

*edp*

STIK'14



The logo features the letters 'EDP' in a bold, white, sans-serif font, centered within a circular graphic composed of numerous thin, red, overlapping lines that create a textured, mesh-like effect. Below the 'EDP' text, the words 'STAKEHOLDERS' and 'REPORT 2014' are stacked in a smaller, white, sans-serif font.

EDP  
STAKEHOLDERS  
REPORT 2014





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OUR APPROACH



OUR STAKEHOLDERS

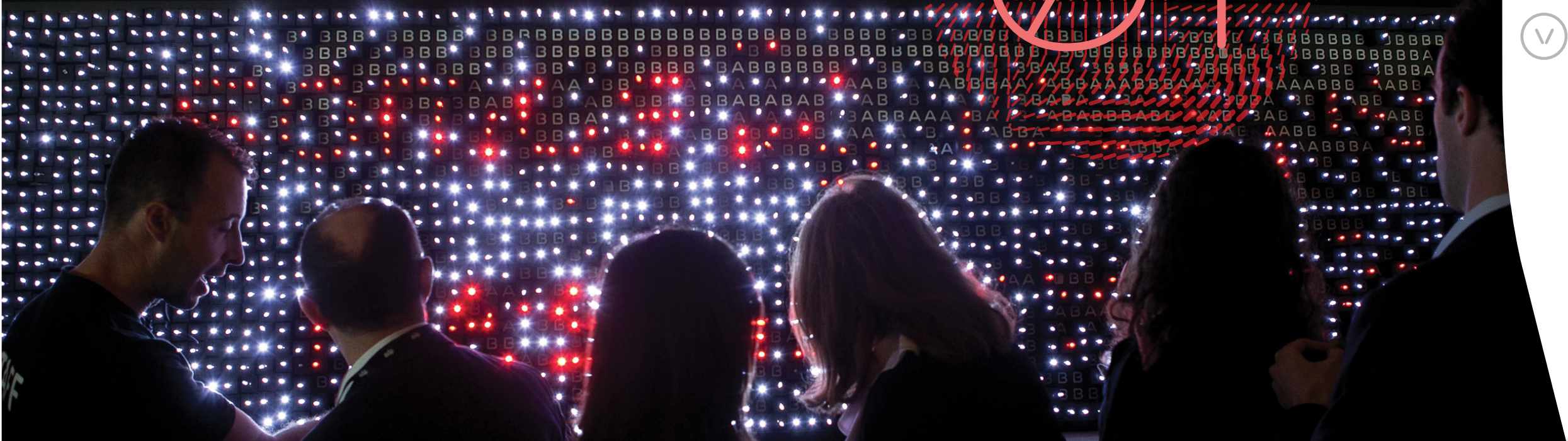


WHAT THEY  
SAY ABOUT US



# OUR APPROACH

# 01



## 01

## OUR APPROACH

The management of stakeholders is an exercise in demand, sharing and transparency for companies in their relationship with society and, in particular, with anyone who impacts or is impacted upon by business activities.

Building and strengthening relationships of trust, sharing meaningful knowledge and information, anticipating challenges and identifying new opportunities for cooperation with its stakeholders are, therefore, key goals in the EDP Group's stakeholder relations policy.

We invest in relationships of trust with our stakeholders to be able to anticipate and manage risks. We believe that this helps us improve our performance and create value for the various stakeholders in all geographies in which we have a presence. To this end, the commitment of the EDP Group's Business Units has been fundamental as they seek to know their stakeholders and the topics that are important to them, to ensure relationship channels and draw up action plans addressing identified risks and meeting relationship expectations.

Over the following pages, we present the topics that are important for EDP Group stakeholders, the interaction channels we use and the management approaches taken to respond to their expectations and concerns.

In order to achieve an excellent performance in the relationship with its stakeholders, EDP has been working on a strategy based on,

in Portugal, notably with regard to the issues of trust and transparency. An additional aim of this process was to further the knowledge

## For EDP, the engagement of its stakeholders is a strategic priority for maintaining an open, transparent dialogue with everyone with whom it relates.

and noted for, proactive listening to what interests and worries those with whom it relates. In this sense, in addition to regularly sounding out clients and employees, the EDP Group develops targeted, regular processes to listen to those with whom it relates, both at the level of business unit projects and at corporate level.

This document that we are publishing now also discloses the results of that process of listening to various external stakeholders, carried out in Portugal for the second consecutive year. By the end of 2014, EDP had heard the views of 1,081 stakeholders from 8 segments, through 111 face-to-face meetings with local authorities, higher education institutions, Members of Parliament, Members of the European Parliament, opinion leaders and charities, and 970 online questionnaires to suppliers and business associations.

This survey sought to deepen the perception of stakeholders of their institutional relationship with the EDP Group and its subsidiaries

and expectations of stakeholders in relation to the two themes seen as most important in last year's survey, i.e. energy efficiency and renewable energies.

Overall, the results of this consultation showed a very positive development, in the validation of ongoing dialogue developed with stakeholders and the search for effective responses to their expectations.

The challenges of stakeholder management within the EDP Group rely on a continuous alignment of the issues in the Group's different geographies, taking account of the specifics and dynamics of each region, and the streamlining of stakeholder expectations into the management of the Company by deploying creative responses and approaches that effectively contribute to create value.

## Stakeholders segmentation model of the EDP Group



## Stakeholder Relations Policy EDP Group

Involving Stakeholders in the EDP Group is a strategic priority of the Company to maintain open and transparent dialogue with its stakeholders. The goals of EDP are to build and strengthen relationships of trust, share knowledge and relevant information, anticipate challenges and identify new cooperation opportunities with our Stakeholders.

A further mission of the EDP Group in creating a Stakeholder Relations Policy is to create value for the different stakeholders in all countries.

We do so through four major Guiding Commitments: Comprehend, Communicate, Collaborate and Trust. These commitments underlie a policy that aims to go beyond mere compliance with the formal requirements of the law, thereby contributing to an effective and genuine engagement of the different stakeholders of the Group.

The Institutional and Stakeholder Relations Department was created in April 2012 to support the pursuit of this Relationship Policy. This department acts jointly and in coordination with the different business units in Portugal and in other countries, and with the various departments of the Corporate Centre, thus enhancing the effectiveness of the strategic relationships with the stakeholders of the Company.

### COMPREHEND

We have dynamically and systematically identified the Stakeholders that influence and are influenced by the Company, and we analyze and try to understand their expectations and interests in the decisions that directly impact on them.

### COMMUNICATE

We are committed to promoting two-way dialogue with Stakeholders through information and consulting initiatives. We listen, inform and respond to Stakeholders in a consistent, clear, rigorous and transparent manner, with the aim of building strong, durable close relationships.

### TRUST

We believe that the promotion of a climate of trust with our Stakeholders is crucial to establishing stable, long-term relationships. Our relationship with stakeholders is based on values like transparency, integrity and mutual respect.

### COLLABORATE

We aim to collaborate with Stakeholders to build strategic partnerships that bring together and share knowledge, skills and tools, thereby promoting the creation of shared value in a differentiating manner.



Temos uma visão clara sobre  
o nosso papel na sociedade

OUR STAKEHOLDERS





## PUBLIC AUTHORITIES AND REGULATION

| DEMOCRACY | Most relevant topics in 2014   | Dialogue channels   |
|-----------|--|---|
|           | <ul style="list-style-type: none"><li>• Energy tariffs and prices</li><li>• Quality and guarantee of supply</li><li>• Energy planning</li><li>• Management of assets - prudent investments</li><li>• Monitoring of operating activities</li><li>• Public consultations</li><li>• Proposals and Studies</li><li>• Tariff deficit</li><li>• Energy Scenario</li><li>• Tariff reviews</li><li>• Concessions</li></ul> | <ul style="list-style-type: none"><li>• Free market</li><li>• Availability and reliability of the electrical system</li><li>• Vulnerable customers</li><li>• Provision of information</li><li>• Energy efficiency</li><li>• Innovation and development of new technologies</li><li>• Regulation</li><li>• Taxes, rates and subsidies</li><li>• Technical and non-technical losses</li></ul> |
|           | Responses to the most relevant topic   |   |
|           |  |   |



## PARLIAMENT AND POLITICAL PARTIES

| DEMOCRACY | Most relevant topics in 2014   |   |
|-----------|--|---|
|           | <ul style="list-style-type: none"> <li>• Publicity and communication of the Liberalised market</li> </ul>  | <b>Dialogue channels</b> <ul style="list-style-type: none"> <li>• Face-to-face meetings</li> <li>• Letter</li> <li>• E-mail</li> <li>• Telephone</li> </ul> |
|           | Responses to the most relevant topics  |   |
|           | <ul style="list-style-type: none"> <li>• Responses to requests for information and formal clarifications</li> <li>• Organisation of visits to EDP Group job-sites and projects such as Inovgrid, new dams and Windfloat</li> </ul> |   |

## INTERNATIONAL INSTITUTIONS

| DEMOCRACY | Most relevant topics in 2014  |   |
|-----------|---|---|
|           | <ul style="list-style-type: none"> <li>• Publicity and communication of the Liberalised market</li> <li>• European power network</li> <li>• Reduction of the European dependency on fossil fuels</li> </ul>   | <b>Dialogue channels</b> <ul style="list-style-type: none"> <li>• Face-to-face meetings</li> <li>• Letter</li> <li>• E-mail</li> <li>• Telephone</li> </ul> |
|           | Responses to the most relevant topic  |   |
|           | <ul style="list-style-type: none"> <li>• Responses to requests for information and formal clarifications</li> <li>• Organisation of visits to EDP Group job-sites and projects such as Inovgrid, new dams and Windfloat</li> <li>• Organisation of meetings and participation in periodic conferences on relevant topics and with potential synergies in the energy sector</li> </ul> |   |

## CUSTOMERS AND REPRESENTATIVES

| VALUE CHAIN | Most relevant topics in 2014  | Dialogue channels   |
|-------------|---|---|
|             | <ul style="list-style-type: none"> <li>• Energy pricing</li> <li>• Confidence in EDP</li> <li>• Satisfactory experience with EDP</li> <li>• Creation of appropriate solutions/ services</li> <li>• Quality and security of energy supply</li> <li>• Quality of technical and commercial service</li> <li>• Promotion of energy efficiency in consumption</li> <li>• Reading, billing, charging, collection</li> </ul>   | <ul style="list-style-type: none"> <li>• Contractual conditions</li> <li>• Technical and non-technical losses</li> <li>• Default</li> <li>• Migration to the free market</li> <li>• Innovation and investment in new technologies</li> <li>• Street lighting</li> <li>• Energy Scenario</li> <li>• Relationship with customers</li> <li>• Communication and transparency</li> <li>• Reputation and trust</li> </ul> |
|             | Responses to the most relevant topics   |   |
|             | <ul style="list-style-type: none"> <li>• Development of products that maximize the value created and shared with customers, such as the campaign "Ano de Energia Grátis" [One Year of Free Energy] and CASA TOTAL 10 + 10 [WHOLE HOUSE 10 +10]</li> <li>• Increased range of Products and Services Fatura Segura, Re:dy, Veículo Eléctrico, Energia Solar, etc) [Secure Bill, Re:dy (remote energy dynamics), Electric Vehicles, Solar Energy, etc.]</li> <li>• Focus on energy efficiency, whether through the range of products and services, or the through broad ranging information campaigns to various segments of the population</li> <li>• Development and enlargement of the EDP Community, as a platform that benefits both domestic customers and partners</li> <li>• Commitment to transparency in the commercial conditions of our products and services, particularly with regard to communicating the composition of rates and potential savings from free market rates compared to transitional rates</li> <li>• Development of a network of channels, to ensure that we are a company with greater capillarity, whether in face-to-face or remote channels, recognised for high levels of service</li> <li>• We have ensured the total independence of the Customer Ombudsman and were transparent regarding their activity, specifically by the disclosure of information on their website and the publication of their respective Annual Report</li> <li>• Holding of a broad ranging Client 365 training session in Portugal, in order to let our employees understand the market better and enable them to be ambassadors for EDP in the community, providing information and clarifying doubts</li> <li>• Enlargement of partnerships that ensure more options to satisfy the needs of our customers</li> <li>• Segmentation of the products offered to PMEs according to the needs of their sector</li> <li>• Expansion of the Inovcity intelligent networks project</li> <li>• Action plans to reduce default, illegal connections and awareness raising campaigns on the need for rational use of energy in Brazil</li> <li>• Expansion of service channels - totems, SMS, mobile in Brazil</li> <li>• Introduction of new service channel via social networks in Brazil</li> </ul> |   |



## EMPLOYEES AND TRADE UNION REPRESENTATION

| VALUE CHAIN | Most relevant topics in 2014  |   | Dialogue channels   |  |
|-------------|---|---|---|--|
|             | <ul style="list-style-type: none"> <li>• Recognition for the work carried out</li> <li>• Professional fulfilment</li> <li>• Appropriate remuneration and recognition</li> <li>• Reconciling Work/Home</li> <li>• Attraction and retention of talent</li> <li>• Employment benefits</li> </ul>   | <ul style="list-style-type: none"> <li>• Responsible employer</li> <li>• Work environment</li> <li>• Health and Safety at Work</li> <li>• Ethical conduct</li> <li>• Diversity and Equality of Opportunities</li> <li>• Communication and transparency</li> <li>• Human Rights</li> </ul> | <ul style="list-style-type: none"> <li>• Workers' Committees</li> <li>• Prevention and Safety Committees</li> <li>• Feedback meetings</li> <li>• Annual meetings</li> <li>• EDP Intranet</li> <li>• Ethics channel</li> </ul> | <ul style="list-style-type: none"> <li>• Channel for reporting irregularities</li> <li>• edpON Magazine</li> <li>• edpON Television</li> <li>• edpON Radio</li> <li>• EDP News</li> <li>• Climate studies</li> </ul> |
|             | Responses to the most relevant topics   |   |   |  |
|             | <ul style="list-style-type: none"> <li>• Reaching agreement with all the unions representing the workers which led to the formalisation of a new Collective Employment Agreement, the ACT/EDP 2014</li> <li>• Plenary meetings throughout the country attended by around 3,000 workers, to present the agreement and answer any questions raised</li> <li>• More than 120 meetings were held with official bodies, workers committees and unions for the introduction, modification or termination of standards or regulatory procedures arising from the legal framework, and in the context of the revision and updating of the collective regulations</li> <li>• The total duration of training in the EDP Group was approximately 517 thousand hours</li> <li>• A total of 808 workers took part in the mobility project</li> <li>• EDP succession planning</li> <li>• Conciliating and Valuing Experience Projects</li> <li>• ON TOP traineeship programme</li> <li>• Energizing Development Program</li> <li>• Executive Development Program</li> </ul> |   |   |  |



## SUPPLIERS

| VALUE CHAIN   | Most relevant topics in 2014  |  | Dialogue channels  |   |
|---|---|--|--|---|
|   | <ul style="list-style-type: none"> <li>• Selection process of supplier in consultations</li> <li>• Turnover</li> <li>• Internationalisation opportunities</li> <li>• Supplier sustainability</li> <li>• Promotion of health and safety at work</li> <li>• Promotion of social standards in the supply chain</li> <li>• The quality of products and services provided</li> <li>• Attraction and training of new suppliers</li> </ul> | <ul style="list-style-type: none"> <li>• Negotiation model</li> <li>• Prices and payment terms</li> <li>• Continuous contract works</li> <li>• Management and minimization of environmental impacts</li> <li>• Risk management</li> <li>• Emergency responses</li> <li>• Contractual conditions and obligations</li> <li>• Long-term partnerships</li> <li>• Innovation and development of new technologies</li> </ul> | <ul style="list-style-type: none"> <li>• E-mail</li> <li>• Telephone</li> <li>• EDP website   Suppliers' area</li> <li>• Electronic Purchasing System - Synergy</li> <li>• Regular meetings / Personal contact</li> <li>• Letter / Fax</li> <li>• Dedicated telephone lines and e-mails</li> </ul> | <ul style="list-style-type: none"> <li>• Training</li> <li>• Events</li> <li>• Partnerships and collaboration agreements</li> <li>• Report and Accounts</li> <li>• ON Magazine</li> <li>• Ethics ombudsman</li> </ul> |
|   | Responses to the most relevant topics   |  |  |   |
| <ul style="list-style-type: none"> <li>• Restructuring of the relationship model with suppliers</li> <li>• Drafting of letter of intent</li> <li>• EDPartners</li> <li>• Tendering in accordance with the EDP Group's rules on transparency and ethics</li> <li>• Inclusion of contractual clauses with socio-environmental and human rights criteria for contracting services and products</li> <li>• Prioritization of local suppliers</li> <li>• Supplier evaluation in terms of quality, logistics, environmental responsibility, certifications and innovation</li> <li>• Monthly meetings for feedback of Supplier Performance Rate (IDF) results</li> <li>• Monitoring of critical suppliers</li> <li>• Partnership relationship and identification meetings</li> <li>• Safety programme for service providers</li> <li>• Supplier training</li> <li>• Performance related pay system</li> <li>• Supplier + EDP Programme</li> <li>• Annual meeting with suppliers</li> <li>• Emergency and contingency plans</li> <li>• Good socio-environmental practices workshops</li> <li>• Infrastructure at construction site including clinic, cafeteria, accommodation, recreational areas, water and sewage treatment</li> <li>• Implementation of the Accident Prevention Fund</li> </ul> |   |  |  |   |



## SCIENTIFIC COMMUNITY

| VALUE CHAIN | Most relevant topics in 2014   |  | Dialogue channels   |
|-------------|--|--|---|
|             | <ul style="list-style-type: none"> <li>• Strategic dialogue</li> <li>• R&amp;D Strategy</li> <li>• Provision of information</li> <li>• Tariff policy</li> <li>• Origin and level of profits</li> <li>• Billing clarity</li> <li>• Transparent communication</li> <li>• Smart grids/electric mobility</li> <li>• Innovation and investment in new technologies</li> </ul>   | <ul style="list-style-type: none"> <li>• Attraction and retention of talent</li> <li>• Energy diversification / commitment to renewable energy sources</li> <li>• Entrepreneurship</li> <li>• Strengthening of links with the community</li> <li>• Specialized Know-how</li> <li>• Project development</li> <li>• Specialist technical consultancy</li> <li>• R&amp;D projects</li> <li>• Energy efficiency</li> </ul> | <ul style="list-style-type: none"> <li>• E-mail</li> <li>• Annual face-to-face survey process</li> <li>• Regular meetings</li> <li>• Personal contact</li> <li>• Telephone</li> </ul> |
|             | Responses to the most relevant topics  |  |   |
|             | <ul style="list-style-type: none"> <li>• Promotion of visits to EDP projects</li> <li>• Participation in meetings</li> <li>• Sponsorship</li> <li>• Volunteer Programmes</li> <li>• Lean Programme in schools</li> <li>• Collaboration agreements</li> <li>• EDP Produção Programme in Schools</li> <li>• Partnerships (entrepreneurship, minimization measures, monitoring)</li> <li>• Agreement of various protocols and partnerships for the preparation of particularly complex studies and projects</li> <li>• "Energia com vida" project, school year 2014-2015</li> <li>• Internship Program</li> <li>• Partnerships in R&amp;D projects</li> <li>• Protocols for qualifications programmes</li> <li>• Partnerships for capacity building for individuals and businesses in the regions of projects under construction</li> <li>• Partnerships with EDP Brasil for distribution of educational materials, promotion of lectures, courses and environmental education campaigns for the population of the municipalities, including indigenous communities</li> <li>• Publication of articles in specialized journals</li> </ul> |  |   |



## ASSOCIATIONS

| VALUE CHAIN | Most relevant topics in 2014  | Dialogue channels   |
|-------------|---|---|
|             | <ul style="list-style-type: none"> <li>• Energy efficiency in consumption</li> <li>• Cost reductions promotion</li> <li>• Commitment to renewable energy sources</li> <li>• Innovation and investment in new technologies</li> <li>• Energy tariffs and prices</li> <li>• Market Liberalization</li> <li>• Products and services associated with energy bills</li> <li>• The quality of products and services provided</li> </ul>   | <ul style="list-style-type: none"> <li>• Annual face-to-face survey process</li> <li>• Regular meetings</li> <li>• Seminars</li> <li>• Customer Manager</li> <li>• E-mail</li> <li>• Telephone contact</li> <li>• Customer ombudsman</li> </ul> |
|             | Responses to the most relevant topics   |   |
|             | <ul style="list-style-type: none"> <li>• Holding of thematic meetings with Consumer Protection Associations to clarify doubts</li> <li>• Holding of annual face-to-face meetings on relations with the EDP Group</li> <li>• Sending of replies to complaints addressed by Consumer Protection Associations</li> <li>• Holding of Seminars with Business Associations</li> <li>• Establishing partnerships and protocols with Sectoral Associations and Confederations</li> <li>• Participation in cross-sectoral working groups</li> <li>• Production of proposals for sectorial legislation</li> </ul> |   |



## LOCAL AUTHORITIES

| SOCIAL AND TERRITORIAL ENVIRONMENT | Most relevant topics in 2014  | Dialogue channels  |
|------------------------------------|---|--|
|                                    | <ul style="list-style-type: none"> <li>• Concessions</li> <li>• Street lighting</li> <li>• Energy efficiency in consumption</li> <li>• Cost reductions promotion</li> <li>• Optimization of resources</li> <li>• Commitment to renewable energy sources</li> <li>• Innovation and investment in new technologies</li> <li>• Smart grids</li> <li>• Energy tariffs and prices</li> <li>• Taxes, rates and contributions</li> <li>• Promotion of the development of local communities</li> <li>• Market Liberalization</li> <li>• Management of counterparts</li> <li>• Licensing</li> <li>• Relationship with local communities</li> <li>• Debt management</li> </ul>  | <ul style="list-style-type: none"> <li>• Annual face-to-face survey process</li> <li>• Regular meetings</li> <li>• Seminars</li> <li>• Customer managers</li> <li>• Roadshows</li> </ul> |
|                                    | Responses to the most relevant topics   |  |
|                                    | <ul style="list-style-type: none"> <li>• Expansion of the Inovcity intelligent networks project</li> <li>• Installation of LED fixtures in street lighting</li> <li>• Installation of new technologies and provision of new means for managing consumption</li> <li>• Metering installation</li> <li>• Holding accounts meetings where applicable</li> <li>• Holding of Road Shows and Seminars on topics considered important for municipalities</li> <li>• Holding of annual face-to-face meetings on relations with the EDP Group</li> <li>• Participation in working groups</li> <li>• Establishing protocols and partnerships in social and environmental projects</li> <li>• Sponsoring regional initiatives</li> <li>• Development of health programmes for the prevention and control of endemic diseases and epidemics in Brazil</li> <li>• Support for improvements to local Health, Safety, Education, and Transport infrastructures in Brazilian municipalities</li> <li>• Joint social monitoring actions in support of public Brazilian policies for control of child prostitution</li> <li>• Partnerships for training and hiring local labour</li> <li>• Support for municipal Brazilian planning, to provide subsidies for the maintenance of planned investments</li> <li>• Support for local business, reducing the adverse effects of the completion of projects of construction of hydroelectric plants</li> <li>• Partnerships with departments of Education for distribution of educational materials, promotion of lectures, environmental education courses and campaigns for the population of the municipalities, including indigenous communities</li> <li>• Agreements with Brazilian municipalities for registration of CadÚnico, to promote access to the social tariff for electricity</li> </ul> |  |





## MEDIA AND OPINION LEADERS

| SOCIAL AND TERRITORIAL ENVIRONMENT | Most relevant topics in 2014   |   | Dialogue channels  |
|------------------------------------|--|---|--|
|                                    | <ul style="list-style-type: none"> <li>• EDP Brand</li> <li>• Renewable energy</li> <li>• Hydro-electric projects</li> <li>• Energy tariffs and prices</li> <li>• Quality and guarantee of electric power supply / Investment in the networks</li> <li>• Social and Environmental Responsibility</li> <li>• Innovation (intelligent networks; offshore wind power)</li> <li>• Financial Performance</li> <li>• Liberalized market</li> </ul>   | <ul style="list-style-type: none"> <li>• New Products and Services</li> <li>• Human Resources topics</li> <li>• Company strategy for sport</li> <li>• Company strategy for music</li> <li>• Entrepreneurship and Social Innovation</li> <li>• Innovation Projects and Prizes</li> <li>• Regulatory Changes</li> <li>• Shareholder structure</li> <li>• CTG Strategic Partnership</li> <li>• Moving, sale of buildings and New Headquarters</li> </ul> | <ul style="list-style-type: none"> <li>• EDP Website</li> <li>• Press releases</li> <li>• Telephone</li> <li>• E-mail</li> </ul> |
|                                    | Responses to the most relevant topics  |   |  |
|                                    | <ul style="list-style-type: none"> <li>• EDP aims to respond to journalists in the shortest possible time with relevant information</li> <li>• Promotion of thematic meetings/conferences for invited journalists</li> <li>• Pro-active issuing of information for reports or news on EDP Group projects/services/products</li> <li>• Invitations to journalists to learn about the Group's business at a national and international level, on trips where contact with the managers responsible for the company's projects makes them worthwhile for media professionals</li> </ul> |   |  |



## NGOS

| SOCIAL AND TERRITORIAL ENVIRONMENT | Most relevant topics in 2014   | Dialogue channels  |
|------------------------------------|--|--|
|                                    | <ul style="list-style-type: none"> <li>• Climate change</li> <li>• Environmental protection</li> <li>• Biodiversity</li> <li>• Energy efficiency</li> <li>• Innovation and new technologies</li> <li>• Renewable energy promotion</li> </ul>   | <ul style="list-style-type: none"> <li>• Listening channel</li> <li>• Collaboration agreements</li> <li>• Formally constituted committees</li> </ul> |
|                                    | Responses to the most relevant topics  |  |
|                                    | <ul style="list-style-type: none"> <li>• Promotion of activities to raise awareness, lectures, workshops and conferences</li> <li>• Meetings with various NGOs</li> <li>• Development of the Biodiversity Report</li> <li>• Promotion of access to the environmental matters in which EDP is involved through the BrowsEDP channel</li> <li>• Avifauna protocol of agreement between EDP Distribuição, SPEA and Quercus, with the aim of improving the compatibility of high and medium tension overhead electrical networks with bird conservation in Portugal</li> <li>• Awarding of the Biodiversity Fund to projects developed by NGOs: Atlas of Wintering and Migratory Birds (SPEA); Biodiversity, endemic and protected species associated with the lakes and waterways of Serra da Estrela (TAGIS); Economountain, economy of biodiversity in the hills of Vila Pouca de Aguiar (AguiarFloresta); The Miranda Donkey in the management of low bushy vegetation and high conservation value ecosystems (AEPGA)</li> <li>• Various partnerships established between EDPR and NGOs: Fundación Migres; Fundación Património Natural; Indre Nature</li> </ul> |  |



## LOCAL COMMUNITIES

| SOCIAL AND TERRITORIAL ENVIRONMENT | Most relevant topics in 2014  |   | Dialogue channels  |
|------------------------------------|---|---|--|
|                                    | <ul style="list-style-type: none"> <li>• Environmental management and promotion</li> <li>• Safety conditions of infrastructure</li> <li>• Efficiency in consumption and products offered</li> <li>• Renewable energy promotion</li> <li>• Development of new technologies</li> <li>• Regional socio-economic development</li> </ul>   | <ul style="list-style-type: none"> <li>• Social tariff</li> <li>• Access to energy</li> <li>• Street lighting</li> <li>• Relationship with communities</li> <li>• Non-technical losses</li> <li>• Legalization of energy use</li> </ul> | <ul style="list-style-type: none"> <li>• EMAS Registry</li> <li>• Population surveys</li> <li>• Area facilitating contact with EDP - specific emails for clarifications to populations on the site dedicated to new construction projects</li> <li>• Door to door distribution of fliers showing the progress of work on new projects, in neighbouring populations</li> <li>• Public information sessions</li> </ul> |
|                                    | Responses to the most relevant topics   |   |  |
|                                    | <ul style="list-style-type: none"> <li>• COMPRO project - methodology for involving Local Communities in EDP projects</li> <li>• Dissemination of information regarding new construction projects, through a dedicated website, in which technical information, frequently asked questions, news and updated information is provided on the production centres</li> <li>• Open Doors Project – The greater part of EDP’s older facilities have adopted an “Open Doors” policy, particularly aimed at the educational community</li> <li>• EDP Sustainable Entrepreneur Project, constitutes a protocol to support development in Trás-os-Montes and Alto Douro to create self-employment</li> <li>• EDP Dam Solidarity Project whose objective is to financially support projects by Social Entrepreneurs in zones where new hydro-electric schemes are being built</li> <li>• Promotion of initiatives focused on social entrepreneurship and cultural activity in the regions</li> <li>• In production centres under construction various projects have been developed that aim to respond to the needs of local communities, that stem from compensatory measures to which EDP is legally bound</li> <li>• Social investment projects for the various locations, namely in the areas of Education, Culture, Science, and Community Involvement - Good Solar Energy Project, Good Energy in the Community Project, Good Energy in Schools Project</li> <li>• Promotion of workshops and awareness campaigns for using energy safely, energy efficiency and renewable energy, of which Project Twist is an example</li> <li>• Project specifically to promote energy efficiency available on the internet platform <a href="http://www.eco.edp.pt">www.eco.edp.pt</a>, in which consumers can find information and recommendations, simulators for energy efficiency and CO2 emissions and a practical guide for an efficient house</li> <li>• Hiring local labour</li> <li>• Project dedicated social communication programmes</li> <li>• Energy efficiency measures for public buildings, charities and public hospitals in Brazil</li> <li>• Negotiation forums with local communities for relocation and compensation</li> </ul> |   |  |



## COMPETITION

| MARKET | Most relevant topics in 2014   | Dialogue channels  |
|--------|--|--|
|        | <ul style="list-style-type: none"> <li>• Reply to requests for information</li> <li>• Notification of Merger operations</li> </ul> | <ul style="list-style-type: none"> <li>• E-mail</li> <li>• Meetings</li> <li>• Letter</li> </ul> |
|        | Responses to the most relevant topics  |  |
|        | <ul style="list-style-type: none"> <li>• Provision of information</li> </ul>   |  |

## FINANCIAL ENTITIES

| MARKET | Most relevant topics in 2014   | Dialogue channels   |
|--------|--|---|
|        | <ul style="list-style-type: none"> <li>• Deleveraging</li> <li>• Sustainability of the Portuguese electrical system</li> <li>• Droughts in Brazil</li> </ul> | <ul style="list-style-type: none"> <li>• E-mail</li> <li>• Meetings</li> <li>• Telephone</li> <li>• Results call</li> </ul> |
|        | Responses to the most relevant topics  |   |
|        | <ul style="list-style-type: none"> <li>• Regular providing of information on EDP and its position on the topics</li> </ul>                                   |   |

## SHAREHOLDERS AND INVESTORS

| MARKET | Most relevant topics in 2014   |   | Dialogue channels  |
|--------|--|---|--|
|        | <ul style="list-style-type: none"> <li>• Financial Debt / Financial<br/>Deleveraging</li> <li>• Strategic partnership with China<br/>Three Gorges</li> <li>• Regulatory and market framework</li> <li>• EDP Group strategy</li> <li>• Rating</li> <li>• Sustainability of the Portuguese<br/>electrical system</li> </ul>  | <ul style="list-style-type: none"> <li>• Dividends</li> <li>• Energy Scenario and macroeconomic<br/>environment</li> <li>• Risk management</li> <li>• Tariff reviews</li> <li>• Relations with shareholders</li> <li>• Business ethics</li> <li>• Communication and transparency</li> <li>• Reputation and trust</li> </ul> | <ul style="list-style-type: none"> <li>• Dedicated telephone lines and emails</li> <li>• Listening evaluation studies</li> <li>• General Road Shows</li> <li>• Investor day</li> <li>• Conference calls and thematic Road Shows</li> <li>• General Meetings</li> <li>• Notices to the Market</li> <li>• Regular meetings with the Board of Directors, analysts<br/>and investors</li> <li>• Investor relations area</li> <li>• Quarterly financial reports</li> <li>• Annual Report</li> </ul> |
|        | Responses to the most relevant topics  |   |  |
|        | <ul style="list-style-type: none"> <li>• We try to contact new investors in new geographies, aiming to enhance the sustainability of the company value, and to increase senior and middle management international visibility</li> <li>• We have strengthened channels of relationships with investors and carried out satisfaction survey</li> <li>• EDP has annually held an "Investor's Day", which brings together analysts and financial investors who follow EDP in the market, to present the company's strategic guidelines and investment plans</li> <li>• The results of the study of external perceptions and the awards received by the company regarding this area, have demonstrated the market's recognition of the efforts made by EDP in the dissemination of credible and transparent information</li> </ul> |   |  |

edp U.PORTO FEUP FACULDADE DE ENGENHARIA UNIVERSIDADE DO PORTO CEner FEUP CENTRO DE COMÉRCIO TERCIAIRIA E ENERGIA

Let's talk about energy

FEUP  
17 de fevereiro de 2014



# WHAT THEY SAY ABOUT US



## SAMPLE

This consultation process was carried out with:

### Local Authorities

Interviews with City Council Mayors across the country.

### Members of Parliament

Interviews with MPs from the Parties represented in the Portuguese Parliament.

### Members of the European Parliament

Interviews with Portuguese MEPs from the Parties represented in the European Parliament.

### Higher Education

Interviews with representatives of the main Portuguese higher education institutions.

### Charities

Interviews with representatives of the main Portuguese charities.

### Opinion Leaders

Interviews with personalities with media impact, including TV commentators, opinion columnists, directors of governing bodies and presidents of professional associations.

### Suppliers

Online questionnaires sent to all Portuguese suppliers registered on the EDP website.

### Consumer Associations

Interviews with the main Portuguese consumer associations.

### Business associations

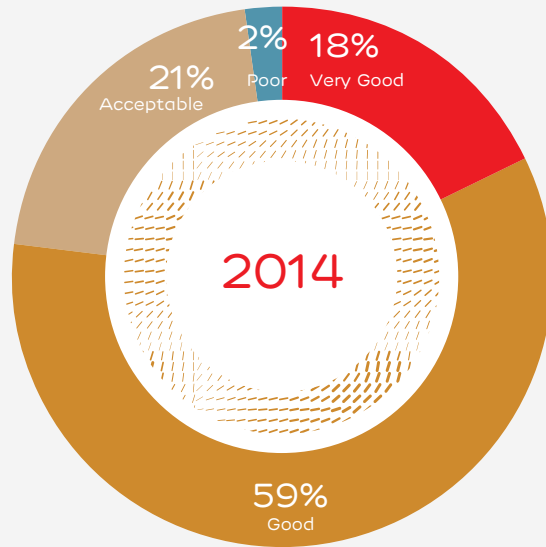
Online questionnaires addressed to the key associations in the Portuguese economy.



# GLOBAL RESULTS

## RELATIONSHIP

PLEASE RATE YOUR RELATIONSHIP WITH THE EDP GROUP



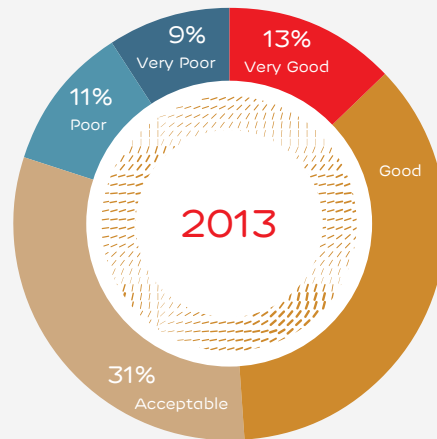
HOW HAS THE RELATIONSHIP CHANGED IN THE LAST YEAR?

**25%**  
Improved

**71%**  
Remained the same

**1%**  
Deteriorated

**3%**  
Don't know/No answer

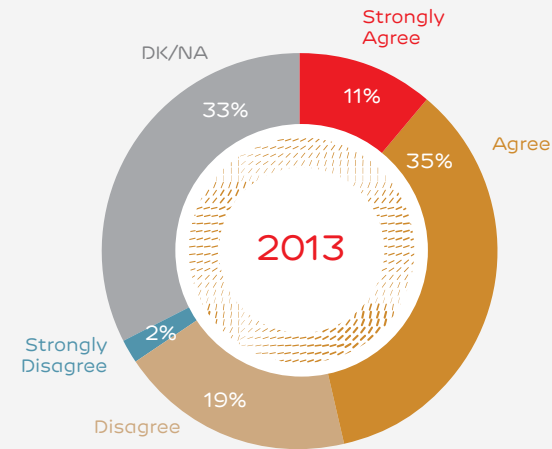
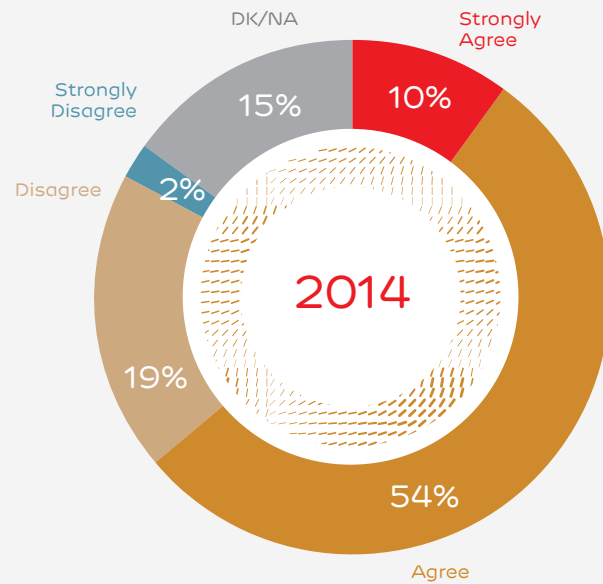


The assessment of the relationship between stakeholders and the EDP Group is positive. 77% of the respondents identify it as Good or Very Good, an increase of 28% from the 2013 results. They consider that EDP conducted a number of actions in the past year aimed at improving the relationship. They think there is still room for EDP to be more proactive and meet stakeholder expectations.



## TRANSPARENCY

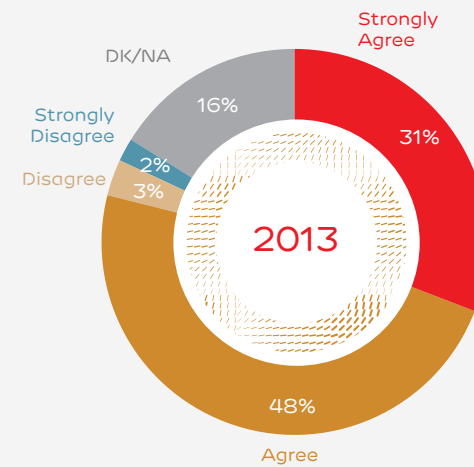
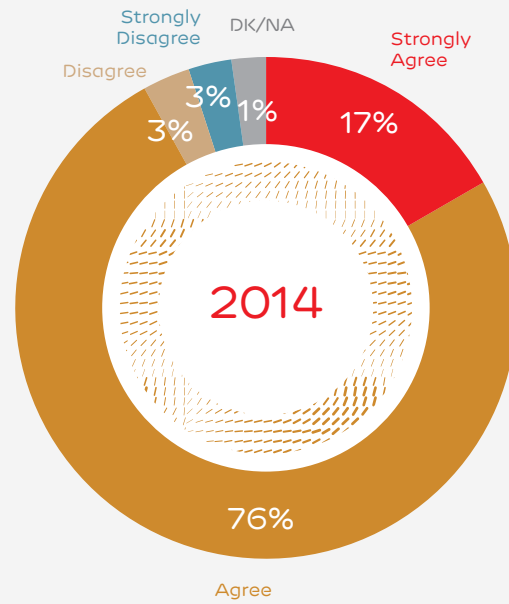
DO YOU AGREE THAT EDP  
IS A TRANSPARENT COMPANY?



The perception of EDP as a transparent company rose by 17% compared to 2013. The improvement in this indicator is the result of efforts made by EDP business units to address the critical issues raised by the Stakeholders. One of EDP's challenges in improving its transparency depends on communicating clearly about its activity in a complex market, and about its organisational structure.

## TRUST

DO YOU AGREE THAT EDP IS A TRUSTWORTHY COMPANY?



The perception of EDP as a trustworthy company rose by 13% compared to 2013. EDP is seen as a national company that the Portuguese trust to guarantee a safe supply of energy.



## RELATIONSHIP

### WHAT DO YOU KNOW ABOUT THE EDP GROUP?



EDP is the third largest renewable energy operator in the Iberian Peninsula and a major player in wind energy.



The EDP Group has about 7,000 employees in Portugal, one of the largest employers in the country.



The EDP Group operates in 14 countries and has over 11,000 employees worldwide.



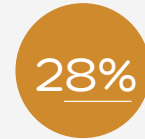
The EDP Group makes about 60% of its profits outside of Portugal.



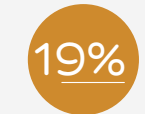
In 2013, the EDP Group invested about 900 million Euros in Portugal.



EDP is a leading Utility in the Dow Jones Sustainability Index World and Europe.



The EDP Group, through its Foundation, Fundação EDP, is the company that has invested most in culture in Portugal in recent years.

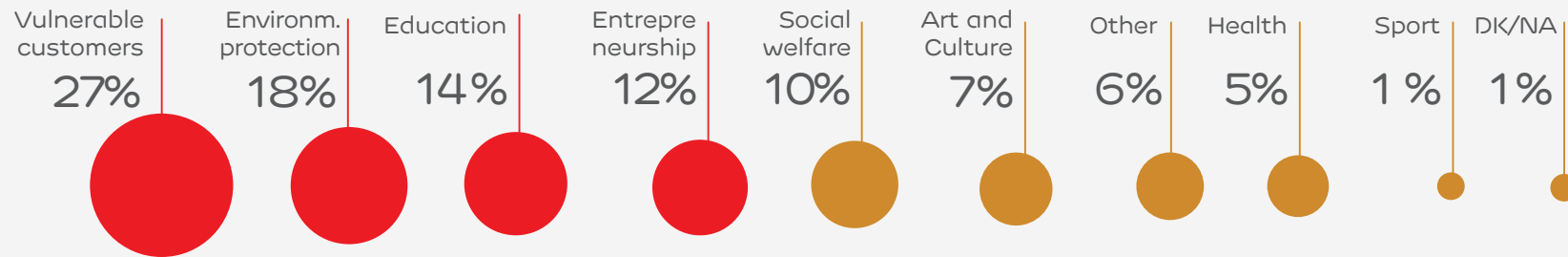


In 2013, the EDP Group's social investment exceeded 27 million Euros and involved more than two million people and 1816 institutions.



## SOCIAL RESPONSIBILITY

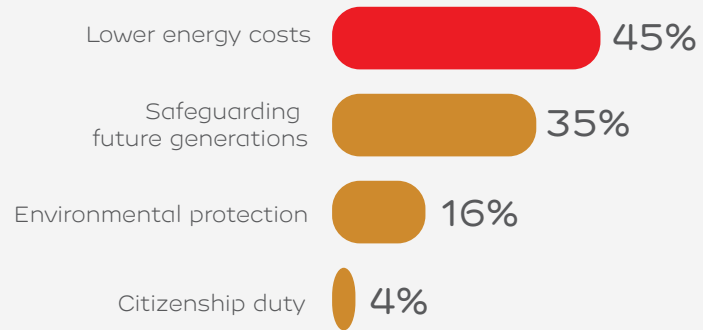
WHICH ISSUES SHOULD EDP PRIORITIZE IN ITS SOCIAL RESPONSIBILITY STRATEGY?



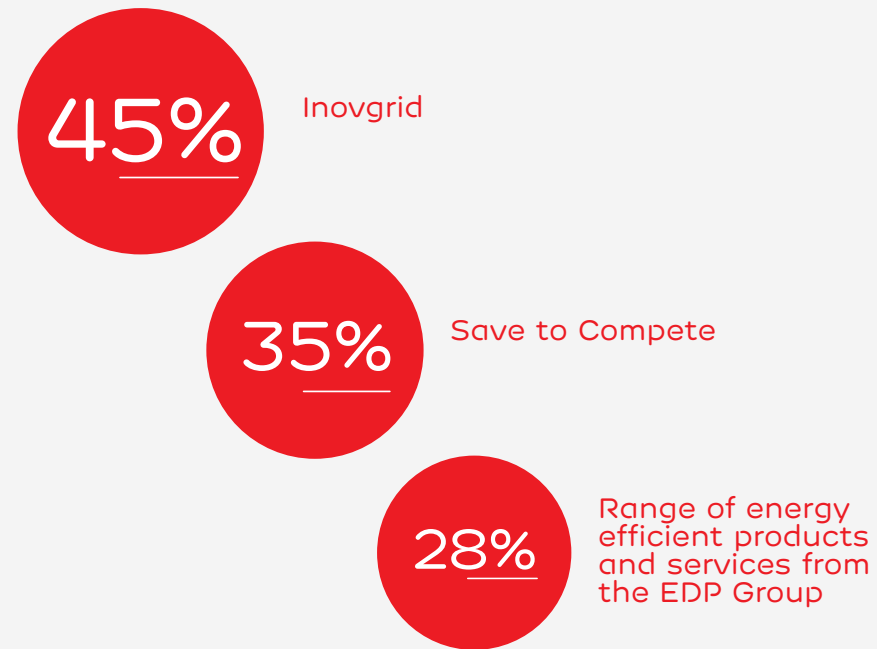
All stakeholders were asked to identify the three issues, in order of importance, that EDP should consider as priorities in its corporate responsibility strategy. Given the current macroeconomic climate the country is experiencing, most stakeholders chose Support to Vulnerable Customers. The other two drivers are Environmental Protection for the sustainability of future generations and Education as a way of ensuring a skilled workforce for the country's future.

## ENERGY EFFICIENCY

WHAT IS THE MOST IMPORTANT REASON FOR INVESTMENT IN ENERGY EFFICIENCY?



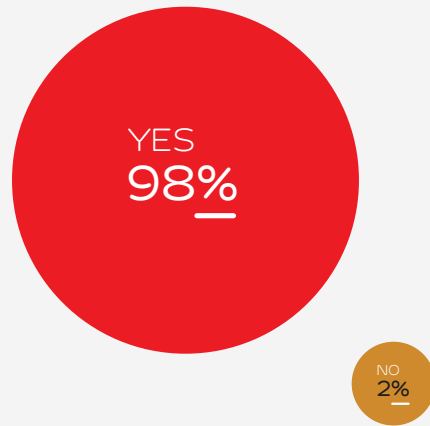
WHICH EDP ENERGY EFFICIENCY PRODUCTS, PROJECTS AND SERVICES ARE YOU AWARE OF?



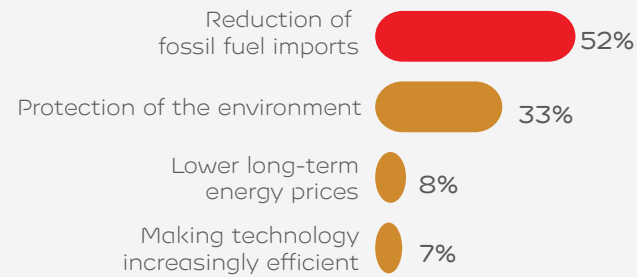
Energy efficiency emerged as one of the critical issues in the 2013 consultation. In 2014, EDP sought to better meet the expectations of stakeholders on energy efficiency. They identify this as one of the ways that can help reduce energy consumption in Portugal, suggesting that EDP should explore this subject through new, innovative products and raising awareness of existing less known products.

## RENEWABLE ENERGY

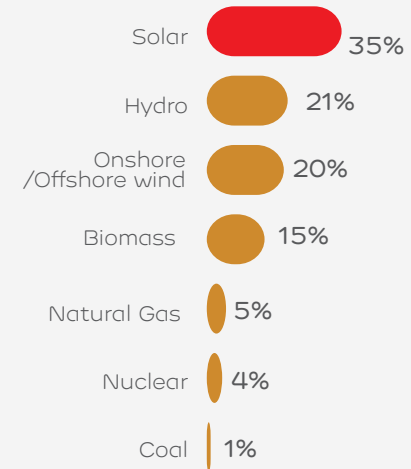
ARE YOU IN FAVOR OF RENEWABLE ENERGIES?



WHAT IS THE MOST IMPORTANT REASON FOR INVESTMENT IN RENEWABLE ENERGY?



IN WHICH SOURCES OF ENERGY SHOULD PORTUGAL INVEST?



The other critical issue identified in the 2013 consultation was renewable energies and their role in the domestic energy portfolio. Most respondents were in favour of renewable energies, considering that they play a key role in balancing the Portuguese Balance of Trade. They think it is important to maintain investment in hydropower and wind power; however, the main investment should target solar energy where there is a wider scope for use.

*edp*

STIK'14

