of the company's business, and a General and Supervisory Board, the highest supervisory body.

The dual model of corporate governance in place in EDP has allowed the effective separation of the company's supervision and management role in pursuit of the goals and interests of the company, its shareholders, employees and other stakeholders, thereby contributing to achieving the degree of trust and transparency necessary for its proper functioning and optimisation.

This model has also proved appropriate to the company's shareholder structure by allowing key shareholders to supervise its business activities in the General and Supervisory Board.

The shareholders elected the members of the General and Supervisory Board and the Executive Board of Directors at the General Meeting of 20 February 2012, for a three year period from 2012 to 2014.

The Statutory Auditor and alternate auditor and members of the other corporate bodies, including the Officers of the General Meeting, the Remuneration Committee of the General Meeting and the members of the Sustainability and Environment Board were elected at the Annual General Meeting held on 17 April 2012 also for a 3-year term of office, from 2012 to 2014.

The organisational structure of the holding company was designed in accordance with the Company's goals and strategy and therefore reflects its commitments to best practices in relations with investors and all stakeholders in the business.

As renewable energy is a characteristic of its actions and social and environmental responsibilities, EDP clearly focuses on them as paths to a healthier, more sustainable future for all.



BUSINESS STRUCTURE



IBERIA

Portugal

Spain

EDP RENOVÁVEIS

EDP BRASIL

ELETRICITY GENERATION

EDP Produção	HC Cogeneración	EDP Renováveis Portugal	EDP Renewables Espanha	Energest	Porto do Pecém*
—	—	—	—	—	—
EDP Produção Bioeléctrica*	Bioastur	EDP Renewables France	EDP Renewables Belgium	Lajeado Energia	CEJA (Iari)*
—	—	—	—	—	—
—	HC Energía	EDP Renewables Polska	EDP Renewables Romania	Enerpeixe	Cachoeira Caldeirão*
—	—	—	—	—	—
—	—	EDP Renewables North America	EDP Renewables Canada	São Manoel*	—
—	—	—	—	—	—
—	—	EDP Renewables Italia	EDP Renováveis Brasil	—	—
—	—	EDPR UK	—	—	—

ELETRICITY AND GAS DISTRIBUTION

EDP Distribuição	HC Distribución		Bandeirante	Escelsa
—	—			
EDP Gás Distribuição	Naturgas Distribución			

ELETRICITY AND GAS SUPPLY AND TRADING

EDP Serviço Universal	HC Energía		EDP Comercializadora	EDP Grid
—	—			
EDP Comercial	CIDE HC Energia*			
—	—			
EDP Gás Serviço Universal	NE Comercializ.			
—	—			
EDP Gás.Com	HC Gas			

* Equity Consolidated Method

GOVERNANCE MODEL AND LABOUR PRACTICES

The governance model, which aims to implement the human resources strategy established to respond to emerging business needs, is based on a common, across-the-board platform of the main human resource processes and policies of the different companies in the different countries.

In line with the rules set for all the corporate areas, the Corporate Centre plays a structural role in defining and monitoring implementation of strategies, policies and goals. Coordination mechanisms have been devised to enable its to fulfil its role, based on three principles:

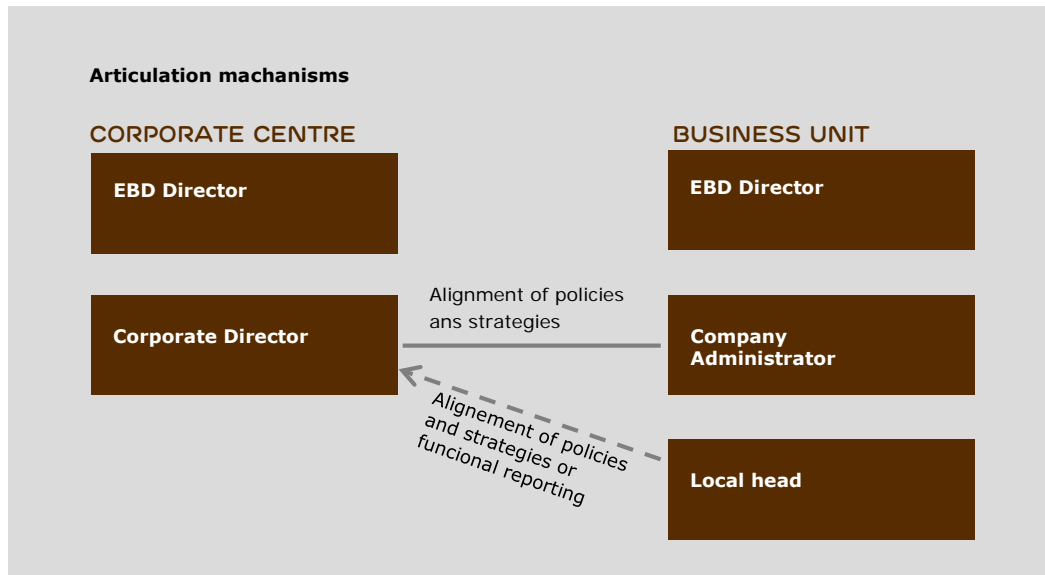
- ⊕ Corporate departments and offices are in charge of their areas of expertise, in accordance with their mission and responsibilities:
 - ⊕ The companies' board of directors and local organisational units (if any) with corporate functions articulate with the Corporate Centre in order to align local policies and strategies with those the EDP Group.
 - ⊕ Articulation between the Corporate Centre and regulated companies - EDP Distribuição, EDP Serviço Universal, EDP Gás (Portgas) and regulated areas of HC Energia, EDP Renováveis and EDP Brasil – is done in strict compliance with the specific rules of competition and the energy sectors. These rules require impartiality, equality and independence in decisions and management of these companies. It is in EDP's interest to conjugate regulatory obligations with more efficient and effective management, by taking advantage of the company's corporate resources and know-how, thereby maximising the interests and results for the energy sector and for the Group .

There are three corporate areas that take coordinated action to define HR strategies, policies and procedures. They decentralise their operations by business unit (company) and, where smaller companies are concerned, by team. They are:

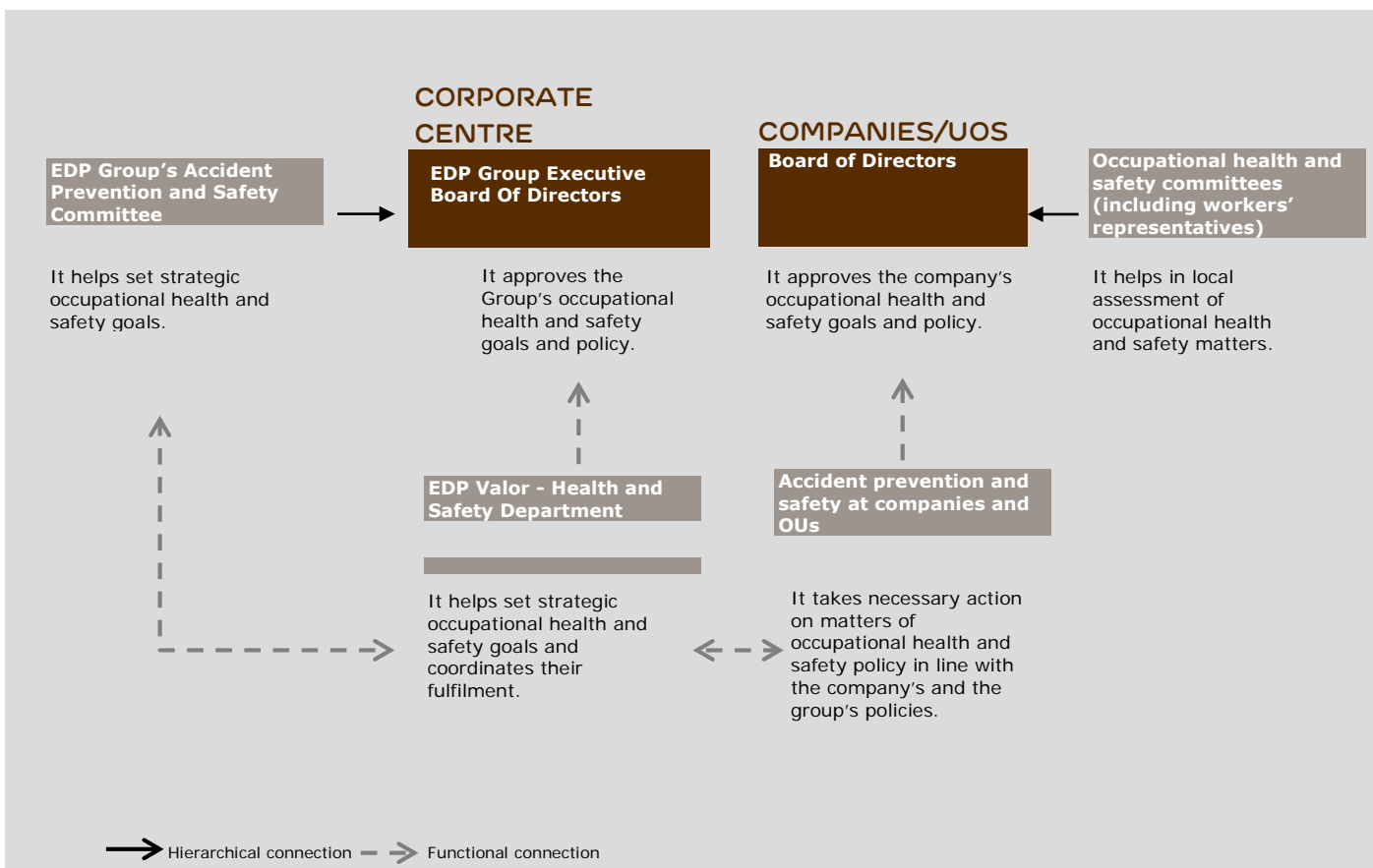
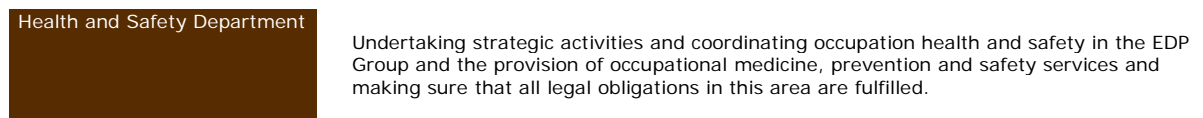
Direção de Recursos Humanos Corporativa	Proposing and overseeing across-the-board HR strategy, policies and processes for the entire EDP Group in order to foster the ongoing development and progress of all employees, alignment with the corporate values and culture and a contribution to the business's sustainability.
Universidade EDP	Ensuring the provision, retention and sharing of knowledge within the Group, with the aim of strengthening a common culture, promoting employees' professional development and facilitating the emergence of new talent and the full use of their abilities.
Gabinete para a Coordenação das Relações Laborais	Managing labour relations and coordinating studies of labour regulations in Portugal, with the aim of achieving negotiated solutions in line with business objectives and ensuring internal rules are in harmony with labour law.

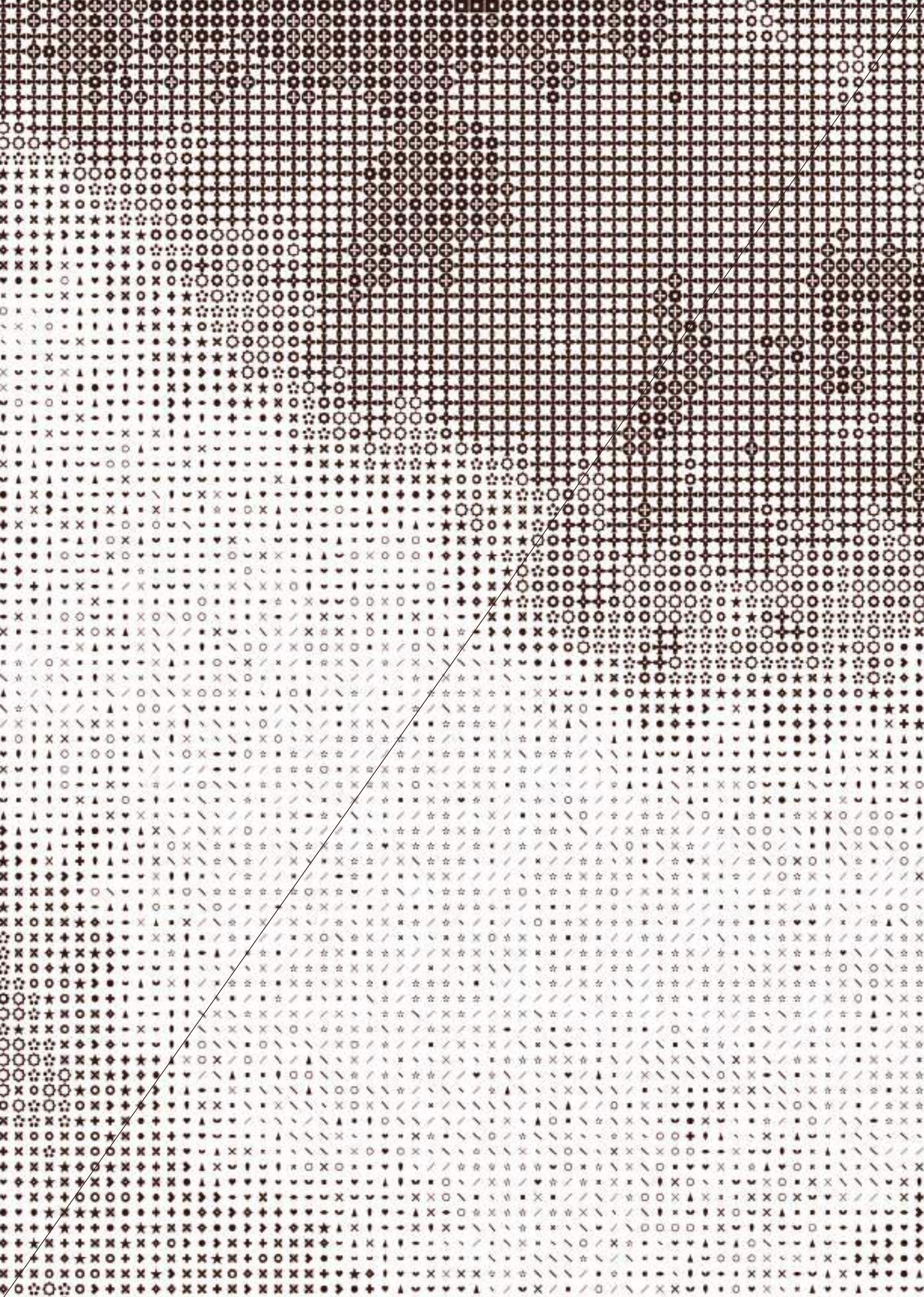


The articulation of all those involved is based on a reporting model that establishes interactions and degrees of activity depending on the structures involved.



The Health and Safety Department belongs to the Group's shared services company and implements its relational model as follows:





03.

SIGNIFICANT EVENTS



JANUARY

EDP Comercial receives Gatswift Procurement Award:

EDP Comercial, through the State and SME business unit, was one of the winning companies of the first ever Gatswift Procurement Awards. The awards focus on the best suppliers that follow the best electronic public procurement practices on public procurement platforms.

Signing of Grupo HC agreement in Spain

The new comprehensive Grupo HC agreement was signed by three of the four trade unions present at the negotiating table (SOMA, FIAG, UGT and CCOO), which represent around 80% of the workers. This new agreement will last for five years (1/01/2013 to 31/12/2017).

EDP renews corporate television

EDP has reintroduced its corporate revision with new graphics and programmes. The restructuring of edpOn TV marks the sixth anniversary of the Group's in-house TV. This renewal will help EDP to consolidate its strategy of providing more up-to-date information representing its 12,000 or so employees and 13 markets in which it operates.

EDP is world leader of Sustainability in Utilities

Since 2007, EDP has been a member of the RobecoSAM Sustainability Yearbook and since 2009 it has belonged to the Gold Class as one of the world leaders.

It is also a leader of Electricity utilities.

FEBRUARY

Launch of 4th Valuing Experience Programme

A programme for workers with over 30 years of experience. Around 142 employees

participated in the programme.

EDP in first place in the Industry and Energy sector in the Excellence at Work Award

The Heidrick & Struggles workplace Excellence Award is a study of organisational climate and human capital development which analyses the state of the art of human resource practices in Portugal and rewards the entities that invest most and have the greatest focus on this area.

MARCH

End of first Lead Now Programme

This programme was for new supervisors and involved 34 employees in Portugal in 2014.

EDPR in first place in the Great Place to Work study in Poland and in the Top 50 in Spain and the UK, the small company category.

EDP obtains Top Employer certification. Top Employer certification is awarded only to the best employers in the world, i.e. organisations offer the best career prospects.



APRIL

Start of second Lead Now Programme

The Lead Now Programme began again for new 50 supervisors. The first programme has now involved 84 supervisors since it began.

New forms of work

Start of the eCloud project that provides new technological platforms to foster new forms of working for employees

EDP is again one of the world's most ethical energy companies. The Ethisphere Institute voted EDP as one of the world's seven most ethical companies in the electricity sector. The Group is in international rankings of The World's Most Ethical Companies for the third year running.



Social Inclusion through Football Project
Associação Atlética Atenas Instituto EDP, Brazil, in partnership with Associação Atlética Atenas, started the Social Inclusion through Football Project.



MAY

End of first EDP Trainee Programme

The first edition of this programme was a success. Outside the company, its unique nature gained the recognition of the market, and inside, 100% of the trainees were admitted to different EDP Group companies.

Global Management Challenge 2014

EDP sponsored 21 teams of university students and employees in this game that simulates a business context and helps develop management skills. There were eight teams from Instituto Superior Técnico and four mixed teams (EDP employees and students from key universities).

Find out more about ... CEMS Business Projects

EDP opened its doors to students in the CEMS Master in International Management Programme at the Nova School of Business and Economics. They presented the results of the three business projects undertaken at EDP in a Find out more about ... session. The projects were oriented by employees in the Risk Management, Energy Planning and Technology and Innovation Departments at EDP Distribuição.

EDP joins the United Nations in a project in Mozambique

EDP conducted preliminary studies for a pilot project to electrify a rural community in Mozambique that currently has no medium or long-term access to electricity.



JUNE

National Final EDP PowerTrade Universities 2014

For the first time in this competition was won by two teams - Why Not Energy and E-M-Energia Mecânica. They won vocational traineeships at EDP and did business cases at EDP Inovação and EDP Comercial. Work placements were also awarded to other participants whose performance stood out.

FabLab Challenge National Final 2014

The finalists in this competition for students at technical and vocational courses at key schools participated in a technology fair where they presented prototypes from their cleantech and energy efficiency projects undertaken at the EDP FabLab.

Start of the 365 Customer Initiative training programme

This training was designed to give all employees a view of the customer and prepare them to answer questions about the supply of energy. In over 240 sessions, EDP employees learnt about the free energy market and were asked to answer customers' queries. Around 19,600 hours of training were provided in this project.

EDP signs agreement with Instituto Camões

EDP signed an agreement with Instituto Camões to generalise access to sustainable energy in Portuguese-speaking countries. The partnership will try to find sustainable energy solutions at affordable prices for disadvantaged people and residents in remote areas with no grid connection. EDP will allocate human, technical and financial resources needed to structure and implement projects chosen by the parties and approved by the authorities of the beneficiary countries.

NOVEMBER

Presentation of the results of the first study of perception of career barriers and gender diversity and

Recognition: Approval of the new recognition regulations in the EDP Group

EDP considered to have the best customer care in Spain

Asociación Española de Expertos en la Relación con Clientes gave a CCC (Customer Care Centre) double gold award to EDP. Twenty-one companies from the seven main Spanish business sectors: energy and utilities, banking, financial services, tourism, logistics and transport, e-commerce and premium services competed for this award.

Electricity Museum - Seven Billion Others

The Seven Billion Others exhibition was at the Electricity Museum from November 2014 to February 2015. It had 11,387 visitors. Visitors discovered how much of life is made up of diversity and how important it is to preserve our finite energy resources under strong environmental pressure. The exhibition was designed to paint a sensitive portrait of humanity by showing what gives us life and what moves us.

Renewal of EFR certification

This certificate is in recognition of in-house measures among all employees under the slogan, "Happier people are more productive employees and socially sustainable companies are more competitive" and proves that EDP fosters conciliation and equality.

DECEMBER

EDP intranet considered The Best in Europe in the European Excellence Awards 2014.

On the shortlist with EDP were ABB, Asea Brown Boveri, McDonald's Europe, Orange and Union Investment. The edpOn intranet has made in-house communication at EDP even more global to reflect the Group's international spirit.

The edpON Intranet was introduced in February 2013 and is the gateway to the EDP digital world for over 12,000 employees. The key points of its success are that it brings people closer together, fosters internal networking and the sharing of information and conveys the cEDP Group's common culture, while respecting the specificities of each company and country.



KEY PERFORMANCE INDICATORS

		2014	2013	2012	
SOCIAL INDICATORS (a)					
		unit			
EMPLOYMENT					
Employees	#	11.798	12.171	12.275	12.168
Female employees	%	23	23	22	22
Overall satisfaction rate		80*	80	n.a.	81
Turnover rate	%	6	6	6	6
Employees' average age	years	46	46	46	46
Average years of services of leavers	years	24	23	20	17
Absentee rate	%	3	3	3	3
Personnel costs	€'000	581.512	583.231	582.197	573.642
Social benefits	€'000	54.512	55.285	89.340	61.258
TRAINING					
Total training hours	hours	516.659	410.734	503.272	477.091
Average amount of training per employee	h/p	44	34	41	39
Employees with training	%	95	86	88	80
Total training costs	€'000	9.687	7.930	10.354	8.026
Productivity	€/h	236	220	221	230
LABOUR RELATIONS					
Collective labour agreements	%	92	82	83	84
Trade union membership	%	48	38	51	53
Trade unions	#	29	37	36	39
PREVENTION AND SAFETY					
OSHAS 18 001 (installed capacity)	%	97	73	72	58
On-duty accidents	#	33	42	38	46
Fatal on-duty accidents	#	0	4	5	2
EDP frequency rate		2	2	2	2
EDP severity rate		119	128	109	180
Total days lost due to accidents	#	2.496	2.725	109	180
Fatal accidents with ESPs	#	8	8	13	4
Days of work ESPs	#	4.841.880	5.632.310	5.230.811	4.444.208
EDP and ESP frequency rate		3,71	4,01	4,17	4,65
COMMUNITY					
Social investment	€m	26	27	17	21

*The overall satisfaction rate is the result of a brief study of the climate conducted on a sample of 50% of employees.

Over the years, EDP has maintained its reputation as a key company in terms of citizenship and sustainability. It has continued its pursuit of ongoing improvement based on principles of business ethics and responsible management indicators.

The excellent performance and strategy defined and implemented in the EDP Group were internationally recognised in 2014. It has held on to its world leadership in the Dow Jones Sustainability World Index (DJSI World) and Dow Jones Sustainability Europe Index (DJSI Europe)

Once again EDP's cross-the-board consolidation of good practices was proven in its businesses in all countries from different perspectives of sustainability: Economic, environmental, social and corporate governance

But EDP's success would not be possible without the energy of all the people who put on the company jersey

every day and give their best. EDP is fully aware of this and is committed to building and maintaining a dynamic, diverse environment that fosters teamwork and personal and professional growth. Exciting our employees about the future and ensuring that they excite the world around them have always been our goals, with safety always as a priority.

The downward trend in the number of Group employees that began in 2012 continued, though the change was very small from 12,171 in 2013 to 11,798 in 2014. This decrease was centred in the Iberian Peninsula and Brazil, and numbers in other countries rose slightly.

Diversity is one of the EDP Group's commitments and has been growing. It will be one of our priorities for 2015 and 2016. At the end of the year, 23% of the workforce were women and 77% men. The rejuvenation rate of the workforce remained the same as in 2013. The average age of employees was 46 and years of service 19.

Training was one of the indicators that grew most substantially. The total number of hours of training rose by over 25% to 44 hours per employee at the end of the year. These figures can be explained by an increase in technical courses at EDP University and also the creation of e-learning contents.

Employee safety is a priority and the fact that accident rates went down against 2013 was a source of satisfaction for EDP: Unfortunately, there were a number of fatalities with service providers, but our goal is firm and clear: 0 accidents

Social investment in the form of patronage, charity campaigns and contributions to the community fell from 27 million in 2013 to 26 in 2014.





04.

PRIORITIES AND COMMITMENTS

1. OVERALL COMMITMENTS

Commitments to customers

*We put ourselves in our customers' shoes whenever we make a decision.
We listen to our customers and respond in a simple and transparent manner.
We surprise our customers by anticipating their needs.*

Commitments to people

*We combine ethical conduct and professional integrity with enthusiasm and initiative and focus on teamwork.
We foster merit and the development of skills.
We believe that a work-life balance is essential to our success.*

Commitments to sustainability

*We shoulder the social and environmental responsibilities of our operations and contribute to the development of the regions in which we work.
We sustainably reduce greenhouse gas emissions from the energy that we generate.
We actively promote energy efficiency.*

Commitments to profit

*We abide by the commitments that we make to our shareholders.
We lead through our ability to anticipate and act.
We demand excellence in everything that we do..*

2. COMMITMENTS TO EMPLOYEES

We combine ethical conduct and professional integrity with enthusiasm and initiative and focus on teamwork. We foster merit and the development of skills. We believe that a work-life balance is essential to our success.

SPECIFIC AREA	DESCRIPTION	APPRAISAL
Safety	Ensure excellent safety conditions for workers and service providers.	<ul style="list-style-type: none"> - Maintain OHSAS 18001 certification for the corporate safety management system and maintain or extend the percentage of each company's own certification - Obtain 100% OHSAS 18001 certification: 2007 in critical group activities in 2020.
Personal wellbeing and fulfilment	Help to improve employees and encourage a balance between each one's different life plans	<ul style="list-style-type: none"> - Satisfaction indicator \geq 80%
Development	Invest in development of core skills in different Group activities	<ul style="list-style-type: none"> - Extend EDP University activities to all Group segments and countries by 2017 - Provide a minimum of 35 hours' training per employee
Diversity	Continue to increase diversity in the Group	<ul style="list-style-type: none"> - Achieve a diversity mix in which women account for 27% of employees by 2020 - Increase the percentage of women in management positions - Achieve 2% of the workforce with disabilities
Satisfaction, retention and productivity Integrity and good governance	Implement processes and policies to ensure that company employees have high degrees of satisfaction, retention and productivity Reinforce ethics as a fundamental pillar of the Group's culture and employees' conduct	<ul style="list-style-type: none"> - Satisfaction indicator \geq 80% - Turnover rate < market average - productivity indicators > sector average - Maintain recognition as one of the world's most ethical companies by the Ethisphere Institute in 2017 - Exceed 80 points in the Corporate Ethics Index in 2020

3. SOCIAL COMMITMENTS

EDP has been shaping its lifelong commitment to citizenship via real involvement with communities based on a proactive ongoing social, cultural and human policy that fosters social wellbeing.

In 2014 a number of actions strengthened the Group's commitments, most of which will continue in 2015 and 2016.

For example:

DENTISTS FOR GOOD - GROUP FOR GOOD PORTUGAL, BRAZIL AND LATIN AMERICA

This project provides free dental treatment to disadvantaged young people aged 11 to 17. There is a network of voluntary dentists who them in their surgeries and provide dental monitoring up to the age of 18.

In 2014, there were **15,255 volunteer dentists in the network** - 550 in Portugal, 13,771 in Brazil and 934 in the rest of Latin America. A total of **50,450 young people** benefited - 1,695 in Portugal, 46,802 in Brazil and 1,953 in the rest of Latin America.

EDP SOLIDÁRIA [EDP SOLIDARITY]

In 2014, this programme had a maximum budget of €1,500,000 and helped **more than 75 organisations** by supporting projects that mitigated priority social situations, improved disadvantaged people's quality of life, integrated communities at risk of social exclusion and promoted social entrepreneurship in sustainable projects.

ARTISTIC VILLAGES - ECOGERMINAR

With the support of Fundação Calouste Gulbenkian, this project sponsored the cultural and social development of villages in 2014. It improved their intangible and cultural heritage in meetings, training workshops, participative assemblies, celebrations and exhibitions to keep the relationship with local traditions, memories and festivities alive.

STUDY GRANTS

The aim of the [“Viva nuestra Energia” programme](#) is to teach primary and lower secondary school students about the different ways of obtaining and generating electricity and the difference between renewable and non-renewable sources. In 2014 it reached out to 62,086 children aged six to nine.

“DAM ART AND ARCHITECTURE TOUR” PROGRAMME

This EDP programme ensures the survival of the marks left on Portuguese dams in the 1950s and 60s (the Golden Age). The plan by architect Siza Vieira at the Baixo Sabor Hydroelectric Plant was completed in 2014.

MUSEUM PROGRAMME FOR THE VALE DO TUA INTERPRETATION CENTRE

The Museum Programme for the Vale do Tua Interpretation Centre was undertaken in 2014 to establish a link between the River Tua’s valley and mouth, the dam and local inhabitants.

Following the increases in power in the Cávado basin (completed), Venda Nova III and Salamonde II (ongoing), EDP committed to contributing to the following projects in 2014:

- 🏠 Entrepreneurship Programme in Montalegre and Vieira do Minho (CoEmprende), around 100,000 euros
- 🏠 Landscaping of Largo da Vila, Ruivães (Vieira do Minho) with a co-payment of around 132,500 euros

ART AND TECHNOLOGY CENTRE

Building work began on the Fundação EDP Art and Technology Centre in 2014. It should be completed in 2016. It will be a new cultural venue at the level of major European cities it will boast a contemporary international programme.

It will have exhibition rooms, an education service, art reserves, an auditorium and areas for artistic residences.

Details of Personnel Management Priorities 2015/2016 are at the end of the chapter PEOPLE from page 69.

4. COMMITMENTS TO OUTSIDE ENTITIES

Stakeholder management is an exercise of sharing and transparency in our relationship with society in particular, with the entities they impact on or are impacted by our activities.

Stakeholder engagement is a strategic priority in keeping up an open, transparent dialogue with everyone with whom EDP has contact. Our main priorities in relations with outside entities are to build and strengthen relationships of trust, share relevant information, anticipate challenges and identify new opportunities for cooperation with stakeholders.

Our goal is clear: to improve performance and create value for stakeholders in every country, strengthen trust and anticipate and manage risks to stakeholders.

STAKE IN EXCELLENT PERFORMANCE

In 2012 EDP drew up a new strategy for stakeholder engagement in order to achieve excellent performance. it involved the following:

2012

- ✚ Formation of the Institutional and Stakeholder Engagement Department (DRIS) to coordinate with the different business units and departments at the corporate centre to improve the effectiveness of strategic relations with different Group stakeholders
- ✚ Formation of the Stakeholder Committee which includes representatives of the Executive Board of Directors, business units and corporate centre departments, to define and validate engagement strategy

2013

- ✚ Approval of stakeholder segmentation model, which divided them into four essential groups: Market, Value Chain, Social and Territorial Environment and Democracy
- ✚ Drafting and in-house and external circulation of the EDP Group's stakeholder engagement policy, which defines commitments and guiding principles of the company's relationship with stakeholders
- ✚ EDP's first stakeholders report in Portugal, which sets out the business units' vision on their relationship with stakeholders, stakeholders' vision of their relationship with EDP and opportunities and areas for improving the relationship

The new DRIS has reinforced EDP's concern for establishing formal, permanent channels for the most important stakeholders allowing us to listen to them and meet their expectations.

EDP's stakeholder engagement strategy also has a strong in-house component. It involves the systematisation of the perception of EDP Group business units' perception of which stakeholders are critical, what the critical issues and communication channels are in the relationship and the risks identified.

It is precisely this comparison between the internal vision of the company's relationship with its stakeholders and the result of permanent dialogue (in meetings, talks with the company's macrostructure, formal channels, surveys, face-to-face chats, partnerships and other interactions) that identifies the most important issues for the different segments of EDP stakeholders. This enables EDP to develop specific responses to anticipate critical issues and start preparing for tomorrow today.

YEAR OF STEPPING UP RELATIONSHIP POLICY

2014 was marked by the strengthening of the EDP Group's stakeholder engagement policy and by the start of alignment of stakeholder management methodologies in its different countries of the Group. This included the following:

- ✚ Inclusion in the company's management of stakeholders' expectations and implementation of new responses to issues that have been identified as relevant to the relationship.
- ✚ Start of this alignment of stakeholder management methodologies in the different countries, especially EDP España and EDP Brasil, in order to manage the risk of local operations and identify global opportunities.
- ✚ Development for the second year running of an in-depth process for listening to important external stakeholders. When designing this process and given that it would be impossible to invite all EDP stakeholders at once, the DRIS decided to focus on the following: charities, local authorities, universities, MPs, MEPs, consumer associations, business associations, suppliers and opinion makers.
- ✚ The EDP Stakeholder Report came out for the first time in 2014. In addition to reporting on relations in Portugal, it also gave an internal view of EDP Brasil and EDP España business units.

EXAMPLES OF RESPONSES TO STAKEHOLDERS' EXPECTATIONS EXPRESSED TO EDP IN 2014

HIGHER EDUCATION

- ✚ EDP initiatives with universities providing information about the company and the energy sector
- ✚ Visits to EDP projects
- ✚ Creation of an internal, across-the-board group for EDP's strategic relationship with higher education institutions.

LOCAL GOVERNMENT

- ✚ Energy Management Seminar, organized by EDP Comercial, to discuss the opportunities and challenges arising from the liberalisation of the sector;
- ✚ Installation of new technologies and provision of new consumption management resources by EDP Distribuição to promote energy efficiency and reduce costs to municipalities;
- ✚ Visits to EDP projects.

CONSUMER ASSOCIATIONS

- ✚ Regular meetings with consumer associations to address issues such as the liberalised market, complaints, fraud and electric mobility.

PARLIAMENT

- ✚ Regular meetings between EDP and members of the parliamentary economy and environment committees.

GOALS FOR 2015

The EDP Group's priorities for its relationship alignment strategy in 2015 include ongoing alignment of methods in all countries and EDP projects, responses to critical issues identified in 2014, systematisation and circulation of the Group's stakeholder management methods and the circulation of the first public version of the Stakeholder Report.



05.

CORPORATE ETHICS

PERFORMANCE IN ETHICS

TRAINING AND CIRCULATION OF CODE OF ETHICS

The new EDP Code of Ethics was disseminated and adapted in all countries where the Group operates in 2014.

As a result of joint reflection, the current publication is now common to the entire group, the only differences being details to strengthen or adapt the content to the local context in each country.

The code was signed by the CEBD and emailed to all employees. In Portugal and Brazil it was also distributed as a pull-out in ON magazine, which is sent to employees' homes, allowing them to tell their families about the code. The code in the magazine also reached a long list of other stakeholders, including suppliers.

The publication of the new Code of Ethics throughout the Group was a pretext for the design and development of an ambitious, innovative training programme in ethics, with an e-learning component that is identical for all business units and all job levels for the first time.

The training lasted around three hours and addressed subjects such as the importance of business ethics, how ethics and the values are managed at EDP and the risk of unethical practices.

The training lasted until the end of 2014 and its attendance rate was 78%. Most of the trainees gave the course a positive score (>80% good, very good or excellent) and stressed that it was a very important, useful subject at a professional and personal level and contributed to the EDP Group's work.

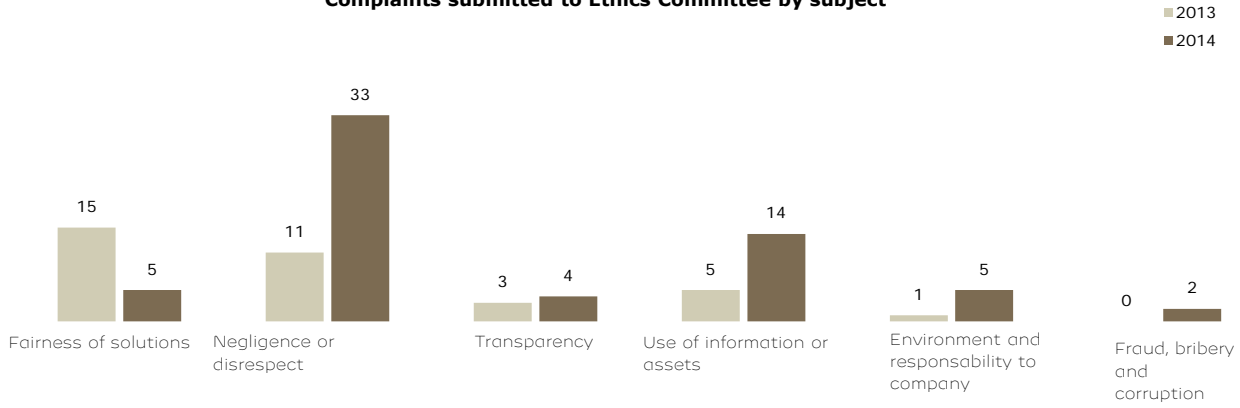
Some of the most positive aspects highlighted by the employees was the e-learning method used and the utility, relevance and topicality of the content and practical and real cases. 97% of them would recommend the course to another employee.



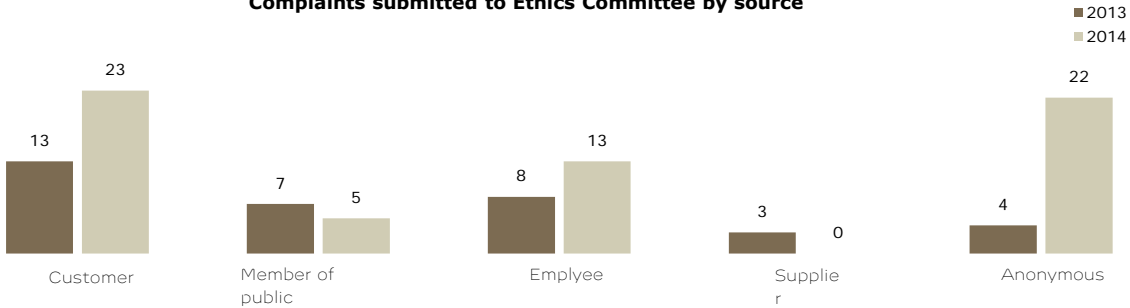
COMPLAINTS

Of the 220 complaints registered only 63 gave rise to new processes submitted to EDP's Ethics Committee, according to standardised processes, with the remainder having undergone summary processing in the business units involved, as they did not involve ethics issues (simplified processes).

Complaints submitted to Ethics Committee by subject

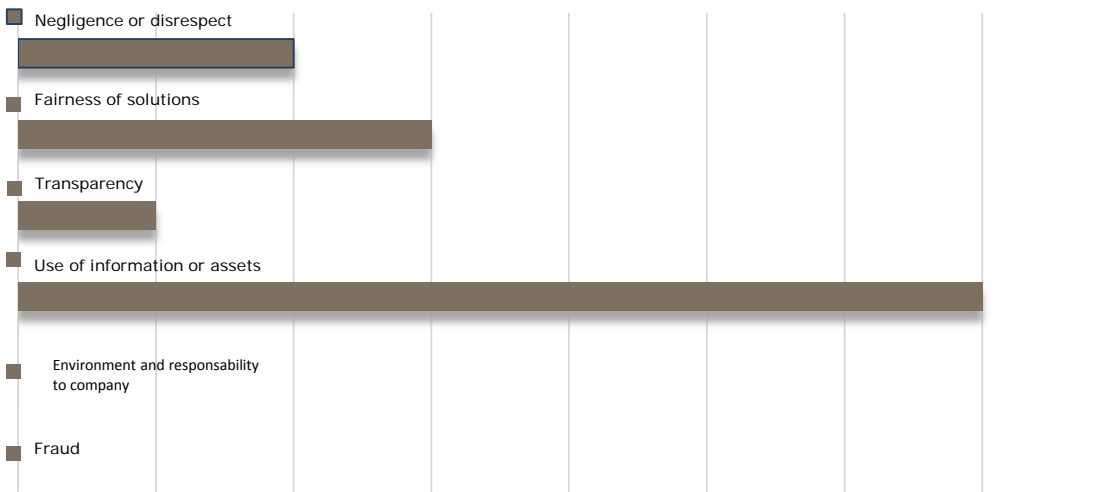


Complaints submitted to Ethics Committee by source



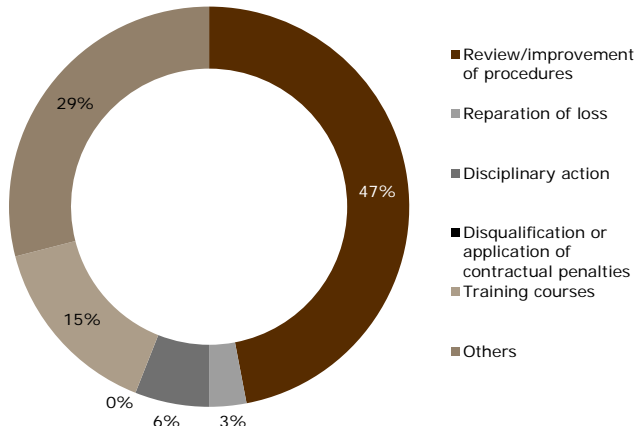
When analysed by subject matter, we found that complaints submitted by employees were mostly related to use of information or assets and fairness of solutions.

Complaints submitted by employees to Ethics, by subject



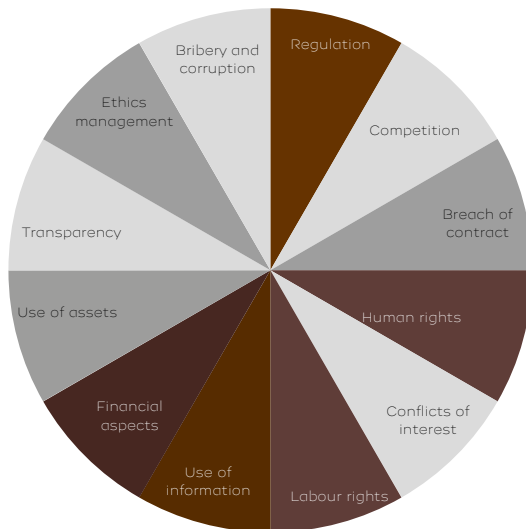
As in 2013, the initiatives defined by the Ethics Committee were mostly sent for review and improvement of procedures and training or qualification of employees or suppliers. The significant number (29%) of initiatives classified as "others" included: performance monitoring of processes, assessment of the effectiveness of initiatives, reporting to criminal investigation authorities, etc.

Action taken by Ethics Committee



ASSESSMENT DO ETHICS RISK

Ethical risk categories



The ethical risk analysis project started. This project, supported by a working group involving five organisational units, is still ongoing and aims to create a common ethical risk assessment tool for the EDP Group.

Assessments of the ethical risk will serve as a starting point for classroom training of employees in 2015.

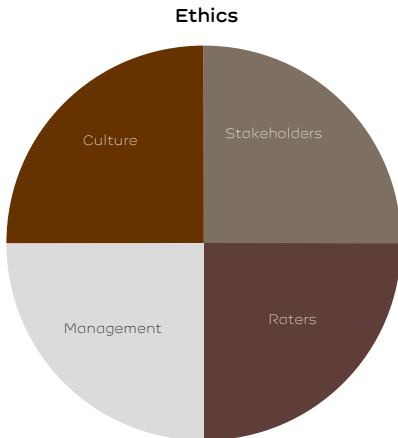
ASSESSMENT AND REPORTING OF ETHICAL PERFORMANCE

EDP has monitored and assessed its ethical performance since 2013 in the Ethisis Index since 2013. Its score in 2014 was around three points above the year before.

This score was achieved in spite of an increase in the size of the sample of suppliers surveyed from 100 to 1,000 and the fact that other questions were added, allowing us to identify new opportunities for improving performance.



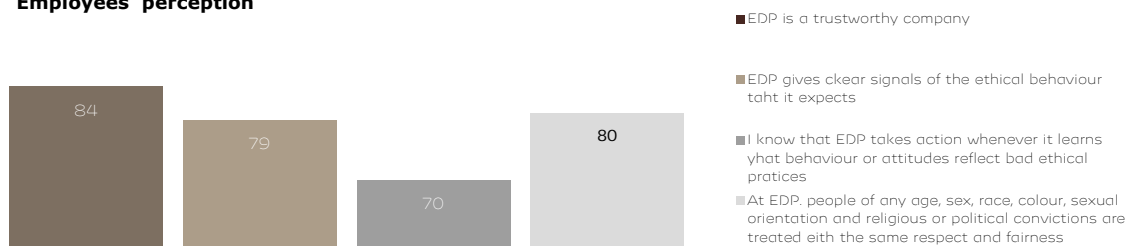
The sections on risk, experience and reputation, which were under construction in 2013, were now strengthened by more indicators. This substantially increased our confidence in our ethical performance management index and consequently its value as a management tool.



The Ethisis index consists of four dimensions and employees contribute to three of them: stakeholders, management and culture.

In the stakeholder perception dimension, some questions have been included to diagnose the climate and assess aspects such as employees' confidence in the company.

Employees' perception



Source: EDP, GPE, based on the 2013 employee satisfaction survey, DRH



In addition to in-house assessment, our ethical performance is also subject to external evaluation. In 2014 EDP was again recognised by Ethisphere (for the 3rd year running) as a company with one of the best ethical management performances. EDP improved its overall score by 4.4 points against 2013, maintaining its above average positioning in the rankings of the **World's Most Ethical Companies**.

An assessment by Score Brand raised EDP's score for its corporate image of ethical performance in the sector by 7.3 points.

Just like last year, EDP has published its Annual Ethics Ombudsman Report, which details the year's initiatives. It is available at www.edp.pt > > edp > corporate governance > ethics

HUMAN RIGHTS

The EDP Group decisions in terms of human rights are based on the principles of Sustainable Development and the Code of Ethics, which constitutes the essence of the EDP Group's policy of human rights good and labour practices.

Following the identification and assessment of ethical risks, EDP prepared a human rights monitoring programme for 2015. It is designed to assess in-house practices based on the guiding principles on business and human rights of the United Nations Human Rights Council – the Ruggie Framework.

The channel for complaints, reports and queries to the EDP Group Ethics Ombudsman is the best for issues related to labour and human rights issues. It is also available and accessible for labour and human rights issues related to the supplier chain. Compliance with the prohibition of use of illegal workers and or child labour is not only set out in contracts and an explicit requirement in qualifying suppliers, it can be checked by inspectors at operational level.

CORRUPTION

EDP has developed mechanisms, such as the Code of Ethics at EDP Distribuição, the SCIRF (the information and financial reporting control system) and identification of ethical risks by the Ethics Ombudsman, to guarantee compliance with the law and ethics related to the prevention of internal bribery and corruption (employees and supervisors) and in the supplier chain.

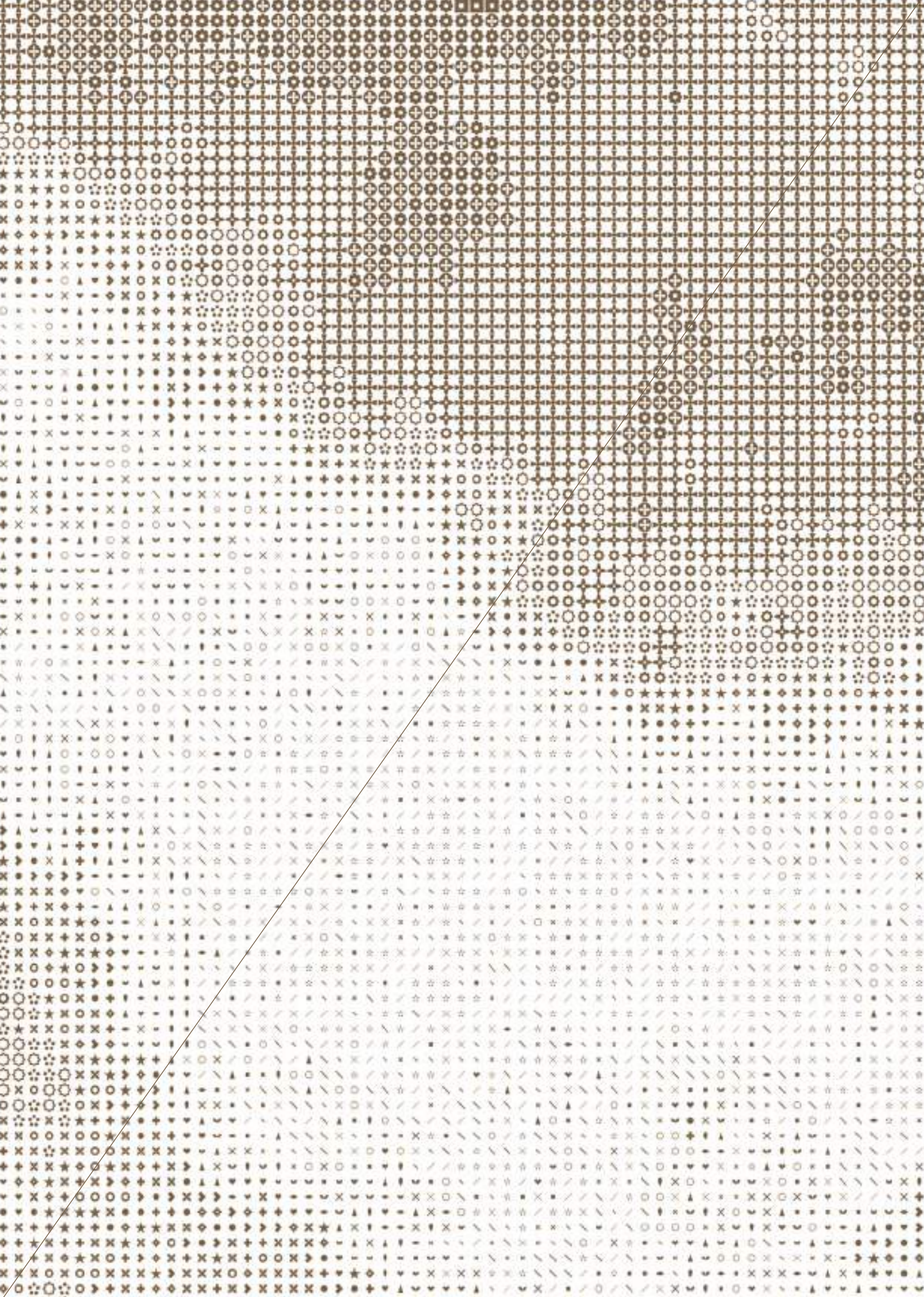
EDP also participates in initiatives for the study, identification and prevention of corruption risks and to improve transparency. For example, Projeto Gestão Transparente.org (www.gestaotransparente.org) provides a free online tool and a consistent collection of Portuguese and international legislation, information and good practices to companies, individuals and organisations.

Specifically, EDP maintains standards of transparency and prevention of corruption that are passed on to employees in pertinent positions. We also carry out periodic assessments of the risks of bad practices, including bribery and corruption and periodic assessments and comparative analyses of procedures for preventing corruption. The EDP Group forbids bribery as a policy rule, as shown in our Code of Ethics.

Training is provided to employees in high-risk areas on identifying *red flags* and taking appropriate action, including financial matters, accounting, procurements and sales and involving employees who have dealings with authorities and regulators.

Particularly when it comes to our chain of suppliers, agents, intermediaries and distributors, EDP includes in their contracts explicit provisions on ethical standards and compliance with laws on bribery and corruption.

In accordance with our Code of Ethics, EDP's complaint channels (phone, email and post to the Ethics Ombudsman and Customer Ombudsman and the SCIRF whistleblowing line) and other complaint and reporting mechanisms are available for suppliers, agents, intermediaries and their employees.



06.

PEOPLE AT EDP

It is the energy of its people that makes EDP a success, in a challenging, constantly changing sector. Being a global energy company, a leader in the creation of value, innovation and sustainability means recruiting the best talent and investing in its potential. This is why, when attracting and keeping employees, EDP is committed to developing and spurring them on, building a dynamic, diverse atmosphere that fosters teamwork and personal and professional growth. Involving them in the future and ensuring that they make the world around them evolve is our commitment to these people. Safety is always a top priority.

The number of employees decreased slightly from 12,171 to 11,798 from 2013 to 2014. This decrease was centred in the Iberian Peninsula and Brazil, while numbers in other countries rose slightly.



In overall terms this decrease is in line with the main trends in business growth, which point to stabilisation in the Iberian Peninsula, a reduction in Brazil, caused by the worst drought in 84 years, and growth in the other European countries and the United States.

The number of employees who retired in 2014 also contributed considerably to the reduction in number of employees in the Iberian Peninsula. Furthermore, closer

integration of the gas and electricity businesses in Spain and efforts to optimise some structures in Portugal, meant that early retirements also reduced the workforce in these two countries.

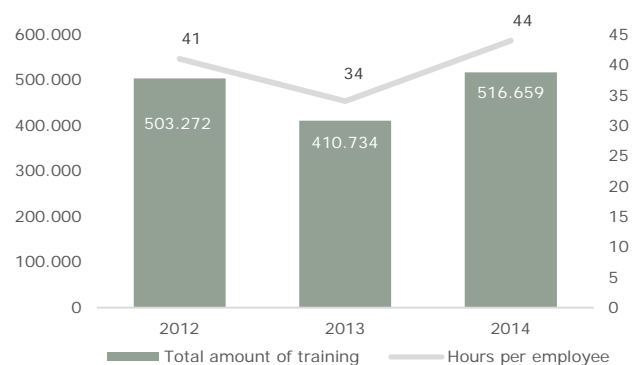
In Brazil, 2014 witnessed a reorganisation mid-year due to the divestment of some companies or holdings and voluntary resignations, resulting in a 4% decrease in the headcount.

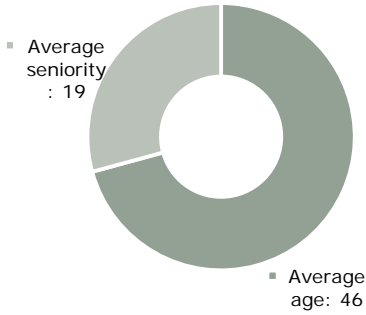
On the other hand, in line with the company's growth fronts, it was the countries with expanding wind-power businesses like the United States and the rest of Europe where the number of employees grew most.

All this made the Group's turnover a little higher in 2014.

The EDP Group's diversity remained the same at the end of the year, and 23% of the workforce were women and 77% men.

Training was one of the indicators that grew most substantially. The total number of hours of training rose by over 25% to 44 hours per employee at the end of the year. These figures can be explained by a decisive increase in technical courses at EDP University and also the creation of e-learning contents.





The rejuvenation rate of the workforce remained the same as in 2013. The average age of employees was 46 and years of service 19 (additional information in the table from page 69). Accompanying the headcount, 2014 was a year when personnel costs and benefits fell slightly. The continuing success of the business and more efficient people resulted in better return rates per employee.

Employee safety is a priority and the fact that accident rates went down against 2013 was a source of satisfaction for EDP:

Unfortunately, there were a number of fatalities with service providers, but our goal is firm and clear: 0 accidents EDP has invested in ongoing training in this area in order to meet this target.

In line with its business plan, plans of action have also been set out for the next three years. The Group approved its Corporate People Plan 2014-2017, which laid down its priorities.

Some parts of this plan are broken down on the following pages and also in the attached tables of priorities.

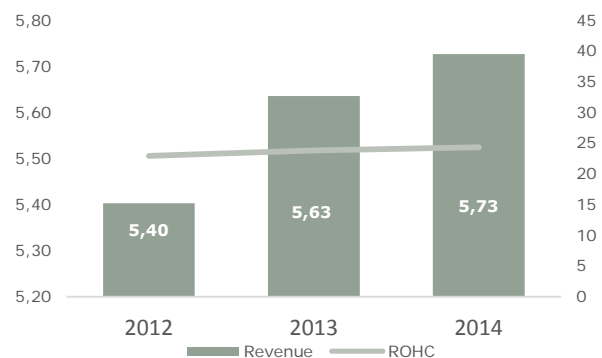
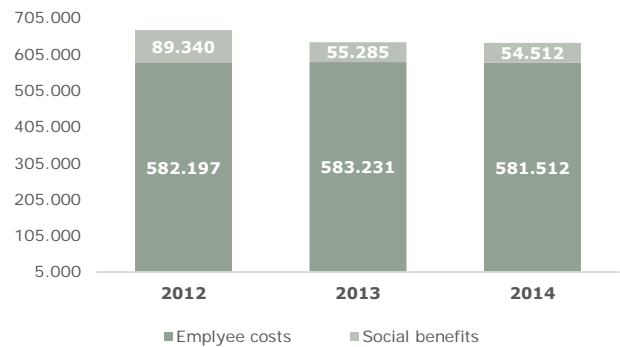
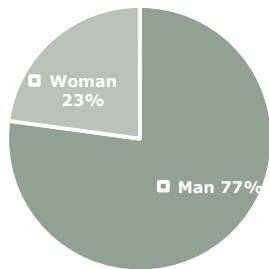
The global setting in which EDP operates today is changing. The energy sector used to be stable, with long business cycles but is now much faster and more competitive and unpredictable. It is not just the external setting that is changing, however. EDP is a global company operating in 14 countries, with 28 nationalities in its DNA. In addition to all this diversity, there is renewal of generations going on, meaning that in 10 years' time almost half the Group's personnel will have been replaced.

It is obviously necessary to develop the Group's human resource strategy, as it faces this challenge of being an increasable global company with a single culture in the every country in which it operates, with consistent, standardised processes and human resources who are clearly strategic partners in the business.

Renewing generations and the consequent change in the company's culture have created the perfect opportunity for this change to take place.

Why a change in human resources?





1. ATTRACT AND RECRUIT

We endeavour to strengthen the EDP Group's position as an employer of first choice, with attraction initiatives in the different markets in which we operate. This allows us to attract new talents and rejuvenate and diversify the company.

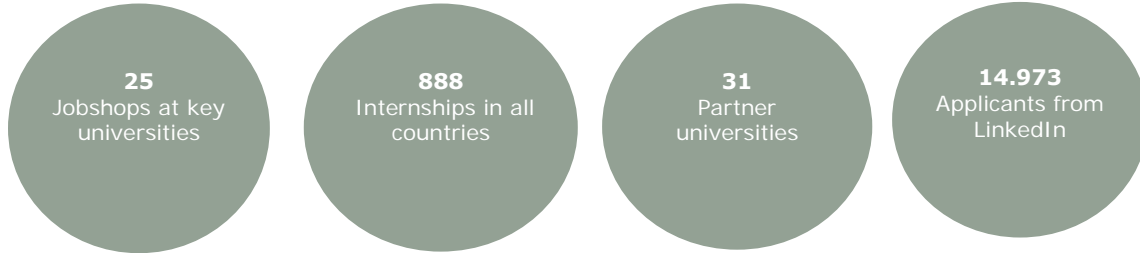
ATTRACTING PEOPLE TO THE EDP GROUP

Attractiveness is an essential attribute that makes a decisive contribution to implementation of our strategies, as it is the first step towards bringing in talent. At a time when our business is growing and expanding and also being renewed and rejuvenated, our attractiveness strategy has focused on strengthening and consolidating the company's image in different segments.

The EDP Group's strategy attracting talent in its markets is based on five main courses of action:

- Promotion** Publicise the initiatives and opportunities existing in the EDP Group in order to attract potential candidates. The EDP Group was present at 25 Jobshops in 2014 and more than 14,900 applications on LinkedIn from September to December 2014.
- Networking** Initiatives to bring EDP closer to the academic community so that the organisation and students can share experience and know-how.
- Competitions** Competitions on critical aspects of the sector for university and technical students to develop students' skills and identify potential candidates for positions in the EDP Group. Examples are EDP University Challenge and the Global Management Challenge.

- ✚ **Partnerships:** Establish strategic partnerships with education institutions and other entities, which offer special channels to attract candidates to the EDP Group. The EDP Group had 31 university partnerships in 2014.
- ✚ **Development** Bring candidates closer to the labour market and enlarge the pool of potential employees with internships and a trainee programme. In 2014, 888 internships were allocated and the second EDP Trainee Programme began with 25 trainees.



There were a lot of initiatives in 2014 demonstrating EDP's intention of being a key employer by creating closer relationships with potential talent. The following were the most important:

EDP and LinkedIn

EDP belongs to one of the largest social networks for employment, LinkedIn, thereby exponentially increasing its visibility and pool of potential talents.

EDP operates in 14 countries with recruitment needs in all regions. In 2014 there were 615 new admissions and so this is a channel that EDP now has to attract talent in all its markets.

In its first year of partnership, it produced highly satisfactory results with more than 14.900 applications via the platform.

EDP Trainee Program

EDP began the second EDP Trainee Program, which was acknowledged by the market for its unique nature.

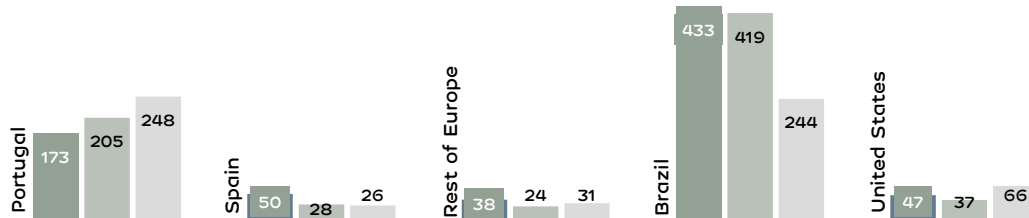
The number of vacancies and countries in the program was extended. Around 4,000 applications were received a meticulous selection process was used to choose the 25 trainees who would be the first to take on the challenge.

NEW ARRIVALS AT EDP

The Group's attraction strategy has brought new talents into the company. In 2014, EDP hired 615 new employees in different areas to keep up with the business's growth and meet the need for renewal. The slight fall in relation to 2013 was due to changes in three countries:

- ✚ **Portugal:** 17% more new admissions against 2013, to make up for personnel leaving, mostly for retirement, which also increased in 2014
- ✚ **Brazil:** 72% fewer admissions due to a slowdown in business caused by the drought and uncertainty about some decisive government measures, with admissions only to take the place of leavers
- ✚ **United States and the rest of Europe:** 44% and 23% new admissions, respectively, against 2013 to keep up with the growth of business

Number of admissions by country



Number of admissions per country

Country/year	2012	2013	2014
Portugal	173	205	248
Spain	50	28	26
Rest of Europe	38	24	31
Brazil	433	419	244
United States	47	37	66
Total	741	713	615

Most of the admissions during the year were to the company's permanent workforce

Almost 98% of employees belonged to the permanent payroll in 2014 and only 1.9% had fixed-term contracts for temporary work on some projects, mostly in Portugal. **(Additional information in tables on Page 69).**

No. of admissions to permanent workforce by country

Country/year	2012	2013	2014
Portugal	107	117	153
Spain	45	21	22
Rest of Europe	37	25	26
Brazil	432	416	235
United States	47	35	66
Total	668	614	502

NOTE: The number of admissions to the permanent workforce includes direct admissions and changes from fixed-term to indefinite contracts.

Types of contract per country and gender

Types of contract/country	2013					2014						
	Portugal	Spain	Rest of Europe	Brazil	United States	Total	Portugal	Spain	Rest of Europe	Brazil	United States	Total
Executive bodies	31	1	0	23	0	55	32	1	0	19	0	52
Men	30	1		21		52	31	1		19		51
Women	1			2		3	1					1
Permanent workforce	6.814	1.919	163	2.773	300	11.969	6.493	1.891	170	2.654	316	11.524
Men	5.378	1.442	109	2.115	200	9.244	5.095	1.408	112	2.026	214	8.855
Women	1.436	477	54	658	100	2.725	1.398	483	58	628	102	2.669
Fixed-term contracts	138	7	2	0	0	147	208	6	7	1	0	222
Men	115	4	1			120	185	6	4	1		196
Women	23	3	1			27	23		3			26
Total	6.983	1.927	165	2.796	300	12.171	6.733	1.898	177	2.674	316	11.798

In terms of attraction and recruitment, our main goals for the next few years are:

Review the attraction process at global level and ensure greater integration and alignment between countries in order to consolidate the Group's image as a key employer

Continue to recruit employees in an increasingly global process in close alignment with the growth of the different businesses and the current generational renewal based on the principle of optimisation and efficiency

Details of these and other goals are at the end of the chapter, from page 69.

2. DEVELOP

We regard the development of our employees as an integrated, complex, sound cycle that begins on their first day at the company and blossoms over time with inputs from a transparent evaluation model. Professional development focuses on the retention of critical business knowledge and the creation of a culture of dialogue and individual development based on the diversity of shared experiences in solid, across-the-board core processes.

EDP regards employee development as a complete process that begins immediately they join the Group. During the process, their skills and abilities develop not only in training but also through access to different experiencing diversification with close supervision and feedback from different members of staff. The entire process is monitored by constant mapping of their critical knowledge and know-how of the organisation so that they are passed on.

Welcome and induction	Training and capacity building	Mobility	Knowledge management and succession
We help in the induction of new employees and ensure right from the start that they take on board the Group's values, commitments and culture.	We invest in a culture of ongoing individual and collective learning and in the qualification and personal and professional development of our employees.	We incorporate and focus on mobility as one of the essential pillars in the development of our employees.	We manage critical learning about our sector and plan successions in the Group in advance.

In 2014 a number of initiatives demonstrated our commitment to developing our employees. The following were the most important:

- ✚ Training and capacity building
 - ✚ Design of training for technical staff in accordance with EDP University's (UEDP) choices and start-up of the first courses.
 - ✚ Introduction of a strategic training program for the commercial area involving employees from Portugal and Spain More than 19,000 hours of training in over 240 classes.
- ✚ Mobility
 - ✚ Approval of the Corporate Mobility Program designed to encourage mobility within the Group as an essential form of development.
- ✚ Knowledge management and succession
 - ✚ Fourth Valuing Experience Program for employees with over 30 years of service 142 employees took part in this edition and it targeted around 3,600 employees in parallel initiatives.
 - ✚ Introduction of the TPO Program for management of critical knowledge of the Group's generation business.

TRAINING AND CAPACITY BUILDING

EDP bases its strategy and competitiveness on a culture of continuous individual and collective learning, investing in the qualification and personal and professional development of its employees.

EDP University was set up created to develop employees' skills, facilitate the sharing of knowledge generated within the Group and ensure that the company has the necessary skills to ensure the sustainability of its business.

EDP University consists of seven schools, two of which are for the whole Group and five aimed at each business (Produção, Distribuição, Gás, Renováveis and Comercial). It also has a training area to meet individual needs. The university is responsible for defining and monitoring the Group's Training Plan and Budget and coordinating the learning and development of skills of its employees.

The Training Plan is drawn up annually and includes different types of training solutions that reflect the diversity of work settings and development needs. These include advanced training programmes, across-the-board programmes, specific business initiatives and courses to meet the need for individual development spotted during the assessment of potential and performance process.

TRAINING

EDP Group training in 2014 totalled around 517,000 hours, which represents 144,000 attendances in over 4,000 courses. This figure is 25% higher than in 2013 and was mainly due to an increase in Portugal.

There was a substantial increase in the amount of training in Portugal, (+65% year on year) totalling around 256,000 hours. This resulted from corporate initiatives and an increase in distance education (e-learning and blended learning). These new forms accounted for 17% (44,000 hours) of total training conducted in Portugal, which accounts for the substantial increase in participations (access to online contents).

In spite of the apparently higher costs of training against 2013, this was due to a new training costing and pricing model, which combines costs directly associated with training and costs of EDP University's services in the same item. (NÃO TRADUZIR PARÁGRAFO) The decrease in training investment reflects the increased efficiency verified in this activity but also the change of the costing model and pricing of training, with the separation of the costs associated with the cross-cutting services provided by UEDP (EUR 3,198,340) and the costs directly associated with the implementation of training (EUR 6,489,107).

The average amount of training per EDP Group employee rose substantially to 44 hours per employee (33% than in 2013). The increase in training was particularly important among technical staff and rose by 79,000 hours (38% up on 2013).

Country	Amount of training		Participations		Training courses		Direct investment	
	2014	2013	2014	2013	2014	2013	2014	2013
Portugal	255.865	155.086	125.872	19.717	1.896	1.441	4.062.841	4.864.172
Espanha	74.936	77.309	8.823	10.572	1.266	1.460	1.051.601	1.649.463
Rest of Europa	9.991	5.525	528	496	113	124	455.452	204.059
Brazil	169.233	170.509	6.578	6.317	717	841	731.069	863.704
United States	6.635	2.304	2.284	665	251	87	188.144	349.583
Total	516.659	410.734	144.085	37.767	4.243	3.953	6.489.107	7.930.981

Qualification level	Amount of training (hp)		Amount of training per employee		Trained employees	
	2014	2013	2014	2013	2014	2013
Directors	25.842	24.371	37	31,2	647	632
Managers	46.474	40.444	65	49,9	823	770
Specialists	155.979	136.655	41,7	38,6	3.211	3.034
Technicians	288.365	209.264	42,8	29,4	6.476	6.045
TOTAL	516.659	410.734	44	33,5	11.157	10.481

There was also a considerable rise in the number of people taking training courses, with 95% of employees trained.

Percentage of employees trained

2014	2013
95%	85.5%

The predominant training areas were technical (68%), management (21%), behavioural (7%) and organisational (4%).

Training	Training area	Amount of Training (H/P)	Participations	Courses	
BEHAVIOURAL	Customer service	56	6	3	
	LEADERSHIP	10,047	1,158	91	
	Others	1,783	225	23	
	Interpersonal relationships and leadership	23,957	2,856	231	
BEHAVIOURAL Total		35,843	4,245	348	
MANAGEMENT	Commercial/Sales	22,580	5,693	264	
	Finance	7,369	1,018	93	
	People management	7,815	2,272	83	
	Project Management	5,725	394	50	
	General management and advanced training	23,580	328	210	
	Innovation	76	6	3	
	Logistics and procurement	1,223	248	25	
	Marketing	531	50	8	
	Energy business	23,460	2,959	176	
	Others	16,140	2,084	120	
	Planning systems - management control	827	74	15	
	MANAGEMENT Total		109,324	15,126	1,047
	ORGANISATIONAL	Environment	5,009	1,602	109
Sustainable development		912	88	11	
Ethics		7,310	5,126	19	
Others		2,631	3,605	34	
Company projects and culture		3,755	738	51	
Quality		2,245	281	54	
ORGANISATIONAL Total		21,861	11,440	278	
TECHNICAL	Civil	648	46	21	
	Technical drawing	608	24	9	
	Electronics	32,138	877	100	
	Gas	1,594	186	32	
	Languages	32,124	1,135	226	
	Maintenance - systems and equipment	5,882	554	75	
	Mechanics	790	39	8	
	Others	53,120	1,931	234	
	Accident prevention and safety	69,642	14,253	823	
	Generation	15,075	1,303	140	
	Electricity distribution grids	67,133	3,419	241	
	Admin	356	24	10	
	Information systems	67,323	88,617	572	
	Inspection techniques and tests	3,199	866	79	
TECHNICAL Total		349,631	113,274	2,570	
TOTAL		516,659	144,085	4,243	

In parallel to the enlargement of the educational offer for Technical Staff, in 2014 EDP continued to carry out actions under the training programs for EDP University schools.

School	Amount of training (hp)	Participations
Director Development School	12.061	2.224
EDP School	24.081	6.873
Produção School	11.542	890
Distribuição School	12.886	1.651
Gás School	1.303	133
Renováveis School	7.049	687
Comercial School	3.640	312
AMOUNT	72.562	12.770

In addition to the training provided by its schools, EDP University also provides personal development training and support for corporate or business unit courses and Group-wide activities, such as planning and control, training design, content management, pedagogical support and management of the Online Campus (training management platform).

In 2014, we continued our efforts to develop distance learning for more flexible, independent access to training and study adapted to individual paces and availability. It also increases the amount of training and reduces costs.

SCHOOLS IN FOCUS IN 2014

DISTRIBUIÇÃO SCHOOL

In view of the renewal of generations at EDP Distribuição, it was essential to invest a lot in technical and behavioural training in accordance with the EDP Group's ethics and safety and accident prevention policies. It was designed to develop skills that maintain excellence in work. In the last two years, 123 students have been trained, which represented more than 63,000 hours of advanced training per person in 2014.

This type of training has been gradually integrated in the Distribuição School. New training methods were introduced at the Distribuição School in 2014 and two projects for technical staff started up.

Asset management

In 2014 we began the first e-learning course in order to ensure that trainees learned concepts and terminologies used in managing technical assets. Special attention was given to the concepts of risk analysis and mitigation, given the specificities and size of the group (2,500 employees). The training at the Distribuição School for technical staff is expected to be provided in 2015.

Awareness of the EDP Distribuição environmental management system

The Department of the Environment, Sustainability and Business Continuity at EDP Distribuição asked for assistance in training around 200 shift-work employees quickly and remotely. It was therefore necessary to quickly find an economic alternative to classroom training. We decided on the Rapid Learning method, which makes it possible to devise, produce and distribute contents quickly. This increased response capacity to training needs, while keeping it effective and in line with the method.

EDP SCHOOL

The focus at the EDP School is on teaching important company-wide concepts to all the Group's employees, such as the energy business, corporate finance and regulations. In 2014, 522 EDP employees (Portugal and Spain) were involved, in a total of 8,500 hours.

This focus on universal subjects has given the EDP School an essential role in training new employees in different programmes, which include Welcome and induction. This programme involved 131 participants, corresponding to 2,631 hours in 2014.

The programme was restructured so as to include employees with intern and fixed-term contracts in 2015.

DIRECTOR DEVELOPMENT SCHOOL

The Director Development School focused on leadership and management skills, which are Group priorities in 2014. It implemented a number of training programmes representing around 12,000 hours. This was the year in which the training needs of leaders at different organisational levels were rethought. It was also the time to implement the second Lead Now Programme for new leaders. Programs of this kind are being used at a time of great need for training and new leaders, as many employees are retiring.

As a complement to in-house courses, EDP has partnerships with key institutions in the sector in the different countries for qualifying and certifying its employees. Examples are AQTSE (Associação para a Qualificação Técnica do Sector Energético) in Portugal and SENAI (Serviço Nacional de Aprendizagem Industrial) in Brazil.

INITIATIVES IN FOCUS IN 2014

EDP University developed a strategic training programme for the commercial area – Cliente EDP 365 [EDP Customer 365]. This training was designed to give all employees an idea of the customer and prepare them to answer questions about the supply of energy.

In over 240 sessions, EDP employees learnt about the free energy market and were asked to answer customers' queries. Around 17,000 hours of training were provided to over 4,800 employees in this project.

There are plans for 30 sessions in Portugal and 80 in Spain in 2015. The 100 trainers involved contributed to the success of Cliente EDP 365, all of them business specialists (Board of Directors, directors and unit managers) who helped by sharing their know-how.

EDP University set up two different programmes for employees from the distribution grid operator and employees in order to adjust the training to regulatory requirements.

This investment immediately produced a return as proven by the fact that the commercial support line for family and friends was much busier over the year, with over 250 calls by December 2014.

MOBILITY

In 2014, one of the main human resource initiatives was the Internal Corporate Mobility Programme, which was planned and closely linked to employees' development.

The aims of this programme are:

- To reinforce the culture and step up sharing of knowledge through interaction between employees with different experience and backgrounds
- To promote satisfaction and productivity
- To develop employees and improve their skills, thereby preparing them for new challenges and responsibilities
- To optimize external recruitment costs and minimize induction risks

Following approval of the internal mobility programme and plan, long- and short-term mobility initiatives were scheduled for 2015 involving all the EDP countries.

A total of 808 employees joined the programme in 2014, which represented 6.8%, slightly lower than the 823 in 2013.

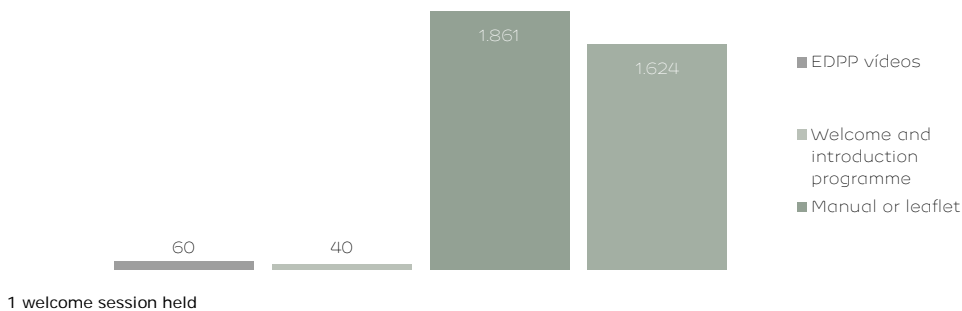
KNOWLEDGE MANAGEMENT

The EDP Group is concerned not only with training its employees in an area as specialised as the energy sector but also ensuring the systematisation and management of all knowledge of and in the company. The foundation of EDP University was a milestone thanks to the development and systematisation of contents and programmes mapping key areas of learning and placing them at the company's disposal.

Another step forward was taken in 2014 with the introduction of a new system for the UEDP documentation service (Online Library). It not only provides technological updates but has also changed the service itself. It now focuses more on providing information in areas critical to EDP's business and meetings users' needs. The launch of this new knowledge-management platform is scheduled for the first quarter of 2015.

Since 2010 EDP has been recognising the knowledge and experience of its most experienced employees and using them to pass on critical knowledge in order to complement work already done and because the Group is experiencing a renewal of generations, with more than 2,000 employees retiring in the next five years, especially in the Iberian Peninsula.

More than 3.600 viewers for these actions



The goals of the Valuing Experience Program for employees with over 30 years of service area as follows:

- Highlight the knowledge and experience in the EDP Group and share individual motivation
- Enable the transfer of knowledge and experience for the good of EDP's business:
 - Recognize employees' importance in managing knowledge acquired
 - Place everyone's knowledge and experience at the service of others

The fourth Valuing Experience Programme began in February 2014 and involved 142 participants. Sharing projects by these employees have already benefited more than 3,600 EDP Group employees with training sessions and technical documentation.

More than 1,000 employees have taken part in the programme since the first edition.

KNOWLEDGE MANAGEMENT IN THE GROUP'S LARGEST GENERATION BUSINESS

A process of change began in 2012 at EDP Produção (EDPP), the Group's largest electricity generating company with around 1,100 employees in 2014 (almost 10% of the total), in the form of a veritable organisational transformation. This revolutionary process, called Projeto TOP - Transformação Organizacional da Produção, was developed between 2012 and 2014. Some of the initiatives are still ongoing and have been assimilated into the company's activities and enabled by units that were placed in charge of them.

Projeto TOP represents a plan for collective change in response to the challenges of today and the future: falling electricity consumption in the Iberian Peninsula, major construction works on hydroelectric plants mostly ending by 2015, a predictable reduction in the use of thermoelectric power stations and an ageing workforce.

This new reality, based on its history and human capital, drove EDP Produção to accept its role as the EDP Group's competence centre for the non-intermittent generation of electricity and as active support for the Group's internationalisation.

The strategic TOP Knowledge project was set up to take immediate action in relation to the potential loss of critical knowledge with the departure of a substantial part of its workforce, due to their many years of service and to structure and implement a governance model for knowledge management based on its mission and with an integrated approach to the creation, sharing and use of knowledge, thereby creating value in its activities.

TOP Knowledge involved initiatives such as the urgent **Mapping of Critical Knowledge** and the consequent drafting of **Knowledge Transmission Plans**.

This mapping also helped pinpoint some gaps in knowledge, mainly in training for non-graduate specialised managers. In collaboration with EDP University we designed the necessary courses and gave two pilot courses in 2013 and 2014 (for about 50 employees). The success of these courses meant that we could start the Programme for Specialised Managers at the Generation School. The first class will begin in 2015.

Another, highly complex initiative was set up to fit in with the company's mission, the **Produção Skills School**.

Across-the-board initiatives were undertaken as part of TOP Knowledge to foster a culture of sharing and collaboration. It reached a vast number of employees at EDP Produção, with participants from EDP España and EDP Brazil.

The initiatives with the greatest impact were:

- ✚ **Case studies** Analysis of practical cases by three-person teams from different departments and/or countries who developed skills and shared know-how. The first case studies took place in 2014 and directly involved **30 employees**, who studied 10 cases chosen by vote from the intranet. This first edition ended with a public case presentation session to an audience of around **150 people**, and the publication of a book of the 10 studies.
- ✚ **EDPartilha "Talking to..." sessions** Informal talks, usually with three speakers, at least one of them a board member, who share their points of view on a particular subject based on their experiencing and then answer questions from the audience.

Seven sessions were held in 2014. They covered subjects that were critical to the business of EDP. Around 250 employees attended personally and 675 by video-conference.

IN TERMS OF DEVELOPMENT, OUR MAIN GOALS FOR THE NEXT FEW YEARS ARE:

- Review the current EDP Group Competence Model in line with the business's challenges
- Continue the gradual implementation of training for specialised managers at EDP University schools
- Make sure our range covers all the countries in which EDP operates (continuing to develop UEDP Brazil);
- Consolidate training for all levels of leadership in the EDP Group
- Undertake the initiatives defined in the Corporate Mobility Project in all the Group countries
- Introduce a knowledge management project. Its first phase will involve a diagnosis of knowledge management in the EDP Group and proposals for specific project in this area.

Details of these and other goals are at the end of the chapter, beginning on page 69.

3. RECOGNISE AND REWARD

We believe that our recognition and reward policies play an essential role in attracting and keeping the best talent, as they contribute significantly to the construction of a work environment that motivates the best people to work enthusiastically and productively. We manage our policies globally while respecting local specificities and challenges in order to ensure that they are up there with the best practices of the markets in which we operate and spotlight us as a highly competitive player.

The EDP Group considers that remuneration for work is much more than a simple mathematical calculation based on the job and hours worked. It must reward employees' knowledge, skills, performance and the energy of the company staff. Accordingly, the compensation and benefits system reflects EDP's values and culture, continuously seeking improvement while still respecting agreements at all levels of the relationship with employees and/or their representatives.

One of the pillars of our remuneration policy stems from the principle of internal fairness and external competitiveness, i.e. contribution/compensation, without losing sight of our key position in the market in terms of pay policy and best practices. All employees are placed in a pay bracket, and everyone is familiar with the rules of career progression and promotion set out in the Collective Labour Agreement, where applicable.

With a focus on recognition and compensation, there are annual profit-sharing awards, occasional merit prizes.

EDP values its employees' initiative, merit, commitment and willingness to go that extra mile and pays special attention to ways of rewarding individual and joint efforts. The Group's success lies with its people, and their satisfaction naturally depends on how the company rewards each one's performance.

There was an overall increase of 1% in remuneration in the EDP Group in 2014. The salary increases negotiated with the trade unions, where applicable, was 1.17% in Portugal, between 1.83% and 2% in Spain, 6.59% in Brazil and 3.23% in the United States. The other changes from the figures shown in the attached tables are due to promotions due to merit, turnover of middle managers and the admission and departure of employees.

Country / Gender	2013			2014			Variation in % in 2014		
	Male	Female	TOTAL	Female	TOTAL	Female	TOTAL	TOTAL	
Portugal	3,010	3,118	3,033	3,076	3,216	3,105	2.2%	3.1%	2.4%
Spain	4,463	3,763	4,289	4,465	3,850	4,309	0.0%	2.3%	0.5%
Rest of Europe	4,399	3,044	3,948	4,353	3,123	3,929	-1%	2.6%	-0.5%
Brazil	1,833	1,912	1,852	1,735	1,764	1,742	-5.3%	-7.7%	-5.9%
North America	6,475	5,114	6,021	6,505	5,285	6,111	0.5%	3.4%	1.5%
TOTAL	3,058	3,012	3,047	3,088	3,068	3,083	1.0%	1.8%	1.2%

NOTE: Remuneration in Spain was corrected in Spain in 2013 as was the total in the 2013 SR.

In absolute and geographical terms, the United States continues to have the highest average pay in all job categories while Brazil has the lowest due to the specific characteristics of the local labour markets and economies.

Also in Brazil, the reduction in salary in euros was due to the depreciation of the real by 9% against 2013.

Generally speaking, there was a higher rise in pay for women, which reduced the salary ratio between genders from 1,02 in 2013 to 1,01 in 2014.

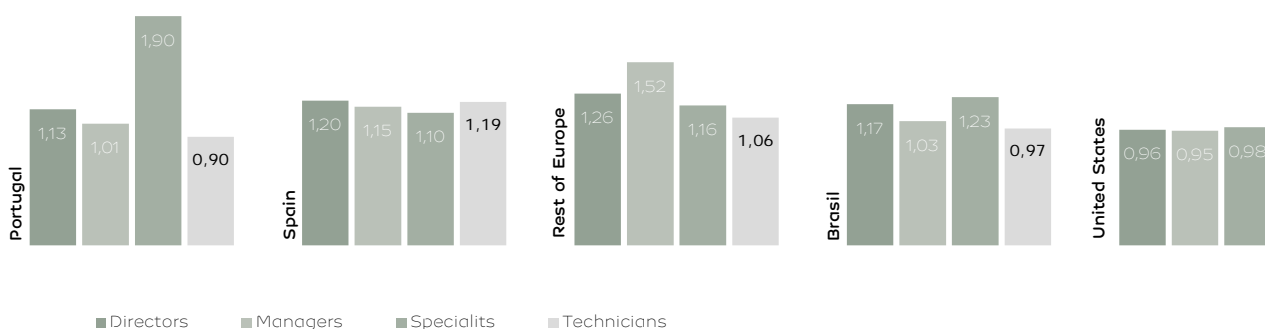
Salary ratio by gender, job category and geographical area

Job category/ country	2013					TOTAL
	Portugal	Spain	Rest of Europe	Brazil	North America	
Salary ratio by gender (M/F)	0.97	1.19	1.45	0.96	1.27	1.02
Directors	1.10	1.18	1.18	0.99	0.97	1.09
Managers	1.01	1.15	1.30	0.94	0.99	1.06
Specialists	1.09	1.12	1.12	1.23	1.04	1.15
Support technicians, operatives and admin workers	0.92	1.23	1.04	1.03	0.94	0.95

NOTE: The pay ratio in Spain was corrected in 2013 as was the total in the 2013 SR.

Job category/ country	2014					TOTAL
	Portugal	Spain	Rest of Europe	Brazil	North America	
Salary ratio by gender (M/F)	0.96	1.16	1.39	1.00	1.23	1.01
Directors	1.13	1.20	1.26	1.35	0.96	1.16
Managers	1.01	1.15	1.52	1.04	0.95	1.06
Specialists	1.09	1.10	1.16	1.22	0.98	1.14
Support technicians, operatives and admin workers	0.90	1.19	1.06	0.97	0.97	0.92

Ratio between the company's minimum salary and the national minimum wage



Regarding the ratio between EDP's minimum salary in each country and the national minimum wage, we found a slight increase in Portugal in 2014, due to a rise in the salary scale that came in to effect under the new collective labour agreement, while the opposite was the case in Spain. The salary scale of one EDP company in Spain came into effect in 2014 under new labour agreement, went down. Employees were hired at salaries lower than the existing minimum.

The ratio remained constant in Brazil and the United States.

Relationship between lowest wage paid and national minimum wage by country

Lowest EDP wage/national minimum wage	2012	2013	2014
Portugal	1.4	1.4	1.5
Spain	2.0	2.0	1.4
Brazil	1.6	1.3	1.3
United States	1.7	2.0	1.9

In terms of the proportion fixed annual remuneration of the best paid employee in each country and the annual average fixed remuneration of all employees (excluding the best paid) in that country, the largest difference was in Brazil and the smallest in the United States. This is justified by the specific characteristics of the local economies and labour markets. This analysis does not include the members of the Executive Board of Directors as their remuneration is fixed and approved by the Remuneration Committee and because their scope of action is general.

Relationship between the fixed annual remuneration of the best paid employee in each country and the annual average fixed remuneration of all employees in that country (excluding the best paid).

Fixed annual remuneration in local currency	2013				2014			
	Portugal	Spain	Brazil	United States	Portugal	Spain	Brazil	United States
Best paid employee	€238,000	€284,250	R\$876,781	USD 366,898	€238,000	284,250	R\$899,775	USD 366,898
Remaining employees	€238,000	€51,352	R\$63,429	USD 95,170	€37,233	€51,585	R\$64,945	USD 96,582
Ratio between them	6.5	5.5	13.8	3.9	6.4	5.5	13.9	3.8

Regarding the proportion between percentages of pay raises between the two, it was only in Brazil that the salary of the best paid employee increased in 2014. The ratio in the remaining countries was therefore 0 which meant that salaries came closer in 2014.

Relationship between the increase in fixed annual remuneration of the best paid employee in each country and the increase in annual average fixed remuneration of all employees in that country (excluding the best paid).

Increase in annual fixed remuneration	2014			
	Portugal	Spain	Brazil	United States
Best paid employee	0.0%	0.0%	2.6%	0.0%
Remaining employees	2.4%	0.5%	2.4%	1.5%
Ratio between them	0.0	0.0	1.1	0.0

Compensation practices at EDP essentially seek to recognise the many contributions by following criteria that acknowledge the strategic value of employees to the company.

EDP positions itself at the level of best market practices in order to integrate various levels of recognition by means of monetary compensation.

There is **fixed permanent remuneration** consisting of a normal regular salary paid in return for work set out in the contract, regular subsidies and contributions based on actual work done each month (e.g. meal and attendance subsidies), remuneration for special work schemes, such as flexible work schedules, shifts, rotating days off or availability, remuneration for duties on secondment, coordination of activity groups and supervisory positions.

Variable remuneration includes profit sharing and extraordinary or occasional bonuses for individual or group performance

Management of potential and performance in the EDP Group aligns employees with its value creation strategy. The process applies to all employees in the countries in which the company operates.

Potential and performance assessment (PPA) is divided into two phases. The first takes place in the fourth quarter of the year and analyses potential, i.e. employees' skills and the second in the first quarter of the following year is based on the results of the first phase and focuses on performance, i.e. achievement of goals (KPI).

In 2014, the PPA process covered 11,182 (95%) employees from the Group's permanent workforce:

Employees undergoing 360° assessment 1,109
Employees undergoing 270° assessment 6,188
Employees undergoing 180° assessment 3,885

BENEFITS

All employees of the EDP Group in all countries have insurance and health care systems in addition to the public health services of each country.

The EDP Group believes that its employees must have the tools that provide them with the prevention, diagnosis, and treatments that ensure not only better health but also better quality of life. The EDP Group continues to study and apply more flexible benefits, aligned with employees' life cycle, allowing them to choose according to their own and their families' needs. EDP provides pension plans and personal accident, life and health insurance, among other benefits. In some cases, medical care may also be granted to workers already retired or in early retirement.

In Portugal, following the conclusion of the new collective labour agreement in 2014, which covers practically all the permanent workforce. There are still two types of beneficiary. The first consists of employees already covered by the previous agreement signed in 2000, who have a defined benefits plan funded from a close pension fund and complemented by a special provision. The second consists of employees included in the current agreement who continue to benefit from a defined benefits plan.

The amounts shown below reflect not only the social benefits disclosed in the annual report and accounts but also other additional employee benefits.

Social benefits

	2013					
	Portugal	Spain	Rest of Europe	Brazil	United States	EDP GROUP
Health, life and personal accident insurance	27.452.561	932.691	230.314	13.955.408	2.552.701	45.123.675,52
Pension fund	39.570.581	7.453.485	228.889	8.950.517	1.441.941	57.645.411,98
Crèche and schools	2.484.110	83.488	7.854	539.587	0	3.115.038,75
Holiday camps	570.813	169.862	0	0	0	740.675,46
Death and funeral subsidy	4.000.122	0	0	0	0	4.000.121,87
Bonuses for years of service	223.405	0	0	0	0	223.405,01
Retirement bonuses	1.261.744	0	0	0	0	1.261.744,00
Subsidies for social and cultural activities	811.522	19.529	0	0	0	831.050,78
Low-cost energy supplies	5.910.213	1.387.148	0	0	0	7.297.361,53
Others	627.452	329.778	6.936	727.725	0	1.691.890,59
Total	82.912.522,79	10.375.980,81	473.993,38	24.173.236,67	3.994.641,85	121.930.375,50

	2014					
	Portugal	Spain	Rest of Europe	Brazil	United States	EDP GROUP
Health, life and personal accident insurance	26.824.396	1.124.301	174.665	8.639.653	2.559.795	39.322.810,69
Pension fund	38.707.361	5.672.523	322.868	3.355.877	1.529.666	49.588.294,78
Crèche and schools	2.334.648	96.546	7.266	446.148	0	2.884.608,64
Holiday camps	561.522	120.000	0	0	0	681.521,56
Death and funeral subsidy	4.204.871	0	0	0	0	4.204.870,78
Bonuses for years of service	96.366	0	0	0	0	96.365,99
Retirement bonuses	1.598.205	0	0	0	0	1.598.205,00
Subsidies for social and cultural activities	1.063.050	0	0	0	0	1.063.050,00
Low-cost energy supplies	4.063.370	1.228.955	0	0	0	5.292.325,40
Others	620.322	503.941	11.116	541.760	6.774	1.683.912,19
Total	80.074.109,41	8.746.266,42	515.915,02	12.983.438,93	4.096.235,25	106.415.965,03

Parenthood is not a benefit; it is a right, which is why it is respected and encouraged at EDP.

Almost all the employees with the right to parental leave used it in 2014, as they did in 2013. The only two situations in which employees did not take parental leave in 2014 were in Portugal. In one case the employee decided not to take it and in the other the employee was already on sick leave when his child was born.

In Brazil there is no record of whether parental leave is used by workers entitled to it.

The retention rate of employees who took parental leave increased from 97% in 2013 to 98% in 2014. This retention rate is measured by the proportion of employees who left the Group in 2014 and had taken parental leave in the last two years.

Parenthood indicators

		2013					
		Portugal	Spain	Rest of Europe	Brazil	United States	EDP GROUP
Number of employees entitled to parental leave		113	87	10	56	24	290
Male		86	52	5	38	18	199
Female		27	35	5	18	6	91
Number of employees who took parental leave		112	85	10	56	24	287
Male		85	50	5	38	18	196
Female		27	35	5	18	6	91
Number of employees who were dismissed in the period reported who took parental leave in the last two years		0	0	1	9	0	10
Male		0	0	0	4	0	4
Female		0	0	1	5	0	6
Retention rate of employees who took parental leave		100%	100%	90%	84%	100%	97%
Male		100%	100%	100%	89%	100%	98%
Female		100%	100%	80%	72%	100%	93%

		2014					
		Portugal	Spain	Rest of Europe	Brazil	United States	
Number of employees entitled to parental leave		143	82	18	69	18	330
Male		104	51	11	49	13	228
Female		39	31	7	20	5	102
Number of employees who took parental leave		141	82	18	20	18	279
Male		102	51	11	N/A	13	177
Female		39	31	7	20	5	102
Number of employees who were dismissed in the period reported and took parental leave in the last two years		0	1	0	3	4	8
Male		0	1	0	N/A	2	3
Female		0	0	0	3	2	5
Retention rate of employees who took parental leave		100%	99%	100%	96%	78%	98%
Male		100%	98%	100%	N/A	85%	99%
Female		100%	100%	100%	85%	60%	95%

BENEFITS FOR BETTER HEALTH

EDP has maintained and developed its focus on health over the years and it has been a central concern for the Group for a long time.

Sávida - Medicina Apoiada S.A. is owned 100% by the EDP Group and is responsible for the EDP health plan, which covers around 44,000 current employees, retirees and pensioners.

The company has a cooperation agreement with the Ministry of Health under which it relieves the waiting lists for GPs and specialists at NHS health centres. This includes surgery such as vascular procedures (varicose veins), ophthalmic (cataracts), orthopaedics (hip replacements), among others.

This complementarity also allows Sávida to provide faster assistance to employees covered by the Group's collective labour agreement and all those who benefit from the company's health plan. This results in better performance and productivity.

Sávida operates in mainland Portugal, where it has 43 doctors' offices that see more than 200,000 general medicine patients. It also has agreements with doctors and clinics where around 40,000 specialist consultations are given.

As part of its work towards ensuring employees' and pensioners' health and wellbeing, Sávida organises online awareness campaigns during the year in order to maintain their health and prevent illness.

This is also complemented by special campaigns in collaboration with private organisations. Its most outstanding partner is Fundação de Cardiologia, which promotes Heart Day, and this year added Diabetes Day.

4. HEALTH AND WELLBEING

IN DEFENCE OF WORK-LIFE BALANCE

Human resources are managed with dedication in the EDP Group in accordance with the best market practices and with everyone's involvement. The aim is to ensure personal and professional fulfilment.

Each employee's private and family life is stimulated and recognised as a complement to the Group. Being EDP is not just a job for making a profit. It is also being able to balance a career with individual and family interests, which we feel are essential to the company's success.

Balance means reaching agreements, combining wants around the same goal, mediating between apparently incompatible goals and embracing harmony in processes. Balance means reconciling the family side and work side of people's lives. Balance, in short, means a fairer, happier fuller life.

Fundación Másfamilia

The actions of a healthy, innovative company like EDP in human terms are guided by three principles. They are permanent awareness of progressive cultural change, measure for work-life balance and gathering and taking on board people's contributions. It is essential to realise that our employees feel fulfilled and complete if they can balance their lives inside and outside the workplace. In order to make this happen it encourages creativity and motivation, fosters greater proximity between company and employee, generates better communication between everyone, facilitates new work methods, reduces labour disputes and fosters higher productivity.

Under this balance STRATEGY, the company's mission can be summarised in a few words: help to improve employees' lives and encourage a balance between each one's different life plans.

In order to fulfil this mission and following the Family-Friendly Company Award given to EDP by AESE/Deloitte in 2007 in recognition of its clear contribution to its employees' wellbeing, we created the Conciliar Programme, first in Portugal and the following year in other countries, with the exception of the United States.

Balance, diversity, flexibility and proximity are the main ideas of a programme that upholds a humane, sustainable corporate culture. Its measures value citizenship, facilitate and foster relations between employees and their families, promote and develop skills, focus on personal and vocational training, believe in diversity and foster equal opportunities, quality of work and the development of temporal and spatial flexibility.

These reconciliation measures are set out in labour law and promoted by the company, with the motto HAPPY PEOPLE ARE MORE PRODUCTIVE EMPLOYEES. SUSTAINABLE COMPANIES ARE MORE COMPETITIVE and this is reflected in higher motivation and productivity. Most important of all, they work towards the happiness of all their employees. These attributes resulted in EDP being certified as a Family-Friendly Company (FFC) by Fundación Másfamillia from January 2013 to 18 January 2016.

Following this balance and equality certification, in the belief that good practices in the work-life balance of its employees contribute to a fairer, more balanced environment, EDP recognises that people who continuously develop as human beings, have a healthy life and actively participate in family and community life are more professionally committed, more enthusiastic, more responsible and add significant value to the company. As a result, EDP defined goals for 2013 and 2014 based on its employees' work-life balance.

- ⊕ Ensuring geographical decentralization of FFR measures to cover employees in different regions, whenever possible.
- ⊕ Introducing measures that cover a number of employee segments (age, region, marital status, disability, gender and household).
- ⊕ Fostering employees' awareness and better preparation for managing their work and personal time.
- ⊕ Promoting temporal and spatial flexibility by regulating and disseminating remote work.
- ⊕ Taking action to bring company and family closer together.
- ⊕ Providing social and economic support for employees with proven needs.
- ⊕ Guaranteeing equal opportunities for minority group employees at EDP.
- ⊕ Passing on FFR knowledge to company leaders.
- ⊕ Improving efficiency in communication of EDP's FFR measures and improving perception of the company's value proposal.
- ⊕ Reinforcing EDP's volunteering policy in all the regions where its employees live or work, allowing retirees to participate and improving the company's communication and mobilization capacity for this cause.
- ⊕ Conducting awareness campaigns for partners and suppliers so that they can share FFR practices in their organizations.
- ⊕ Conducting an employee awareness campaign on the importance of work-life balance and the value of the emotional salary sponsored by EDP.

These goals involved different possibilities, services and offers from the company. They contribute to greater balance and wellbeing in the lives of its working and retired employees and their families.

Health care, medications, specialist consultations, additional subsidies, health, life and personal accident insurance, workouts at work, free courses and training, cultural activities, sports, holiday camps and summer internships for children and grandchildren, incentives to have children, internal mobility and remote work programmes, flexible work schedules, optional days off, merit prizes and reserved parking for pregnant and disabled employees are some of the 154 balance measures that EDP offers to its employees and support the saying RECONCILIATION IS BEING OWNERS OF OUR OWN TIME.

MANAGEMENT OF OCCUPATIONAL HEALTH AND SAFETY

OVERVIEW

Occupational health and safety are an essential element in the EDP Group's sustainable development and it goes beyond compliance with legal requirements. This attitude is clear in its policy on the subject, which is aimed at the strategic goals of "Zero accidents, no personal injuries".

EDP's occupational health and safety policy refers explicitly to its group-wide scope, meaning that it applies to all its companies in all countries.

In order to best manage this strategic goal, EDP has adopted an occupational health and safety management system based on OHSAS 18001, in line with the International Labour Organization's guidelines in ILO-OSH 2001 and Convention 155 on workers' health and safety.

SAFETY CERTIFICATIONS

CORPORATE SAFETY MANAGEMENT SYSTEM

EDP's Corporate Safety Management System follows ILO recommendation ILO-OSH 2001 and the model provided by benchmark standard OHSAS 18001:2007, reinforcing the principle that occupational health and safety issues should be managed across the EDP Group companies according to common and standardised criteria.

Locally, each company or organisational unit adopts this management system directly or uses it as a reference to develop its own specific system, or one that is integrated into the areas of environment and/or quality, depending on its activity.

TOTAL INSTALLED POWER

In the electricity sector the total installed capacity certified under safety management systems recognised by international standards (OHSAS 18001: 2007), in Portugal is 9,216.97 MW, Spain 5,848.43 MW, USA 3,655.34 MW, France and Belgium 333.54 MW, Poland 373.5 MW, Romania 521.38 MW, Italy 70 MW and Brazil 1,534.05 MW.

These certifications cover 12% of workers in Portugal, 94% in Spain, 100% in France and Belgium, 100% in Poland, 100% in Romania, 31% in the USA and 11% in Brazil.

In the gas sector, 100% of workers in Portugal (EDP Gás) Spain (Naturgás) are covered by certification under the same standard.

MOST IMPORTANT ACTIVITIES IN 2014

The implementation of the company's annual occupational health and safety programme was based on measures to prevent occupational accidents, reduce accident rates and severity and occupational diseases. The programme included training and drills for EDP workers and service providers, permanent assessment and monitoring of work risks and the implementation of an inspections plan and internal and external audits of EDP facilities and construction works.

A more detailed description of the most important activities at the different companies and in the various countries can be found in **Sumário da Segurança 2014 em www.edp.pt**.

IMPROVING SAFETY MANAGEMENT - INTRODUCTION OF THE SAP EH&S MODULE

Following an overall project (Project Lince) in the EDP Group aimed at standardising its information systems, in particular application of the SAP, in 2010 we began to take stock of requirements for implementing the SAP EH&S module in order to speed up management of safety in the workplace. In the initial phase, this module will support risk management, incident management and audit management processes for all EDP Group workers.

TRAINING OF EMPLOYEES AND EXTERNAL SERVICE PROVIDERS

Ensuring that employees and service providers have the right conditions for sustainable development in matters of occupational safety is one of the commitments set out in EDP's safety policy and code of ethics.

Occupational health and safety training is carried out in accordance with procedure PG 38.005 EDP Formação, Sensibilização e Competências in the corporate safety management system.

Training needs for employees are identified during the performance assessment process. This identification is made after an agreement between supervisor and employee and aims at eliminating risk that may arise from:

- ⊕ Performing an activity.
- ⊕ Changes in job description.
- ⊕ New workplaces.
- ⊕ New work equipment or changes to equipment.
- ⊕ New technologies, materials or products.

When employees are admitted, their supervisors ensure that they are aware of:

- ⊕ The EDP Group Safety Policy and its application in the workplace.
- ⊕ Risks associated with their activities and existing means of operational control, including means of individual and collective protection.
- ⊕ The emergency and evacuation plan at their workplace.
- ⊕ The training courses essential to their work.

Contractors and subcontractors are obliged to abide by the conditions set out in the specifications in terms of occupational health and safety and training and qualifications of their workers. This is the only way in which EDP will acknowledge that all service providers' workers have received the training they need to do their work safely.

In addition to training received from their employers, service providers' workers also join EDP workers in further training about safe behaviour and risk prevention specific to some jobs or facilities.

In 2014, occupational health and safety training for EDP Group employees involved an extensive program that included:

Country	Number of courses	Employees involved	Hours of training	Hours of training/employees
Portugal	199	7,562	22,004	2.92
Spain	351	3,151	15,182	4.82
Brazil	100	1,910	29,311	15.35
United States	140	1,508	2,284	1.51
Other countries	41	122	861	7.06
EDP Group	823	14,276	69,760	

Training in occupational health and safety was given to employees and service providers to a total of 18,034 courses involving 60,816 employees and 165,381 hours. The details are shown in the table below.

Country	ESP - Number of courses	ESP employees involved	ESP Hours of training	Hours of training/employees
Portugal	15,720	53,243	50,522	0.94
Spain	195	1,071	800	0.75
Brazil	19,125	5,054	101,271	20.04
United States	913	500	12,552	25.1
Other countries	191	948	538	0.57
EDP Group	18,857	75,069	235,325	165,683 (Spain)

Note: The figures shown in the above tables include training recorded in the system of EDP University and local training or awareness-raising indicated by each company.

FIRST-AID TRAINING

In 2014 there were 91 first-aid training courses for EDP and ESP employees:

Country	Number of courses	Number of trainees
Portugal	17	165
Spain	39	289
Brazil	24	308
United States	3	110
Other countries	8	27
EDP Group	91	899

INVOLVEMENT IN SOCIETY

In collaboration with fire brigades, vocational and upper secondary schools, business associations and trade unions, the EDP Group organised 40 information sessions on procedures for fighting fires in electrical installations, gas networks and installations or in the vicinity and care in handling electrical equipment.

In addition to these sessions, EDP's power stations, substations and transformers are very popular for field trips by schools and recreational associations for study visits. These visits are always preceded by an awareness-raising session on electricity generation and precautions to be taken near electrical facilities.

In addition to these visits, 2,490 came to power stations or major EDP works and asked and were invited to visit the facilities.

EMERGENCY RESPONSE TRAINING

As part of emergency management 328 drills (41 in Portugal, 89 in Spain, 40 in Brazil and 76 in the USA) were held at different industrial facilities, office buildings and at work sites throughout the EDP Group to test the effectiveness of their emergency plans. These drills involved outside bodies such as civil defence, fire brigades and the police.

EMPLOYEE PARTICIPATION

The EDP Group companies induct their employees into their safety management system, based on each country's legislation.

The Occupational Health and Safety Regulations require the formation of occupational health and safety committees and subcommittees within companies and larger business units. They must include legally elected workers' representatives and company representatives that meet at established intervals.

The table below shows employee representatives and their activity:

Country	Number of elected representatives	% of employees represented	Number of meetings
Portugal	67	77%	57
Spain	19	80%	60
Brazil	142	95%	179
United States	3	100%	192
Other countries	5	47%	13
EDP Group	236		501

OCCUPATIONAL SAFETY ISSUES COVERED BY AGREEMENTS WITH TRADE UNIONS

Depending on each country's legislation and the existence or not of collective agreements, they generally have clauses on occupational health and safety that cover all employees.

EDP in Portugal has agreements with trade unions on occupational health and safety that cover 100% of the employees and apply to the following areas:

- ⊞ Employees' and companies' obligations
- ⊞ Representation of employees for occupational health and safety
- ⊞ Accident prevention and safety services
- ⊞ Safety standards and equipment
- ⊞ Industrial hygiene
- ⊞ Training, information and awareness-raising on occupational health and safety

SAFETY AUDITS

Every year, the EDP Group has a broad programme of occupational health and safety audits of the different organisational units, facilities, construction sites and operation and maintenance of EDP employees' and service providers' facilities.

Depending on their nature and extent, they may be technical, inspection or management system audits.

In addition to these, every year the EDP Group undergoes a substantial number of external audits as a result of certification of its safety management systems and inspections by external bodies such as insurance companies and government authorities.

The table below shows the audits conducted in 2014.

Country	No. of audits by external bodies	No. of internal audits	No. of internal audits of ESPs	No. of ESPs audited
Portugal	44	559	5,123	310
Spain	7	6	705	136
Brazil	9	19	111	1,516
United States	10	12	3	3
Other countries	5	20	34	22
EDP Group	75	616	5,976	1,987

ROAD SAFETY

As a socially responsible company aware of the importance of road accident prevention to its employees' and other road user's safety, EDP conducts road safety campaigns. These campaigns include information and instruction in defensive and all terrain driving.

Five defensive driving training sessions were held in Portugal with 52 participants from all over the country in 2014.

Na EDP España, the course consisted of monthly briefings on essential aspects of Road safety to encourage safe, responsible driving. In-house videos were also shown focusing on the main aspects of how to avoid accidents when on the road.

EDP continued its programme and awareness campaigns as part of its alcohol prevention and control policy.

In Portugal, 98 training courses were given exclusively on the subject. They involved 4,949 employees from the EDP Group companies and external service providers.

OCCUPATIONAL MEDICINE

The EDP Group companies abide by requirements for occupational health vigilance of its employees, in accordance with each country's laws, including medical exams and workplace visits.

EDP's contracts require all its service providers to meet the legal requirements of each country regarding occupational health of its employees and so it considers that all their employees are properly monitored.

The main aspects of the occupational medicine programme in Portugal in 2014 were as follows:

- ☒ Medical exam program fulfilled
- ☒ Promotion of health and wellness and prevention of cardiac risks
- ☒ Continuation of nutrition and anti-smoking programs

Summaries of occupational medicine activities in 2014

Number of medical exams	5,743
Admission	249
Regular	5,346
One-off	148
Anti-smoking consultations	70
Nutrition consultations	495
Cardiovascular risk screening (workers involved)	1,914
Health education initiatives	21
Participation in Safety Committees	40
Workplace visits	26

The EDP Sports and Physical Fitness Award was presented for the seventh year running in 2014. This award selects the employees who distinguished themselves in amateur sports in the Personnel Club or elsewhere by participating in competitions and tournaments or other physical fitness and healthy lifestyle programmes.

This award recognises employees distinguished themselves the previous year with healthy lifestyles associated with amateur sports or physical fitness.

ASSESSMENT OF PSYCHOSOCIAL RISKS AND STRESS MANAGEMENT

A programme to assess psychosocial risk factors at companies is under way in Portugal with the support of Instituto de Medicina Preventiva at Lisbon University Faculty of Medicine. Its aim is to develop an integrated tool to diagnose threats to employees' safety health and wellness and monitor the effects of control in the field.

The programme includes dynamic diagnosis. Its third phase and presentation of results took place in 2014. It involves sampling, information and awareness-raising and a monitoring campaign by occupational medicine.

One aspect of this programme is the prevention of occupational stress so that employees can manage their own stress levels. This programme includes information and awareness-raising for most exposed workers, such as shift workers.

A psychosocial risk assessment programme was undertaken at EDP Espanã in 2014 to obtain an objective parameter of psychosocial risks at all companies and company centres.

The result of the programmes at EDP Portugal and EDP Espanã showed no psychosocial determinants for risks to employees' health and safety.

OCCUPATIONAL DISEASES

In 2014, only one case of occupational disease was recognised in Portugal, with no resulting disability.

The rate of occupational diseases with disability per million hours worked was 0.09 in Portugal and 0.05 for the EDP Group as a whole.

OCCUPATIONAL ACCIDENTS

For EDP, the discovery, analysis and correction of near-miss situations is an essential tool in helping to achieve its goals and targets of reducing risks and personal injuries during Group company operations. EDP has developed a special procedure as part of its Corporate Safety Management System, implemented in accordance with OHSAS 18001:2007.

Occupational accidents and sick leave days of in 2014

- ☒ There were 33 work accidents involving EDP Group employees resulting in absences of one or more days in 2014 (42 in 2013). These accidents resulted in 2,496 days' absence.
- ☒ 181 occupational accidents with one or more days of absence occurred among all EDP and service provider employees (223 in 2013). These accidents resulted in 12,193 days' absence.

The main safety indicators are measured by frequency, incidence and severity, as follows:

Frequency rate - number of fatal and non-fatal work accidents per million hours worked in the reference period.

Incidence rate - Number of fatal and non-fatal work accidents per thousand employees in the reference period.

Severity rate – number of days lost per million hours worked, in the reference period.

For the EDP Group:

- ☒ The consolidated **frequency rate** for the companies in the different countries was 3.7 accidents per million hours worked (4 in 2013).
- ☒ The consolidated **incidence rate** for the companies in the different countries was 2.8 accidents per 1,000 workers (3.5 in 2013).
- ☒ The consolidated **severity rate** for the companies in the different countries was 246 days lost per million hours worked (203 in 2013).

During 2014 there were 187 near misses reported at EDP Group companies.

These indicators reflect the results of initiatives during the year to further improve occupational safety conditions, particularly training, awareness-raising, risk assessment and control, preventive action with service providers and an increase in the number of audits and inspections.

In spite of the efforts made, tragically there were eight fatal accidents with service providers. Of the seven in Portugal, three were electrical, one was a fall from height, two were from crushing and one due to falling objects. The one accident in Brazil was caused by a falling tree.

Unfortunately there were nine cases of electrocution of people uninvolved in EDP work, mostly due to contact of construction or agricultural machinery with live lines.

Note: Information per country is available in **Sumário da Segurança 2014**, at www.edp.pt.

5. LABOUR RELATIONS

EDP maintains a constructive, collaborative relationship with the authorities and employees' representatives - workers' committees and trade unions. These relationships are implemented in each country by local teams that keep up contacts with the different entities.

At the end of 2014, 48% of the Group's employees were members of trade unions. The largest percentage was in Portugal (the country with the largest number of employees).

Trade union membership – No. of union members by country

Country/year	2012	2013	2014
Portugal	4,622	4,284	3,973
Spain	417	403	346
Rest of Europe	1	0	0
Brazil	1,178	n/a	1,322
United States	0	0	0
TOTAL	6,218	4,687	5,651

NOTE: Due to changes in local information systems, Brazil has no data available for 2013.

2014 was a year of intense activity in terms of labour relations. It began with the negotiation of two collective labour agreements in Portugal and Spain and ended with two downsizing processes in the Iberian Peninsula and Brazil. All these initiatives took place in close collaboration of the employees' representatives.

In Portugal, EDP negotiated and reached an agreement with all the trade unions representing its workers, which led to a new **Collective Labour Agreement, ACT/EDP 2014**. This agreement covered 23 EDP Group companies based in Portugal and 100% owned or dominated by EDP. It applied to around **6,700 workers** who now have a single regulatory framework.

After conclusion of the 2014 agreement, **34 plenary meetings were held all over the country, attended by 3,000 workers**, to present the agreement and answer any queries. Meetings are still held with the signatory companies and workers' representatives to guarantee implementation of the ACT/EDP 2014 transparently and with talks.

In addition to the above negotiations, more than 120 meetings were held with authorities, workers' committees and trade unions - for the introduction, alteration or termination of regulatory standards or procedures, resulting from the legal framework and during reviews and updates of regulations. These meetings also served to pass on information and increase cooperation and in 2014, there were no industrial disputes for reasons within the EDP Group.

Also where labour relations are concerned, the company continued to support workers' recreational, cultural and social organisations, such as the EDP Personnel Club, the Blood Donors' Association and the Retirees' Association.

In Spain the new comprehensive HC Group agreement was signed by three of the four trade unions at the negotiating table (SOMA, FIAG, UGT and CCOO), which represent around 80% of the workers.

This new agreement will last for five years (1/01/2013 to 31/12/2017) and represents a long period of stability in labour relations. It applies to all employees in a substantial number of companies, with the exception of employees in the highest segments and those with individual employment agreements.

Although no large-scale negotiating process occurred at EDP Brazil, due to the country's macroeconomic situation, the company undertook two negotiation processes with eight trade unions involving an average of ten monthly meetings: Labour agreements and profit sharing. Both were successful.

The collective regulations in the countries where EDP operates do not include specific time limits for informing employees of operational changes in the company. Nonetheless, several meetings with representative bodies with regard to the downsizing process, which led to the lay-off of 55 employees in Brazil and early retirement of 109 in the Iberian Peninsula.

EDP announces organisational changes that impact on employees, which go beyond the requirements of national labour law in some countries. Communications are sent to unions, workers' committees and employees in Portugal at least 30 days in advance. The announcement of organisational changes in Brazil is initially made by the unions, followed by communication by EDP of the changes in each phase of the negotiations. A deadline is set for answering queries. The minimum period in other locations is defined by local law.

6. DIVERSITY

Gender equality, diversity of nationality, integration of people with disabilities and other vulnerable sectors and coexistence of different generations are priority areas where diversity is concerned.

The most important initiatives in 2014 were

- ☒ Encouraging female employees to join the Professional Women's Network Global (PWN) based on predefined criteria. Fifty employees are currently members of the PWN.
- ☒ Monitoring enforcement of the in-house rule on the obligation to reflect the proportion of women in the target population of the Group's corporate development programmes. This proportion has been increasing most programmes. There was a slight increase in female participants in corporate programmes.
- ☒ An in-house study of perception in the company of barriers preventing women from moving up to management positions. The sample included 325 female employees and served as a starting point for further research.

As shown in the table below, gender diversity has remained stable in the EDP Group, with a 0.8% increase in women directors.

Job segmentation by country and gender

Job categories/country	2013					
	Portugal	Spain	Rest of Europe	Brazil	United States	Total
EBD - Executive Board of Directors	7	0	0	0	0	7
Men	7	0	0	0	0	7
Women	0	0	0	0	0	0
Directors	447	158	26	77	53	761
Men	365	126	23	64	44	622
Women	82	32	3	13	9	139
Managers	345	381	37	91	57	911
Men	276	280	26	71	40	693
Women	69	101	11	20	17	218
Specialists	1.735	573	92	895	157	3.452
Men	1.178	414	59	555	115	2.321
Women	557	159	33	340	42	1.131
Support technicians, operatives and admin workers	4.449	816	10	1.733	33	7.041
Men	3.697	628	2	1.446	1	5.774
Women	752	188	8	287	32	1.267
Total	6.983	1.927	165	2.796	300	12.171

Job categories/country	2014					Total
	Portugal	Spain	Rest of Europe	Brazil	United States	
EBD - Executive Board of Directors	7	0	0	0	0	7
Men	7	0	0	0	0	7
Women	0	0	0	0	0	0
Directors	398	158	22	74	54	706
Men	321	124	19	62	45	571
Women	77	34	3	12	9	135
Managers	344	227	15	86	42	714
Men	269	168	7	70	31	545
Women	75	59	8	16	11	169
Specialists	1.831	711	131	855	184	3.712
Men	1.254	506	89	532	136	2.517
Women	577	205	42	323	48	1.195
Support technicians, operatives and admin workers	4.153	803	9	1.659	36	6.660
Men	3.460	618	1	1.382	2	5.463
Women	693	185	8	277	34	1.197
Total	6.733	1.898	177	2.674	316	11.798

NOTE: Segmentation different from that in 2013 SR

The table below shows that although the number of employees with disabilities has decreased, EDP has maintained the percentage employed.

Number of disabled employees by country

Country / year	2012	2013	2014
Portugal	108	120	107
Spain	16	17	24
Rest of Europe	0	0	
Brazil	70	60	58
United States	0	0	
TOTAL	194	197	189

7. INVOLVEMENT AND RETENTION

PRODUCTIVITY AT EDP

Productivity in the EDP Group is regarded from an integrated point of view and there are several indicators that contribute to it. From hours worked, to absenteeism, return on investment in human resources and income per worker, all analyses serve as indicators that show how the investment is resulting and how people's work is being optimised.

There was a slight decrease in hours actually worked from 20,831,211 in 2013 to 20,514,574 in 2014. This was due to a reduction in the Group's employees. On the other hand, GVA per employee increased significantly as a result of the decrease in the number of workers, showing higher levels of optimisation of human capital.

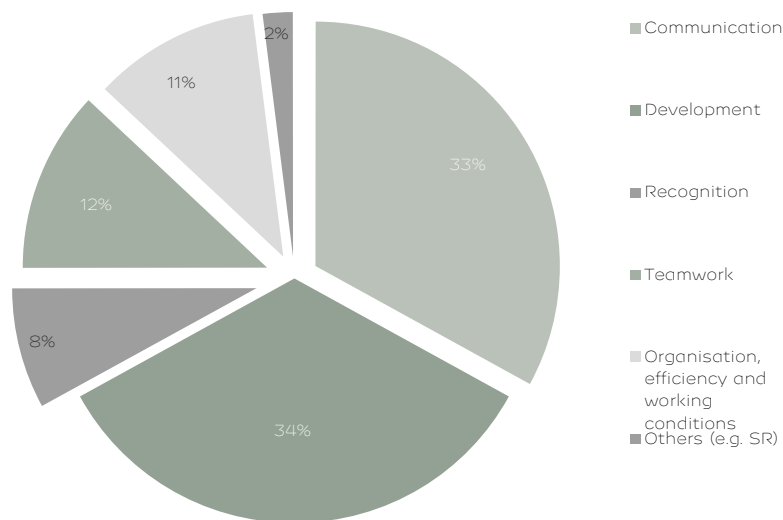
Absenteeism rose very slightly by 0.2% from de 3.26% para 3.46% in 2014.

EMPLOYEE SATISFACTION

Employees' satisfaction and its systematic measurement are essential factors in the development and effectiveness of any company's performance. An overall satisfaction survey of the Group's employees is conducted biennially to monitor its evolution. The results are then competently worked on so that a better assessment of existing and future plans of action can be made.

As the latest study was conducted in 2013, 2014 was devoted to announcing the results and defining and implementing improvements in all countries. This led to over 170 measures, many of which are already being implemented.

Although there was no overall satisfaction study in 2014, at the end of the year a brief questionnaire was distributed to a sample of employees from the different countries, to a total of around 50% of all workers. The result was that the **overall satisfaction rate was in line with the previous one, i.e. 80%. This result reflects the efficacy of the measures taken in the different businesses and stresses the Group's efforts in this area.**



EDP was also recognised in two external studies on the basis of the employees' answers.

PORTUGAL: EXCELLENCE AT WORK AWARD -BEST IN SECTOR IN INDUSTRY AND ENERGY

POLAND: WINNER OF GREAT PLACE TO WORK, IN THE SMALL COMPANY CATEGORY

BRAZIL EDPBR ACHIEVED TOP EMPLOYER CERTIFICATION, WHICH IS AWARDED ONLY TO THE BEST EMPLOYERS IN THE WORLD AND TO ORGANISATIONS THAT OFFER THE BEST CAREER PROSPECTS.

TURNOVER AND RETENTION

Guaranteeing a lasting stay by employees is one of the EDP Group's main priorities. The concern reflects the Human Resource Department's ongoing policies and initiatives, many of them designed to retain employees.

Turnover was 7.2% in 2014, 0.7% up on 2013. In spite of this rise, an analysis of the type of leavers (853 in 2014, 59 more than in 2013) shows that this increase was due essentially to retirements or early retirements, only 1.2% of the total headcount left of their own accord. This figure is lower than the average in the different countries.

The impact of normal and early retirements will continue to affect turnover, as 4,572 people are expected to retire in the next 10 years.

Leavers

Country / year	2013	2014
Portugal	6.0%	7.3%
Spain	2.5%	2.9%
Rest of Europe	6.1%	10.7%
Brazil	10.3%	9.0%
United States	10.3%	15.5%
TOTAL	6.5%	7.2%

NOTE: Formula for Turnover of total leavers =
Total leavers year N / Headcount year N

Job category/country	2012 next 5 years						2013 next 5 years						2014 next 5 years					
	Portugal	Spain	Rest of Europe	Brazil	United States	Total	Portugal	Spain	Rest of Europe	Brazil	United States	Total	Portugal	Spain	Rest of Europe	Brazil	United States	Total
Directors	174	2	0	18	4	198	168	5	0	4	4	181	143	5	0	4	3	155
Managers	78	7	0	18	0	103	83	10	0	0	2	95	82	8	0	0	4	94
Specialists	238	9	0	165	3	415	295	21	0	17	8	341	295	17	1	20	6	339
Support technicians, operatives and admin workers	1.825	26	0	306	2	2.159	1.969	40	0	33	3	2.045	1.778	63	0	28	4	1.873
Total	2.315	44	0	507	9	2.875	2.515	76	0	54	17	2.662	2.298	92	1	52	17	2.460

Job category/country	2012 Next 10 years						2013 Next 10 years						2014 Next 10 years					
	Portugal	Spain	Rest of Europe	Brazil	United States	Total	Portugal	Spain	Rest of Europe	Brazil	United States	Total	Portugal	Spain	Rest of Europe	Brazil	United States	Total
Directors	253	16	1	33	8	311	241	23	0	10	6	280	208	23	1	14	9	255
Managers	156	52	0	26	3	237	149	63	0	10	4	226	139	45	0	7	6	197
Specialists	489	66	1	249	9	814	527	73	0	83	11	694	523	80	1	81	8	693
Support technicians, operatives and admin workers	3.562	185	0	562	3	4.312	3.364	203	0	83	3	3.653	3.038	217	0	95	4	3.354
Total	4.460	318	2	870	23	5.673	4.281	361	0	186	24	4.852	3.908	364	2	197	27	4.498

NOTE: The segmentation presented in RS 2013 was adjusted to allow a comparative analysis. The leavers amount in Spain, United States and Brazil, 2013 was corrected in relation to those in the RS 2013.

The Group's voluntary turnover occurs more up to the age of 29 and decreases as age increases. The countries with the highest turnover in this age group are Brazil, the United States and those in Europe (with the exception of Portugal and Spain). This is directly linked to the market dynamics (additional information in the tables on page 87). In order to deal with this phenomenon, the Group made a diagnosis of over 400 employees aged under 34 in the entire Group in 2014, i.e. the so-called Y Generation, to identify sources of dissatisfaction and concerns about human resource policies. This workshop resulted in suggestions on development, balance and flexibility, which were included in the people plan to be implemented by 2017. As there is a renewal of generations under way, there will be a new diagnosis in 2015 to assess differences between generations.

ADDITIONAL INFORMATION AND TABLES

GENERAL NOTE: The 2013 headcount was eight employees lower than reported (from 12,179 to 12,171), due to exclusion of the company in Spain, CIDE, in which EDP has a 50% holding. In accordance with current accounting standards (IFRS 10 and 11), 50% owned companies are not consolidated, and so if it was necessary to make adjustments for comparative purposes.

In 2014 we also replaced the employee segmentation model by a new one with four segments.

PRIORITIES IN PEOPLE MANAGEMENT IN 2014

	Goals and targets	Status	Main impacts and targets met	Measurement indicators
Attraction	Use LinkedIn as a recruitment tool for the EDP Group in order to position it as an employer of first choice and improve attraction of candidates at global level.	Done	Increase EDP's fame as a key employer - in the first six months EDP received 14,973 applications on LinkedIn.	Use LinkedIn as a recruitment tool for the Group 14,973 applications submitted to LinkedIn in 2014.
	Implement Second EDP Trainee Programme for more positions and extend it to EDP España EDP Renováveis.	Done	Increase EDP's fame as a key employer - in the second programme, EDP received 4,000 applications.	4,000 applications submitted to the programme
	Undertake attraction initiatives for different segments in the markets in which EDPO operates.	Ongoing	Strengthen EDP's position as a key employer and attract new talents especially because of the generation transition period in leadership positions.	27,309 applications were received for 153 vocational internship positions for university students (178 per position). 1,203 applications were received for 71 junior management positions for university students (20 per position). 1,031 applications were received for 20 vocational internship positions for technical and 12th year students (52 per position). 728 applications were received for 38 junior management positions for technical and 12th year students (19 per position).
Training and development	Design training for specialists at EDP University Schools.	Ongoing	Prepare training for specialists at Distribuição, Produção, Gás and Comercial schools Hold pilot classroom course at all schools and preparation by the Distribuição School of two e-learning courses for 2015	Seven courses designed by the Produção (5 in the classroom) and Distribuição schools (2 online). One pilot course given at Produção School (Maintenance I)

	Make sure our range covers all the countries in which EDP operates (continuing to develop UEDP Brasil)	Ongoing	Courses covering several countries Redefine implementation strategy for UEDP at EDP Brasil.	9,686 employees take UEDP courses.
	Extend all the group's training management on the Online Campus to all countries.	Ongoing	Project to implement COL at EDP España	10,111 employees active in COL COL is used to manage training for 57% EDP Group employees
	Reach cruising speed in content management and e-learning courses.	Ongoing	Increase in amount of e-learning in Portugal (44,000 man hours for Group employees in Portugal representing 18% of total training. Start of courses on Ethics, HR Kiosk and SIM PT + in Portugal. Start of EDP Challenge course for commercial employees and service providers Start of eCloud course for all employees in the EDP Group and outside users Prepare for start of project	No. of new courses (tailor-made or purchased) Total hours of e-learning No. of educational videos filmed in-house % of employees covered.
	Introduce knowledge management project	Not started		Not applicable
	Review documentation support system	Ongoing	Migration of support system to documentation services for updates and improvements in the back-office software (Aleph) and its interface with employees (Primo).	95% of project carried out: base system implemented, data migration completed and design of employee interface layout and communication plan defined
	Revisit training range of schools that started up first, e.g. Director Development School and restart discussion of convergence between courses at different schools.	Ongoing	Meetings with partners and business schools to identify best practices New strategic guidelines set out for EDD Committee Review of new EDD training structure	Ascertain need to design new leadership training programme for middle managers
Mobility	Foster mobility within the EDP Group by means of across-the-board initiatives to meet the needs of the different businesses, increase diversity of opportunities and develop our employees.	Ongoing	Improve the Group's mobility in terms not only of percentage but also of timing. Approval of an overall, internal mobility programme to be implemented in global campaigns.	overall % mobility in the Group - 6.8% No. of moves in the EDP Group: 808
	Review EDP Group International Mobility Policy.	Done	Due to the Group's current international growth, Group, it was necessary to revise its diversity policy to be ready for new challenges.	Policy approved at the end of 2014.
Career management	Define model for segmenting the EDP Group population in line with all countries	Done	Create a single reference for all Group employees to be able to manage different HR policies on a common basis	A new segmentation model was adopted by the different countries in 2014 Creation of a specific SAP field for internal and external reporting in line with the new model

	Implement Collective Labour Agreement	Ongoing	Create a single reference in Portugal to manage employees' careers and remuneration	Convert all employees at companies in Portugal to the new Collective Labour Agreement by the end of the first quarter of 2015. Each employee to be personally informed of the new framework
	Implement functional family model in all Group countries	Ongoing	Create a mapping model for the Group's main areas of competence and allocate employees to them. This gives employees more information about the organisation's different areas in the various countries and boosts their mobility and development. It also allows the organisation to manage its needs for skills and resources better.	Allocate employees to the Group's functional families and inform the organisation by the end of 2015
Management of potential and leadership	Implement behavioural development programmes for employees and prepare them for positions of great responsibility - Energising Development Programme and Lead Now Programme.	Done	Develop and consolidate leadership and management skills within the organisation	No. of employees in Energising in 2014 = 109 No. of employees who entered Energising in the last three years and were promoted to managers = 27 (i.e. 13% from the 3rd, 4th and 5th editions of Energising 93% of participants were completely satisfied with the 3rd edition of Energising No. of employees in Lead Now in 2014 = 34 completing the 1st edition and 50 beginning the second. No. of employees who participated in Lead Now and are no longer in leadership positions = 0
	Define development opportunities for top leadership segment	Ongoing	Adapt the range of training and development programmes to new needs	Review training available at Director Development School - Implement by the end of 2015.
	Increase the role of in-house mentoring for learning, networking and development of employees	Done	Step up initiatives that contribute to employees' professional development	% of employees covered by mentoring = 104
	Develop in-house coaching to foster employees' development	Done	Step up initiatives that contribute to employees' professional development	36 in-house coaching processes ended in 2014 and 50 new coaches from the participants the Lead Now Programme began.
Succession management	Review procedures for identifying successors by setting up succession committees	Ongoing	Set up in-house mechanisms to monitor critical processes in the organisation to ensure that successors are identified and properly prepared and developed	Introduce a common but decentralised process for identifying the new pool of successors involving companies' top management
	Implement the Fourth Valuing Experience Programme for employees with over 30 years of service	Done	Implement programmes for passing on experience	In 2014, 142 employees joined the programme, 128 completed it and devised initiatives for passing on experience, with a completion rate of 80%.

Evaluation of potential and performance	Implementation of 270° assessment of all middle managers	Done	Guarantee a multi-participant assessment process to make it more complete	7,297 employees with at 270° training, i.e. 62% of all employees
	Ensure that this platform includes the Group's potential and performance assessment systems	Done	Guarantee that assessment process are hosted on the same platform and allow central access	Incorporate the assessment systems in a single platform by the end of 2014.
Recognition:	Implement recognition initiatives in the organisation	Done	Implement overall recognition mechanisms	No. of employees involved in recognition processes
Employee satisfaction	Keep overall employee satisfaction above 80% in the 2015 climate survey	Ongoing	Guarantee that climate and satisfaction indicators stay at high levels, thereby allowing a higher retention rate and lower turnover	Overall Satisfaction rate >= 80.
	- Ensure that improvement plans are drafted and implemented in all Group companies based on the 2013 survey.	Done	Incorporate improvement initiatives in the organisation and different processes as part of the satisfaction survey so that satisfaction levels can be improved. X improvement initiatives were implemented at different Group companies in 2014.	171 initiatives undertaken in the organisation % of employees familiar with the climate plans
	Develop a focus group with Generation Y employees to identify lower levels of satisfaction	Done	Look closely at the priorities and HR aspects that these employees value most and incorporate improvement initiatives in the organisation and different processes as part of the satisfaction survey so that satisfaction levels can be improved in this segment.	Degree of satisfaction of Generation Y employees (aged up to 34).
Diversity	Continue to implement the diversity policy action plan	Ongoing	Incorporate into the organisation initiatives aimed at increasing different types of diversity.	The four actions identified in 2014 were successfully implemented
	Conduct a diversity survey of a sample of company employees	Done	Diagnose barriers to diversity in management positions and take measures to mitigate them.	Done
	Analyse different diversity indicators in the Group and suggest additional measures	Ongoing	Incorporate into the organisation new initiatives aimed at increasing different types of diversity.	Undecided Measures must be defined by the end of March

PRIORITIES IN PEOPLE MANAGEMENT 2015/2016

Strategic aspect		GOALS AND TARGETS	Timelines	Main impacts	Measurement indicators
Attract and recruit	Attraction	Review attraction plan at global level	2016	Define an overall attraction model for the different countries, with local adjustments, in order to consolidate the Group's image as a key employer at global level.	Implement a attraction global plan by the end of 2016.
		Undertake attraction initiatives for different segments in the markets in which EDP operates.	2015	Reinforce EDP's positioning as a key employer so as to attract new talents, especially in view of the generational transition of leadership.	No. of candidates per vocational internship and junior manager position per segment
	Recruitment and selection	Review of recruitment and selection internships in Portugal	2016	Optimise recruitment process to make them more efficient in terms of speed and no. of processes.	No. of processes Recruitment timeline
		Define overall recruitment criteria for the Group	2016	Define the across-the-board characteristics to be identified in applicants for vacancies at EDP based on the new skills model, making it possible to standardise some recruitment criteria.	Implement across-the-board recruitment in the different countries by the end of 2016.
	Welcome and induction	Implement a global welcome and induction process	2016	Define a welcome and induction process and introduce it at global level to give new employees a more coherent, integrated view of the Group, while respecting the specificities of the different countries.	Implement a global welcome plan by the end of the first quarter of 2016.
	Training	Gradual implementation of training for specialised managers at EDP University schools	2016	Start of structured training for specialists at all schools Start of two e-learning courses by the Distribuição School	No. of courses and programmes available to specialists % of employees covered
Make sure our range covers all the countries in which EDP operates (continuing to develop UEDP Brasil)		2016	Courses at some schools (EEDP, EDD, ED, Gas School...) for different countries. Redefine implementation strategy for UEDP at EDP Brasil.	No. of courses and programmes covering several countries Launch UEDP in other countries % of employees covered	
Develop		Extend all the group's training management on the Online Campus to other countries.	2016	Use of COL for training management at EDP España Launch of implementation project in the other countries	% of employees in countries with training management by COL.
		Reach cruising speed in content management and e-learning courses.	2016	Increase amount of training and streamline learning Localisation of existing courses and introduction of Group-wide courses for all employees in the EDP Group and outside users Develop contents in video format	No. of new courses (tailor-made or purchased) Total hours of e-learning No. of educational videos filmed in-house % of employees covered
		Introduce knowledge management project	2016	Diagnosis of knowledge management in the EDP Group and proposals for a specific project in this area.	Scope and stages of project % of project executed
		Review documentation service support system	2016	Introduction of a documentation service support system with better access for employees	New documentation service support system up and running, ensuring that the entire EDP Group is aware of it % of employees covered
		Revisit the range of training at schools that started up first, e.g. Director Development School and restart discussion of convergence between courses at different schools.	2016	Implementation of new EDD training structure and extension to other countries	Implementation of a structured programme for the macro-structure at the Director Development School % of employees covered

Develop (cont.)		Restructuring of Welcome and Induction Policy	2016	Creation of a Global Welcome and Induction Policy in the EDP Group that includes internships and fixed-term contracts	Implementation of Welcome and Induction Programme in the EDP Group % of employees covered	
		Certification of UEDP as a training entity by the DGERT	2015	Recognition of UEDP as a certified training entity	Certification granted by DGERT	
		Certification of UEDP by the EFMD	2016	Benchmarking and international recognition of UEDP	Certification granted by EFMD	
		Extension of the Online Campus to other populations	2016	Use of the Online Campus as a single platform for training of EDG Group employees and service providers	% of employees covered % of external users and service providers	
		Introduction of a pilot project for online English teaching and selection of a long-term solution for the EDP Group	2015	Improvement of the level of English in the employees in the pilot group and distribution of a more flexible solution suited to each employee's real needs	Participation rate vs. dropout rate Assessment of progress Evaluation satisfaction with the solution % of employees covered	
		Career management	Implement new Collective Labour Agreement In Portugal	2015	Create a single reference in Portugal to manage employees' careers and remuneration	Convert all employees at companies in Portugal to the new Collective Labour Agreement by the end of the first quarter of 2015. Climate indicator regarding careers >= x%
			Disseminate opportunities for occupational development by implementing the Functional Family model in the EDP Group	2015 and 2016	Create a mapping model for the Group's main areas of competence and allocate employees to them. This gives employees more information about the organisation's different areas in the various countries and boosts their mobility and development. It also allows the organisation to manage its needs for skills and resources better.	Allocate employees to the Group's functional families, initially GE1 to GE4 and inform the organisation by the end of 2015
		Management of potential and performance	Review and adapt the EDP Group's competence model to the business's strategic challenges	2015 and 2016	Review the current EDP Group Competence Model in line with the business's challenges	Define new competence model and implement by the end of 2015 Incorporate the new competence model in the different HR processes by the end of 2016
			Guarantee the roll-out of current programmes and increase range; incorporate needs perceived by different countries in line with group-wide macro-trends in future skills	2015 2016	Adapt the range of training and development programmes to new needs	Implement the new range of training for middle management by the end of 2015 Climate indicator regarding training >= x% Assessment of training: perception of utility of training (after implementation). % of goal fulfilled among participants
			Provide resources fostering self-knowledge and increase construction of individual employee development plans as a way of boosting responsibility for self-development	2015 2016	Construction of PDI for senior managers after assessment of potential with superiors' support Prepare superiors to support the design and monitoring of PDI Conduct assessments of personnel to boost their development, mobility and retention, especially in top management and supervisors Diagnose development needs and incorporate these inputs in the PDI and design of new training programmes to meet future challenges	Modify PDI template to accommodate new IT platform % de employees and supervisors with PDI training % de employees with defined PDI - Implement assessment by the end of 2015
	Mobility	Implement a Corporate Mobility Programme that meets the Group's needs and challenges, respects the specificities of the different businesses and countries and contributes to employee development and personal and professional satisfaction.	2015	Improve the Group's mobility in terms not only of percentage but also of timing. Introduce global mobility campaigns involving different countries and implement a planned mobility model directly related to the employee development process and succession needs	% overall mobility in the Group No. of mobilities by type Average no. of candidates Planned mobility for HR functional families and management control	

Develop (cont.)	Knowledge management and succession	Introduce knowledge management project	Ongoing	Diagnose knowledge management in the EDP Group and propose a specific project in this area	Scope and stages of project % of project executed
		Review documentation service support system	Ongoing	Introduction of a documentation service support system with better access for employees	New documentation service support system up and running, ensuring that the entire EDP Group is aware of it % of employees covered
		Review succession process in line with the new concept of potential in the organisation	2015/2016	Set up in-house mechanisms to ensure that successors are identified and properly prepared and developed	Cross-reference and analyse information from assessments and identification of successors
		Introduce programme that encourages passing-on of knowledge in the organisation and prepare employees who are about to retire	2015/2016	Fifth Valuing Experience Programme for employees with over 30 years of service Design and implement a retirement preparation programme for planning short and medium-term departures	No. of participants No. of knowledge transfer initiatives Success rate Degree of satisfaction
Managing performance and retaining	Evaluation of potential and performance	Review and implement a new potential model in the EDP Group	2015	Set up a single model for identifying potential within the organisation	Implement and identify the organisation's different levels of potential
		Implement multi-evaluator assessment of skills for the other organisational levels	2015 and 2016	Guarantee a multi-participant assessment process to make it more complete	No. of employees with at least 270° training
		Review of the performance assessment model	2016	Review of a performance assessment model based more on meritocracy with greater differentiation	Implement the reviewed performance assessment model by the end of 2016 Climate indicator regarding the assessment of potential and performance >= x%
		Implement recognition initiatives in the organisation	2015	Implement overall recognition mechanisms	No. of employees involved in recognition processes Indicator of climate regarding recognition >= a x%.
Recognise and reward	Employee satisfaction	Keep overall employee satisfaction above 80% in the 2015 climate survey	2015	Guarantee that climate and satisfaction indicators stay at high levels, thereby allowing a higher retention rate and lower turnover	Overall Satisfaction rate >= 80.
		Conduct a new employee satisfaction survey for the Group	2015	Conduct a new employee satisfaction survey for all countries that not only analyses satisfaction of the company but also compares the different markets. Regard the satisfaction survey not only as a human resource tool but mainly as a support for managers in managing their teams	Conduct a new employee satisfaction survey by September 2015
	Compensation	Review and update the Group's compensation policy	2015	Review the Group's current pay practices, conduct benchmarking and adjust according to the markets	Update Group's pay scales by the end of 2015
		Review variable targets in accordance with best market practices and with the revised performance assessment model.	2016	Review variable targets in accordance with best market practices and with the revised performance assessment model, taking account of the different degrees of organisational contribution to the Group's profits and fostering higher levels of differentiation and meritocracy.	% retention of employees with the highest scores
Diversity	Benefits	Update and standardisation of Group benefits	2015 and 2016	Review the current benefit package and adapt it to the needs of the different segments in the various countries.	Review and update benefits by the end of 2016.
		Diversity	Continue to implement the diversity policy action plan	2015	Incorporate into the organisation initiatives aimed at increasing different types of diversity.
			Analyse different diversity indicators in the Group and suggest additional measures	2015	Incorporate into the organisation new initiatives aimed at increasing different types of diversity.

Diversity (cont.)	Implement measures to mitigate barriers to career development by female employees	2015	Increase the number of women in management positions	Diversity targets for management positions
	Define the Group's main diversity areas and targets	2015	Clarify areas of diversity in the Group and set targets with a view to incorporating diversity in different processes	Diversity targets
	Establish all jobs that can be performed by people with disabilities	2015	Establish all jobs that can be performed by people with disabilities with a view to increasing the number of disabled employees	% of disabled employees in the Group

CHAPTER PEOPLE AT EDP: INTRODUCTION

Average age of workforce by country

Country / year	2012	2013	2014
Portugal	49	49	49
Spain	44	45	46
Rest of Europe	34	35	35
Brazil	39	38	38
United States	38	39	39
Total	46	46	46

Average years of service of employees by country

Country / year	2012	2013	2014
Portugal	24	25	24
Spain	15	16	17
Rest of Europe	2	3	4
Brazil	11	11	11
United States	3	4	4
TOTAL	19	19	19

Job segmentation by country and gender

Job category/ country	2013					2014						
	Spain	Rest of Europe	Brazil	United States	Total	Spain	Rest of Europe	Brazil	United States	Total		
EBD - Executive Board of Directors	7	0	0	0	7	7	0	0	0	7		
Men	7	0	0	0	7	7	0	0	0	7		
Women	0	0	0	0	0	0	0	0	0	0		
Directors	447	158	26	77	53	761	398	158	22	74	54	706
Men	365	126	23	64	44	622	321	124	19	62	45	571
Women	82	32	3	13	9	139	77	34	3	12	9	135
Managers	345	381	37	91	57	911	344	227	15	86	42	714
Men	276	280	26	71	40	693	269	168	7	70	31	545
Women	69	101	11	20	17	218	75	59	8	16	11	169
Specialists	1,735	573	92	895	157	3,452	1,831	711	131	855	184	3,712
Men	1,178	414	59	555	115	2,321	1,254	506	89	532	136	2,517
Women	557	159	33	340	42	1,131	577	205	42	323	48	1,195
Support technicians, operatives and admin workers	4,449	816	10	1,733	33	7,041	4,153	803	9	1,659	36	6,660
Men	3,697	628	2	1,446	1	5,774	3,460	618	1	1,382	2	5,463
Women	752	188	8	287	32	1,267	693	185	8	277	34	1,197
Total	6,983	1,927	165	2,796	300	12,171	6,733	1,898	177	2,674	316	11,798

CHAPTER PEOPLE AT EDP: ADMISSIONS AT EDP

Types of admission per country

Types of admission/country	2013					2014						
	Portugal	Spain	Rest of Europe	Brazil	United States	Total	Portugal	Spain	Rest of Europe	Brazil	United States	Total
Direct admissions to permanent workforce	106	19	24	416	35	600	107	19	24	235	66	451
Admissions with fixed-term contracts	80	3	0	1	2	86	128	4	7	1	0	140
Other admissions	19	6	0	2	0	27	13	3		8	0	24
Total	205	28	24	419	37	713	248	26	31	244	66	615

Employees by country and age group

Country / age group	2012				2013				2014			
	Aged up to 29	30 to 49	50 and older	Total	Aged up to 29	30 to 49	50 and older	Total	Aged up to 29	30 to 49	50 and older	Total
Portugal	484	2,195	4,516	7,195	530	2,113	4,340	6,983	569	2,105	4,059	6,733
Spain	114	1,220	638	1,972	82	1,165	680	1,927	58	1,139	701	1,898
Rest of Europe	44	100	4	148	42	115	8	165	45	124	8	177
Brazil	665	1,574	430	2,669	723	1,637	436	2,796	648	1,585	441	2,674
United States	56	183	52	291	52	194	54	300	61	197	58	316
Total	1,363	5,272	5,640	12,275	1,429	5,224	5,518	12,171	1,381	5,150	5,267	11,798

Average age of leavers by country

Country / year	2012	2013	2014
Portugal	54	55	56
Spain	53	50	52
Rest of Europe	37	33	40
Brazil	41	41	40
United States	35	36	38
Total	46	49	50

CHAPTER INVOLVEMENT AND RETENTION

No. of employee leavers by country

Country / year	2012	2013	2014
Portugal	214	417	489
Spain	54	49	55
Rest of Europe	14	10	19
Brazil	299	288	241
United States	39	31	49
Total	620	795	853

Leavers turnover total

Country / year	2013	2014
Portugal	0.3%	0.2%
Spain	0.1%	0.2%
Rest of Europe	4.8%	7.3%
Brazil	2.9%	2.4%
United States	8.7%	13.6%
Total	1.1%	1.2%

Breakdown of average years of service of leavers by gender and age group

	2013	2014
Portugal	33	33
Men	34	34
Women	23	30
up to 29	2	1
30 to 49	8	8
50 or older	36	36
Spain	23	25
Men	27	26
Women	8	17
up to 29	2	2
30 to 49	9	9
50 or older	34	34
Rest of Europe	3	4
Men	3	4
Women	3	4
up to 29	1	1
30 to 49	4	3
50 or older		9
Brazil	12	10
Men	13	11
Women	9	8
up to 29	2	2
30 to 49	8	7
50 or older	26	22
United States	3	4
Men	3	3
Women	2	5
up to 29	2	3
30 to 49	3	4
50 or older	3	3
TOTAL	23	24
Men	26	25
Women	12	18
up to 29	2	2
30 to 49	7	7
50 or older	34	34

Turnover by region, sex and age group

Country / year	2012	2013	2014
Portugal	2.68%	4.39%	5.38%
Men	2.65%	4.88%	5.58%
Women	2.80%	2.50%	4.65%
up to 29	19.81%	17.06%	18.02%
30 to 49	3.06%	1.56%	2.06%
50 or older	0.66%	4.31%	5.39%
Spain	2.63%	1.95%	2.11%
Men	2.80%	1.80%	2.13%
Women	2.08%	2.38%	2.03%
up to 29	15.79%	8.33%	11.47%
30 to 49	1.14%	1.26%	1.19%
50 or older	2.95%	2.24%	2.68%
Rest of Europe	19.19%	10.86%	14.33%
Men	17.68%	9.62%	16.37%
Women	22.22%	13.33%	10.34%
up to 29	2.53%	18.60%	20.69%
30 to 49	12.50%	7.91%	12.13%
50 or older	337.50%	8.33%	12.50%
Brazil	14.07%	13.16%	8.87%
Men	13.74%	12.35%	8.13%
Women	15.18%	14.90%	11.26%
up to 29	8.54%	22.48%	12.55%
30 to 49	9.56%	8.78%	7.36%
50 or older	38.19%	13.05%	8.67%
United States	14.96%	11.51%	18.67%
Men	15.70%	9.30%	18.84%
Women	13.68%	15.69%	18.32%
up to 29	4.00%	27.78%	30.09%
30 to 49	10.20%	7.69%	17.39%
50 or older	46.39%	8.49%	11.61%
Total	5.57%	6.16%	6.12%

NOTE: Turnover formula = (admissions and leavers in year N) / 2 / (headcount year N-1+ Headcount year N) / 2

07.

COMMUNITY

1. SOCIAL INVESTMENT IN THE COMMUNITY

The EDP Group has been a member of the London Benchmarking Group (LBG) since 2008. This group measures and assesses the impact of companies' social investment in communities. The LBG assessment model is currently used by over 200 companies worldwide.

It tells EDP its position in relation to other companies using the same method. It also helps to improve external and internal reporting of its voluntary engagement with the community making it more credible and transparent. It changes the focus of costs to the benefits of contributions and evaluates some less familiar areas (contributions in kind and time and management costs).

The company also has other tools that can provide inputs to its development in this area, meet Global Reporting Initiative (GRI) requirements and respond to requests from stakeholders seeking socially responsible investments such as the Dow Jones Sustainability Index.

Over the years, the EDP Group has optimised the collection and reporting of voluntary investments in the community and their results.

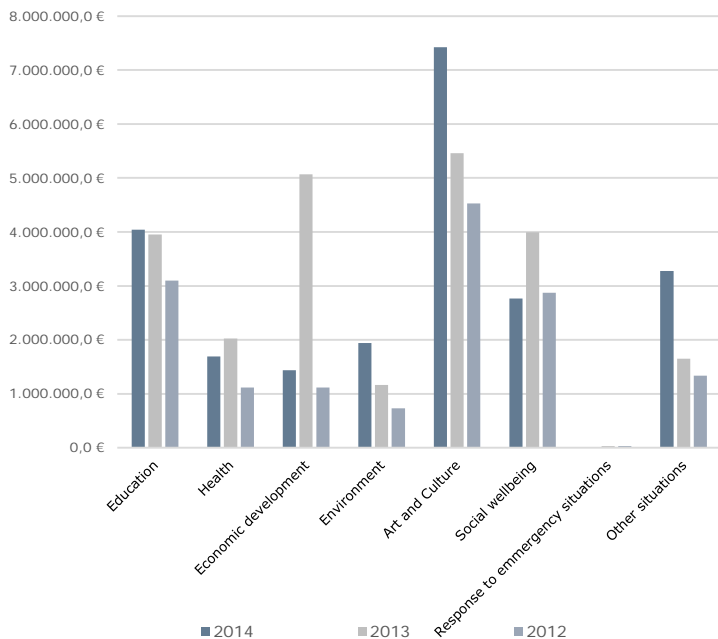
RESULTS

The table below shows voluntary initiatives according to the LBG method over the last three years:

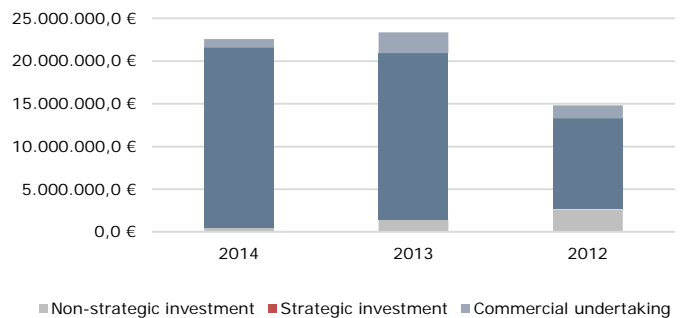
Contributions to the community		2014	2013	2012	2011
By category	Non-strategic investment	450,758	1,420,710	2,641,330	1,677,376
	Strategic investment	21,113,332	19,489,794	10,626,216	14,220,185
	Commercial initiative	1,013,458	2,438,857	1,563,966	4,493,958
	Total categories	22,577,548	23,349,361	14,831,512	20,397,239
By nature	Education	4,039,760	3,953,578	3,099,908	3,335,096
	Health	1,689,097	2,023,827	1,118,569	723,878
	Economic development	1,438,385	5,070,349	1,116,830	2,909,176
	Environment	1,939,015	1,163,148	728,911	1,877,078
	Art and culture	7,420,933	5,457,164	4,527,648	5,526,203
	Social wellbeing	2,766,742	3,996,029	2,870,075	1,602,737
	Emergency responses	7.640	32.673	32.344	65.300
	Others	3,275,977	1,652,592	1,337,228	4,357,773
	Total natures	22,577,548	23,349,361	14,831,512	20,397,241
By type	Monetary contributions	21,206,580	22,807,122	14,535,732	18,889,685
	Contributions in kind	813,399	238,101	23,559	1,330,315
	Contributions in work	557,569	304,137	272,220	177,239
	Total types	22,577,548	23,349,361	14,831,512	20,397,239
	Management costs	3,676,277	3,625,300	2,652,758	306,851
	Total contributions (including management costs)	26,253,825	26,974,661	17,484,270	20,704,090

Note: There was an adjustment to the accounts disclosed in the 2013 Annual Report and Accounts after an analysis by Corporate Citizenship.

Social investment in the community development



Social investment in the community



The main goal for 2014 was to report the results achieved by our investment. The goal was met to some extent as, while fewer than half the results of initiatives were reported in 2013, last year more than two-thirds of the initiatives reported included their results.

In 2014, some impact analyses were conducted on projects and we began mandatory reporting on investment with the LBG method, which we used to gather information on two EDP Produção projects.

These results reflect closer monitoring with the different EDP Group companies to ensure correct reporting of social investment.

The table below shows the results and outputs of the EDP Group's social investment in the last two years:

Results - Outputs	2014	2013	2012	2011
Monetary increases	€459,195	€1,003,258	€907,587	
Increases, no. EDP volunteers - outside office hours	1,087	625		
No. of participations by employees in volunteer work	3,632			
Increases, no. of non-EDP volunteers	2,891	3,502		
Increases, no. hours by EDP volunteers - outside office hours	7,840	5,471		
Increases, no. hours by non-EDP volunteers	8,875	215,626		
Increases through employees	€25,380	€51,389		
Increases - payroll giving	€21,827	€18,987		
Total increases, counting employees outside office hours	€506,402	€1,073,633	€907,587	€0
No. of direct beneficiaries	4,626,924	2,236,256	893,113	
No. of activities reported	728	541		
No. of activities reported, with measured results	548	242		
No. of beneficiary organisations	1,237	3,686	315	

EDP FOUNDATION PORTUGAL

The EDP Foundation has been shaping its lifelong commitment to citizenship via real involvement with communities based on a proactive, ongoing, social, cultural and human policy that fosters social wellbeing.

The EDP Foundation's headquarters are at the old Tejo Power Station facilities, which now house the Electricity Museum. It is one of the private institutions that invest most in the third sector in Portugal and one of the most important in the field of culture. Its main focus is investment in sustainable projects involving its own production or patronage of the arts.

The foundation is a vehicle for asserting the EDP Group's values and business vision and its activity is based on five strategic areas: culture, science and energy, social innovation, community engagement and access to energy, in order to build a culture.wow???

The EDP Foundation supports important, innovative projects aimed at valuing and stimulating entrepreneurship and increasing the potential of local products and businesses, particularly in regions where dams are being built. It fights social exclusion and encourages cultural education. The foundation's initiatives are always directed at

people and communities and have had a highly positive impact on the regions in which they are carried out. They are a decisive factor in economic, social and cultural development.

In the three-year period that began in 2013, the EDP Foundation committed to asserting its role in social innovation with its own, original Energy Culture programmes and undertaking international-scale projects as part of A2E - Access to Energy for Human Development. It undertook a number of initiatives spurred by this commitment as a booster of cultural growth and social wellbeing.

A WISH FOR INVOLVEMENT COME TRUE

🏠 Social wellbeing

Portugal, Brazil and Latin America - Dentists for Good - Group for Good

This project provides free dental treatment to disadvantaged young people aged 11 to 17. There is a network of voluntary dentists who treat them in their own surgeries and provide free dental check-ups up to the age of 18.

The global physician network has **15,255 volunteer dentists** - 550 in Portugal, 13,771 in Brazil and 934 in the rest of Latin America.

This is a project organised by Group for Good, a non-profit organisation that was founded in Brazil in 2002. Patients from 11 to 17 are selected in screening drives at state schools or schools belonging to social institutions. The selection is based on a complexity rate and takes place at the TdB central office.. Children and young people with severe dental problems, the poorest and the closest to their first job are given priority.

In 2010, the EDP Foundation co-founded the Group for Good in Portugal. Its offices in Lisbon makes appointments and acts as a communication channel between the children, family, school, dentist and the technical team.

In 2014, Dentists for Good directly benefited **50,450 children and young people**, 1,695 in Portugal, 46,802 in Brazil and 1,953 in the rest of Latin America.

EDP Solidária [EDP Solidarity]

In 2014, this programme had a maximum budget of €1,500,000 and **helped more than 75 organisations** by supporting projects that mitigated priority social situations, improved disadvantaged people's quality of life, integrated communities at risk of social exclusion and promoted social entrepreneurship n sustainable projects.

🎨 Art and culture

Electricity Museum

In 2014, the Electricity Museum had the largest number of visitors since it opened in 2006, over 244,700 people. This was the first time that it broke the 200,000 barrier (the previous record being 199,771 mil in 2012). This was a 22.5 percent increase against 2013.

The Electricity Museum was set up to preserve the history and heritage of the Tejo Power Station. Its purpose is to foster research and protection of the country's electrical heritage. In recent years it has also acted as a centre for a fusion between the arts and sciences, with creativity and risk as common denominators.

Artistic villages - Ecogerminar

With the support of Fundação Calouste Gulbenkian and as part of the Há Festa no Campo programme, this project fosters the cultural and social development of villages and improves their intangible and cultural heritage. In 2014, there were meetings, training workshops, participative assemblies, celebrations and exhibitions to help keep local traditions, memories and festivities alive.

GUIDELINES

In 2014, the EDP Foundation joined the Social Impact Think Tank (GRAIS). Its members included AESE-Escola de Direção e Negócios, Cases, Comunidade Vida e Paz, Fundação Calouste Gulbenkian, GRACE, IPAV - Instituto Padre António Vieira, Instituto da Segurança Social, Montepio, Santa Casa, UDIPSS Lisboa and Universidade Católica.


Its goal was to help to create a yardstick for companies and foundations as social investors. Its conclusions were presented at a public ceremony at the Electricity Museum on 27 January 2015. A document entitled "Guidelines for socially responsible investors and financiers" was also issued".



Available at:
http://grace.pt/linhas_orientacao

INSTITUTO EDP IN BRAZIL

The EDP Institute in Brazil has been an agent of change and social and environmental improvement since it was founded in late 2007. This non-profit institution serves as a platform for stakeholder engagement and sponsors initiatives that contribute to social inclusion, the quality of life and wellbeing of the communities in which EDP operates, promotes access to training, values diversity and regional cultures and reinforces its commitment to innovation and sustainability. It follows two strategic lines: Local education and development and culture and sports

 Social wellbeing

Community Banks and Decent Housing - Associação Ateliê de Ideias - Brazil

This programme was set up to guarantee low-income families the human right to a decent, healthy, safe, comfortable dwelling through access to credit and knowledge and technical support to refurbish their homes. In 2014, Community Banks and Decent Housing helped 63 households totalling 252 people, seven communities in Espírito Santo, and six banks as custodians. The 10,724 accounts opened corresponded to R\$745,099.51 (over 240,000 euros).

FUNDACIÓN EDP -SPAIN

In Spain, it is Fundación EDP that, like the EDP Foundation and EDP Institute, plays a crucial role in fostering scientific and technological knowledge in the areas of energy and the environment. It is also involved in patronage of the arts, education and research, culture, social innovation and the environment.

 Education

Study grants

Fundación EDP introduced the largest programme for university students taking different courses to complete internships with EDP in Spain - Oviedo, Murcia, Cantábria and País Vasco, and in Paris, Lisbon and Porto. 300 students benefited from this programme in 2014.

"Viva a nuestra Energia" Programme - Spain This programme was set up to teach primary and lower secondary school students about the different ways of obtaining and generating electricity and the difference between renewable and non-renewable sources. In 2014 [it](#) reached out to 62,086 children aged six to nine.

2. VOLUNTEERING PROGRAMME

EDP regards volunteer work from a dual perspective: investing our human resources in society and placing volunteering at the centre of the Group's HR policies.

In 2014, in view of the importance of the work that charities do in the community and in line with the EDP Group's strategic goal, which makes sustainability one of the values that guide its presence in the world, the EDP Foundation and the Human Resource Department at the Corporate Centre, consolidated the EDP Volunteer Programme (PV EDP) in the countries in which it operates.

EDP raises its employees' awareness of the importance of dedicated, ongoing volunteer work. This is reflected in the four hours a month given to each employee during working hours (to a maximum of eight hours a month) for volunteering.

The PV EDP was launched in 2011 to foster employee volunteering and has been attracting more and more of them every year to the initiatives that it sponsors at non-profit NGOs.

In 2014, it increased its development of skilled volunteering, complementing its efforts with in-house Parte de Nós campaigns, in order to raise awareness and encourage people to volunteer. There are currently 46 partner organisations in Portugal where PV EDP tries to meet their needs.

This programme is run by the EDP Foundation and involved all companies in Portugal. It has international teams that act as interlocutors in the different countries and are responsible for implementing the strategy every year.

The PV EDP encourages EDP employees to invest some of their free time in volunteer work individually or in groups. It includes measures that to incorporate into the Group's volunteering initiatives employees' families, retired employees, business partners and other stakeholders, thereby fostering the concept of an "EDP Community".

As a global company and one of the largest Portuguese groups in terms of corporate volunteering, EDP belongs to the International Association for Volunteer Effort (IAVE). Every two years, this association organises a world conference of social organisations, companies and state bodies who discuss worldwide advances in volunteering.

HIGHLIGHTS

In 2014, EDP attended a conference in Brisbane, Australia, along with dozens of other large companies in this area. It also took part in the meeting of the Global Corporate Volunteer Council (GCVC), as it is a member of the Steering Committee. More than 60 companies belong to this council.

The conference is the largest in the world on volunteering and was attended by 850 participants from 50 countries. EDP's good results were proven by its mobilisation of 15% of its personnel, which places it in the 15% to 20% interval of an average IAVE company (many of them are American, where there is a culture more favourable to volunteering than in most of the countries in which EDP operates). In terms of benchmarking, according to IAVE, only one third of its companies have skilled volunteering schemes in place and EDP is one of them.

From a point of view of transparency, facilitated access and more openness to society, PV EDP has set up a website providing useful information about EDP volunteer work. Social organisations and interested employees at EDP can register there and join PV EDP: www.voluntariado.edp.pt.

TEAM SPIRIT AND MOTIVATION ARE PART OF EDP'S VOLUNTEERING DNA

SKILLED VOLUNTEERING

Skilled volunteering grew in 2014 in a number of initiatives during the year, such as:

PRO BONO SERVICES - ENERGY AUDITS

EDP Comercial conducted a pro bono energy audit at Centro Comunitário São Cirilo in Porto. It identified potential savings of around 10% a year with an investment recoverable in less than six months.

MOTIVATE COMPANIES TOWARDS SOCIAL PROJECTS

GRACE (Grupo de Reflexão e Apoio à Cidadania Empresarial) and K'CIDADE held 10 training sessions on "how to motivate companies towards social projects" involving five EDP volunteers.

VOLUNTEER ELECTRICIANS' POOL

This pool was devised and set up by EDP Distribuição and is the first of its kind in Portugal. In 2014, the pool formed a large-scale partnership for the Santa Casa da Misericórdia de Lisboa REPARAR initiative for the repair of elderly people's houses.

It already has 29 volunteer electricians and they have already done 20 jobs in Porto and Lisbon, including repair of malfunctions, replacement and improvement of systems and safety checks, to a social value of 2,020 euros.

The success of this initiative and its importance to charitable organisations are such that the EDP Foundation had 14 pending requests at the beginning of 2015.

LEAN VOLUNTEERING

This project has been under way since 2012, and EDP volunteers have been giving training and follow-up at schools. The results of the partnership between the Ribatejo unit and the Abrigada school group came out in 2014. It involved 70 teachers, 40 employees and 800 students and parents. It proved a success and received 1,200 LEAN ideas that saved 6,000 euros in the first year alone (2012/2013). Even more important is the fact that this method moved on to the students' homes and neighbouring institutions, such as Santa Casa da Misericórdia and Alenquer Municipal Council.

The Abrigada project was recognised at the LEAN Summit Portugal in 2013 as one of the most interesting LEAN applications at the meeting. In 2014, it was the subject of an article on good business practices in *Executive Digest*.

LEAN volunteering is currently expanding to schools in Constância and Figueira da Foz and in summer, for the first time, it was used at a municipal council, that of Alenquer.

EDP has a lot of pending requests for this volunteering, which shows that it is necessary and relevant.

VOLUNTEERING IN SCHOOLS – JUNIOR ACHIEVEMENT PORTUGAL

Since 2005, EDP has been a founding member of Junior Achievement. Since then it has 534 participants ranging from the first year of primary school to the 12th grade, in its seven programmes.

In the last school year, 85 EDP volunteers (18% more than in 2013), taught 88 classes totalling 1,683 students in 601 hours of volunteering.

Volunteers were recruited in November, **and achieved 28% more enrolments in 2014**, than in 2013.

PARTE DE NÓS - ENVIRONMENT

Parte de Nós - Environment is part of the EDP corporate volunteering programme and is undertaken in all the countries in which EDP operates.

In Portugal, it had the support of employee, family members, friends and 48 partners (municipal councils, suppliers, local agents and social organisations) in raising society's awareness of the environmental problem and the importance of helping to preserve nature, especially forests.

The focus in 2014 was on invasive species as one of the main causes of loss of biodiversity in forests and on beaches. There were 15 campaigns from north to south of the country in woodlands in classified areas, in collaboration with Instituto da Conservação da Natureza e da Floresta (ICNF), and on beaches in collaboration with local councils. **1,379 volunteers took part (15% more than in 2013).**

There was an important partnership between EDP volunteers and the ICNF, as part of Parte de Nós –

Environment which was publicly recognised by the Portuguese, government, represented by the Secretary of State for Spatial Planning and the Environment, at a public ceremony in Parque Nacional Peneda-Gerês.

At international level, this programme had **2,196 participants (32% more than in 2013), who undertook 27 campaigns, totalling 12,663 hours (41% more than in 2013).**

PARTE DE NÓS - CHRISTMAS

In coordination with all the countries in which the EDP Group operates, a Christmas Campaign was launched to foster a more human festive season, distributing warmth to institutionalized children and the elderly. The campaign took place between 9 December 2014 and 9 January 2015.

In Portugal, there were 115 campaigns (58% more than in 2013), with **774 EDP volunteers (+30% than in 2013)**, who brought in 288 guest volunteers, to a total of **1,335 participations (an increase of 56%)**. **8,768 hours were spent (+86%)**, which directly benefited 73,145 children and elderly people. This was **15 times more than in 2013**, thanks to the influence of campaigns in hospitals, where the number of beneficiaries is higher.

At group level there were 134 activities involving 105 institutions, which **directly benefited a total of 73,266 people**. The **1,505 participants (43% more than in 2013)** provided 10,092 hours of volunteer work. There were various activities, such as the collection of donations by EDP Renováveis for a Honduran village to which 115 employees contributed.

The many activities, including the collection of donations, resulted in the institutions receiving a total of €89,471.

EDP AWARDS

Volunteer Electricians' Pool won the prize for the Best Charitable Project.

VOLUNTEER TRAINING

The second training course for volunteers began in March. It was available in e-learning form on the Online Campus. 891 employees were invited for this courses and **54%** completed it. At the end **90%** of the trainees who passed had grades of Good, Very Good or Excellent.

In the two courses already held, 96% of the trainees said that they would recommend it to others.

APPROVAL OF THE EDP VOLUNTEER STRATEGY WORK BY THE BALANCE AND EQUALITY COMMITTEE

In April, the Balance and Equality Committee approved the governance model for EDP Volunteering, with the validation of the international team, and the strategy focusing on skilled volunteer work complemented by Parte de Nós campaigns, which raise awareness and motivate people to volunteer.

CHARITABLE COLLECTIONS

In 2014, the Charitable Collections Campaign was set up at the Porto and Lisbon, offices to collect medications with the idea of forming a medicine bank in partnership with Doctors of the World (which won the EDP Solidária Award), sun screen creams for albinos in Mozambique in partnership with Kanimambo.

SUPPORT FROM ENERGIA COM VIDA

The EDP Foundation formed a partnership with DMP+ASO to increase volunteering by students at schools in Portugal. The idea was to take the Energia com Vida programme to the whole country in 2014. This programme has been fully supported by EDP Gás since it began.

KEY SOCIAL PERFORMANCE INDICATORS

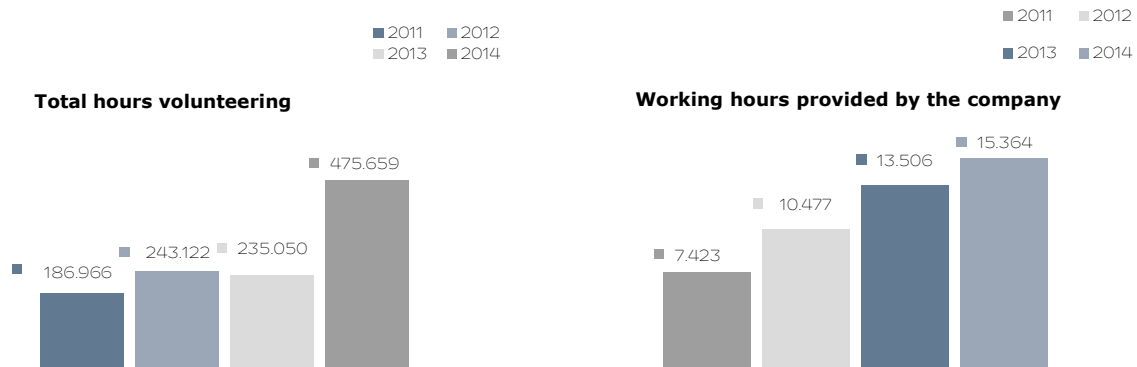
The overall figures for EDP Volunteering have increased substantially, especially thanks to campaigns organised in-house, such as Parte de Nós. More importantly, several forms of skilled volunteering were consolidated, such as the Electricians' Pool and LEAN volunteering.

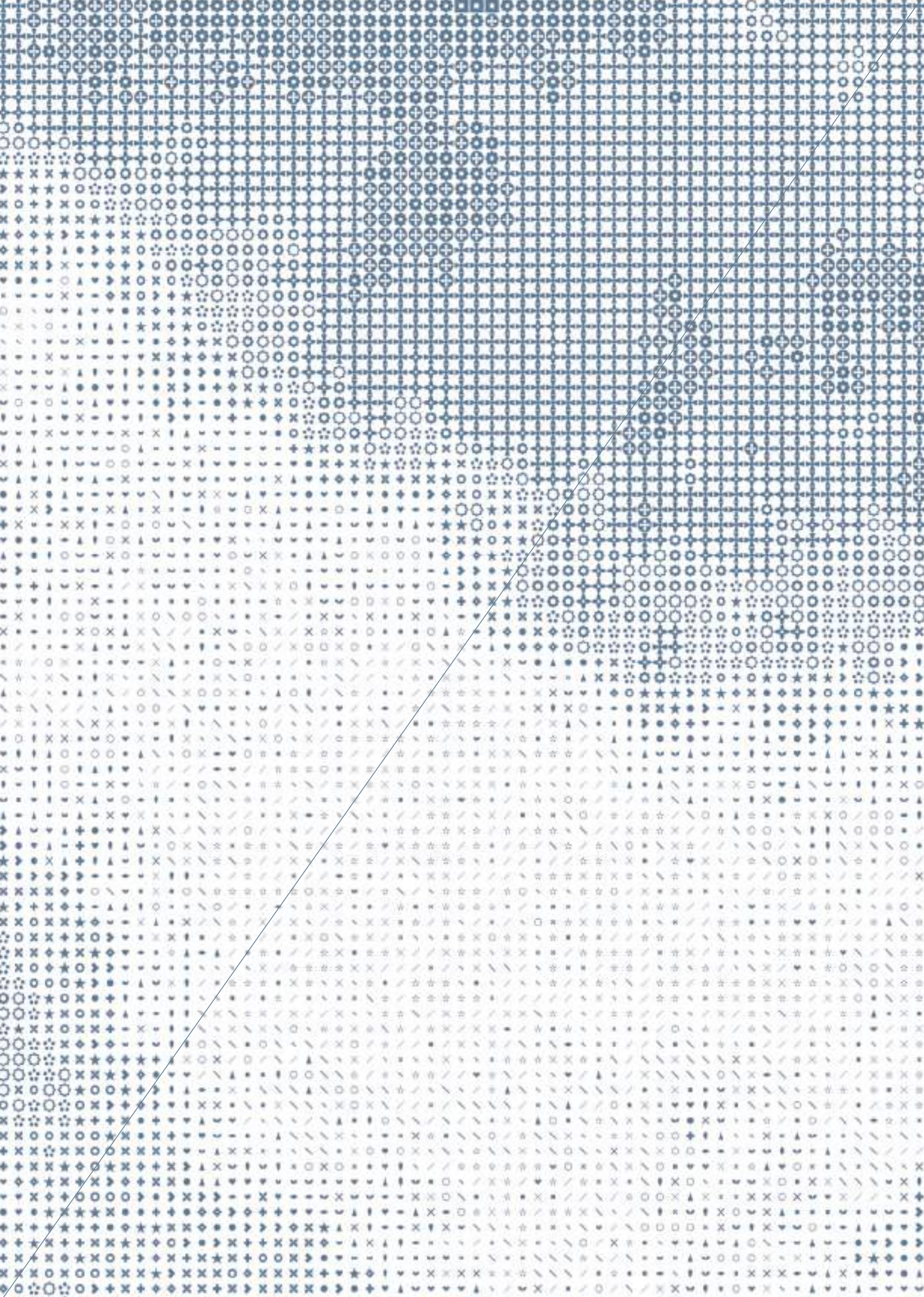
Since January 2011 EDP Volunteering has generated **1,140,798 hours of volunteer work** and 29,263 participations for around **1.83 million beneficiaries**. The company granted 46,770 office hours, equivalent to 1.54 million euros

BENCHMARKING WITH OTHER COMPANIES:

Through IAVE, we were able to obtain data about other companies, which show in general that average employee involvement rates are between 15% and 20%. Furthermore, many of these companies are American and their basic culture is more open to volunteer work than in most countries in which EDP operates. Even so, in 2014, EDP achieved a rate of **21.4%**, much higher than this average. This percentage indicates that more than one in every five employees did volunteer work and shows the good results of EDP Volunteering at international level.

Only one third of the IAVE companies have skilled volunteering schemes in place and EDP is one of them. The graphs below show the most important indicators for a better understanding of the EDP Group's results.







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ANNEXES

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CORPORATE CONSOLIDATION CRITERIA	95
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AN ENERGY THAT TRANSFORMS OPPORTUNITIES

Making a difference to our customers' lives, offering them innovative solutions, and also to the lives of employees and shareholders, combining rigorous ethical conduct with enthusiasm and initiative.



08.

TABELA GRI

GRI TABLE - COMPREHENSIVE OPTION

GENERAL STANDARD DISCLOSURES	SOCIAL REPORT	REPORT	OMISSIONS/ADDITIONAL INFORMATION	GLOBAL COMPACT
STRATEGY AND ANALYSIS				
G4-1	6	●		
G4-2	15-22; 36-38; 70-77	●		
ORGANIZATIONAL PROFILE				
G4-3	9 e 10	●		
G4-4	9 e 10	●		
G4-5	9 e 10	●		
G4-6	9 e 10	●		
G4-7	9 e 10	●		
G4-8	9 e 10	●		
G4-9	9 e 10	●		
G4-10	41; 77 - 78	●		
G4-11	20; 65	●		
G4-13	92; 98	●		
G4-14	Code of Ethics - page 17	●	www.edp.pt/en/aedp/governosocietario/etica/codigodeetica/Pages/CodeofEthics.aspx	
G4-15	Participations	●	www.edp.pt/en/sustentabilidade/abordagemasustentabilidade/principios/Pages/PDS.aspx	
G4-16	Participations	●	www.edp.pt/en/sustentabilidade/abordagemasustentabilidade/principios/Pages/PDS.aspx	
IDENTIFIED MATERIAL ASPECTS AND BOUNDARIES				
G4-17	92: Note 5 Company Financial Statements of 2014 EDP Annual Report (page 272)	●		
G4-18	92; EDP Annual Report (page 371)	●		
G4-19	92; EDP Annual Report (page 26)	●		
G4-20	93; EDP Annual Report (page 26)	●		
G4-21	92; EDP Annual Report (page 26)	●		
G4-22	92; EDP Annual Report (page 26)	●		
G4-23	92; EDP Annual Report (page 26)	●		
STAKEHOLDER ENGAGEMENT				
G4-24	26-28; www.edp.pt	●	www.edp.pt/en/sustentabilidade/partesinteressadas/Pages/partesinteressadas.aspx	
G4-25	26-28; www.edp.pt	●	www.edp.pt/en/sustentabilidade/partesinteressadas/Pages/Dialogo.aspx	
G4-26	26-28; www.edp.pt	●	www.edp.pt/en/sustentabilidade/partesinteressadas/Pages/Dialogo.aspx	

GENERAL STANDARD DISCLOSURES	SOCIAL REPORT	REPORT	OMISSIONS/ADDITIONAL INFORMATION	GLOBAL COMPACT
G4-27	26-28; www.edp.pt	●	www.edp.pt/en/sustentabilidade/partesinteressadas/Pages/Diologo.aspx ; www.edp.pt/en/sustentabilidade/partesinteressadas/Pages/TemasRelevantes.aspx	
REPORT PROFILE				
G4-28	93; EDP Annual Report (page 26)	●		
G4-29	93; EDP Annual Report (page 26)	●		
G4-30	93; EDP Annual Report (page 26)	●		
G4-31	Last page - Contacts	●		
GOVERNANCE				
G4-34	12-13	●		
G4-35	12-13	●		
G4-36	Pages 136 e 141 of 2014 EDP Annual Report	●		
G4-37	92; Note 5 Company Financial Statements of 2014 EDP Annual Report (page 272)	●		
G4-38	www.edp.pt	●		
G4-39	www.edp.pt	●		
G4-40	www.edp.pt	●		
G4-41	www.edp.pt	●	www.edp.pt/en/aedp/governosocietario/Independenciaeincompatibilidade/Pages/Declara%C3%A7%C3%A3odeIndepend%C3%AanciaIncompatibilidades.aspx	
G4-42	www.edp.pt	●		
G4-43	12-13	●		
G4-44	www.edp.pt	●		
G4-45	Pages 142-143 of 2014 EDP Annual Report	●		
G4-46	Pages 142-143 of 2014 EDP Annual Report	●		
G4-47	Page 144 of 2014 EDP Annual Report	●		
G4-48	92	●		
G4-49	www.edp.pt	●		
G4-50	30	●		
G4-51	Page 188-190 of 2014 EDP Annual Report	●		
G4-52	Page 188 of 2014 EDP Annual Report	●		
G4-53	Page 188-189 of 2014 EDP Annual Report	●		
G4-54	54	●		
G4-55	54	●		
ETHICS AND INTEGRITY				
G4-56	Code of Ethics	●		
G4-57	29-34	●		
G4-58	29-34	●		

SPECIFIC STANDARD DISCLOSURES	ANNUAL REPORT PAGE NUMBERS	REPORT	OMISSIONS/ADDITIONAL INFORMATION	GLOBAL COMPACT
LABOR PRACTICES AND DECENT WORK				
EMPLOYMENT				6
G4-DMA*	Disclosures Management Approach Report	●		
G4-LA1*	40-41; 79; 80	●		
EU15	70	●		
EU17	20	●		
EU18	61	●		
G4-LA2	55	●	www.edp.pt/en/Investidores/publicacoes/RelatoriosGrupoEDP/Pages/PublicacoeseRelatorios.aspx	
G4-LA3	55-56	●		
LABOR/MANAGEMENT RELATIONS				3
G4-DMA	66-67	●	www.edp.pt/en/Investidores/publicacoes/RelatoriosGrupoEDP/Pages/PublicacoeseRelatorios.aspx	
G4-LA4				
OCCUPATIONAL HEALTH AND SAFETY				

SPECIFIC STANDARD DISCLOSURES	SOCIAL REPORT	REPORT	OMISSIONS/ADDITIONAL INFORMATION	GLOBAL COMPACT
G4-DMA	12:58; Information Security Policy; Disclosures Management Approach Report	•	www.edp.pt/en/aedp/sobreaedp/principiosepoliticas/Pages/Principios_e_politicas.aspx	
STANDARD DISCLOSURES				
G4-LA5	61	•		
G4-LA6*	20; 64	•		
G4-LA7	63	•	www.edp.pt/en/Investidores/publicacoes/RelatoriosGrupoEDP/Pages/PublicacoeseRelatorios.aspx	
G4-LA8	61	•	www.edp.pt/en/Investidores/publicacoes/RelatoriosGrupoEDP/Pages/PublicacoeseRelatorios.aspx	
TRAINING AND EDUCATION				
G4-DMA	42-51; Training Policy; Disclosures Management Approach Report	•	www.edp.pt/en/aedp/sobreaedp/principiosepoliticas/Pages/Principios_e_politicas.aspx	
G4-LA9	44-55	•		
G4-LA10	44-55	•		
G4-LA11	44-55	•		
DIVERSITY AND EQUAL OPPORTUNITY				6
G4-DMA	Diversity Policy; Disclosures Management Approach Report	•	www.edp.pt/en/aedp/sobreaedp/principiosepoliticas/Pages/Principios_e_politicas.aspx	
G4-LA12	68; 78	•		
EQUAL REMUNERATION FOR WOMEN AND MEN				6
G4-DMA	Disclosures Management Approach Report	•		
G4-LA13	52	•		
LABOR PRACTICES GRIEVANCE MECHANISMS				
G4-DMA	Disclosures Management Approach Report	•		
G4-LA16	31	•		
HUMAN RIGHTS				1
INVESTMENT				
G4-DMA	29-34; Code of Ethics; Disclosures Management Approach Report	•	www.edp.pt/en/aedp/governosocietario/etica/codigodeetica/Pages/CodeofEthics.aspx	1
G4-HR1	34	▼	Programme is ongoing as mentioned in page 72	
G4-HR2	44-45	▼	Programme is ongoing as mentioned in page 72	
NON-DISCRIMINATION				1; 6
G4-DMA	29-34; Code of Ethics; Disclosures Management Approach Report	•	www.edp.pt/en/aedp/governosocietario/etica/codigodeetica/Pages/CodeofEthics.aspx	
G4-HR3	31	•		
FREEDOM OF ASSOCIATION AND COLLECTIVE BARGAINING				1; 3
G4-DMA*	20-34; Code of Ethics; Disclosures Management Approach Report	•	www.edp.pt/en/aedp/governosocietario/etica/codigodeetica/Pages/CodeofEthics.aspx	
G4-HR4	34	•		
CHILD LABOR				5
G4-DMA	30-35; Code of Ethics; Disclosures Management Approach Report	•	www.edp.pt/en/aedp/governosocietario/etica/codigodeetica/Pages/CodeofEthics.aspx	
G4-HR5	34	•		
FORCED OR COMPULSORY LABOR				4
G4-DMA	29-34; Code of Ethics; Disclosures Management Approach Report	•	www.edp.pt/en/aedp/governosocietario/etica/codigodeetica/Pages/CodeofEthics.aspx	
G4-HR6	34	•		
SECURITY PRACTICES				2
G4-DMA	Disclosures Management Approach Report	○	Not material	
G4-HR7		○	Not material	
INDIGENOUS RIGHTS				1; 2
G4-DMA	30-35; Code of Ethics; Disclosures Management Approach Report	•		
G4-HR8	34	•		
ASSESSMENT				
G4-DMA	29-34; Code of Ethics; Disclosures Management Approach Report	•	www.edp.pt/en/aedp/governosocietario/etica/codigodeetica/Pages/CodeofEthics.aspx	
G4-HR9	34	▼	Programme is ongoing as mentioned in pages 94 and 72	
SUPPLIER HUMAN RIGHTS ASSESSMENT				
G4-DMA	Disclosures Management Approach Report	•		
G4-HR10	34	▼	Programme is ongoing as mentioned in pages 102	

G4-HR11	34	◡	Programme is ongoing as mentioned in pages 102	
SPECIFIC	SOCIAL REPORT		OMISSIONS/ADDITIONAL INFORMATION	GLOBAL COMPACT
HUMAN RIGHTS GRIEVANCE MECHANISMS				
G4-DMA	30-35; Code of Ethics; Disclosures Management Approach Report	•	www.edp.pt/en/aedp/governosocietario/etica/codigodeetica/Pages/CodeofEthics.aspx	
G4-HR12	30-35	•		
SOCIETY				1
LOCAL COMMUNITIES				
G4-DMA*	26-27;80; Disclosures Management Approach Report	•		
G4-SO1	80	•		
G4-SO2	80	•		
EU22	109-110 Annual Report 2014	•		
ANTI-CORRUPTION				10
G4-DMA	34; Disclosures Management Approach Report	•		
G4-SO3	34	•		
G4-SO4	34	•		
G4-SO5	34	•		
PUBLIC POLICY				10
G4-DMA	34; Disclosures Management Approach Report	•		
G4-SO6	34	•		
GRIEVANCE MECHANISMS FOR IMPACTS ON SOCIETY				
G4-DMA	31; Disclosures Management Approach Report	•		
G4-SO11	31	•		

- Fully Reported
- ◡ Partially Reported
- Not reported

* Specific indicator for this sector

09.

RESPONSIBILITY FOR SOCIAL PERFORMANCE REPORTING

1. CONTENTS OF REPORT

This report provides social performance information on the EDP Group from 1 January to 31 December 2014 and describes the main events of the year.

In addition to this annual report, EDP

- publishes its Annual Report and Accounts,
- informs the market of its quarterly accounts,
- publishes the annual reports of EDP no Brasil and EDP Renováveis, which may complement the information on their social performance,
- makes available the annual report of the EDP Foundation, which gives further details of EDP's involvement with the community.

For more detailed information please refer to:

www.edp.pt > Sobre a EDP > Recursos Humanos.

www.edp.pt > Sustentabilidade.

www.edp.pt > Investidores > Publicações.

www.edp.pt > Sustentabilidade > Publicações.

www.edp.pt > Sustentabilidade > Abordagem à Sustentabilidade > Índice de Sustentabilidade.

2. CORPORATE CONSOLIDATION CRITERIA

The consolidation criteria for social information reported are available in the 2014 Annual Report and Accounts in Annex I to the financial statements (which refers to subsidiary and associate companies within the consolidation perimeter).

3. GLOSSARY

An online glossary is available to improve the report's transparency. It includes definitions of methods and quantitative indicators used throughout the document.

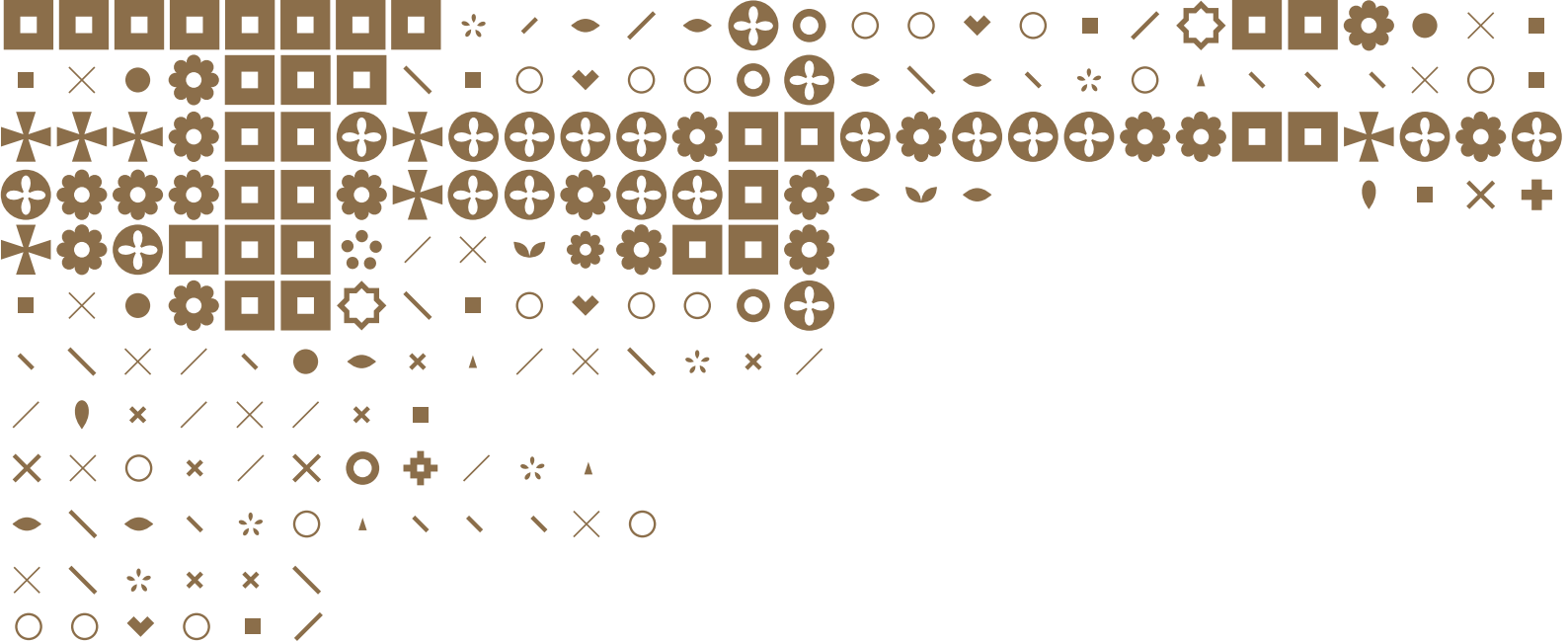
4. EDITORIAL RESPONSIBILITY

Company – EDP - Energias de Portugal, SA.

- ✚ Sustainability Department
- ✚ Human Resource Department
- ✚ Brand and Communication Department

5. DATE OF PUBLICATION

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