

1.1.6 SUSTAINABILITY ROADMAP

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At a global level, Sustainability is framed by 17 Sustainable Development Goals defined by the United Nations for the 2015-2030 horizon. In the development of its commitments, EDPR will guide its contributions by 2030 in eight of the seven Sustainable Development Goals.

“ EDPR is aware of the importance of electricity in the sustainable development and is committed to focus not only on the Sustainable Development Goals directly related to its business, such as Climate Action and Affordable and Clean Energy, but also on a business model that positively impacts other SDGs. ”

João Manso Neto (CEO)

UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS (SDGS)	SUSTAINABILITY ROADMAP STRATEGIC LINES (2016-20)	SUSTAINABILITY ROADMAP INDICATORS (2016-20)	EXECUTION 2016 - 2018
7 AFFORDABLE AND CLEAN ENERGY  13 CLIMATE ACTION 	Maintain leadership position in RENEWABLE ENERGY PRODUCTION	<ul style="list-style-type: none"> • Installed capacity: 700 MW / year • Avoided CO₂: +10% (CAGR vs. 2015-20) • <1% emitted / avoided CO₂ 	<ul style="list-style-type: none"> • Increased 588 MW average • Avoided CO₂: +2% (CAGR vs. 2015-18) • 0.2% emitted / avoided CO₂
8 DECENT WORK AND ECONOMIC GROWTH 	CREATE VALUE while maintaining a LOW RISK profile	<ul style="list-style-type: none"> • EBITDA: +8% (CAGR vs. 2015-20) • Net Profit: +16% (CAGR vs. 2015-20) • Core OPEX/MW: -1% (CAGR vs. 2015-20) 	<ul style="list-style-type: none"> • Adj. EBITDA¹: +7% (CAGR vs. 2015-18) • Adj. Net Profit¹: +43% (CAGR vs. 2015-18) • Core OPEX/Avg. MW: -2% (CAGR vs. 2015-18)
15 LIFE ON LAND 	Optimise ENVIRONMENTAL MANAGEMENT	<ul style="list-style-type: none"> • 100% Certified MWs (ISO 14001) • 100% of critical suppliers with environmental management system (EMS) 	<ul style="list-style-type: none"> • 99% Certified MWs (ISO 14001) based on 2017 Installed Capacity • 87% of critical suppliers with EMS
12 RESPONSIBLE CONSUMPTION AND PRODUCTION 	Maintain CIRCULAR ECONOMY in the internal management of the operations Ensure a high SAFETY STANDARDS for employees and contractors	<ul style="list-style-type: none"> • Maintain hazardous wastes and used water per GWh ratios aligned with previous years • >90% hazardous wastes recovered • 100% Certified MWs (OHSAS 18001) • 100% of critical suppliers with H&S management system • Zero accidents mind-set 	<ul style="list-style-type: none"> • 22.1 kg/GWh and used water per GWh ratio aligned with previous year • 93% hazardous wastes recovered in 2018 • 98% Certified MWs (OHSAS 18001) based on 2017 Installed Capacity • 85% of critical suppliers with H&S management system • Zero accidents mind-set
5 GENDER EQUALITY 	Ensure a high standard ETHICAL PROCESS	<ul style="list-style-type: none"> • Zero tolerance for unethical behaviors 	<ul style="list-style-type: none"> • One communication to the Ethics Ombudsperson²
11 SUSTAINABLE CITIES AND COMMUNITIES 	Broaden and harmonize the mechanisms of periodic consultation of STAKEHOLDERS Support SOCIAL AND EDUCATIONAL INITIATIVES through Fundación EDP Invest in employees DEVELOPMENT and ensure continued compromise with society through VOLUNTEERING	<ul style="list-style-type: none"> • Stakeholders Plan development in all geographies • c. €2.5 million investment • >80% of employees in training activities • >40% of employees in volunteering activities 	<ul style="list-style-type: none"> • Stakeholders execution plan in Spain • c. €1.7 million investment in 2016-2018 • 94% of employees received training in 2018 • 26% of employees participated in volunteering activities
9 INDUSTRY, INNOVATION AND INFRASTRUCTURE 	Promote INNOVATION in operation and construction phases	<ul style="list-style-type: none"> • c. €10 million investment (incl. energy storage and offshore structures) 	<ul style="list-style-type: none"> • €2.5 million investment in 2016-2018

¹ EBITDA and Net Profit adjusted by non-recurrent events: 2015 Adj. EBITDA: €1.0 billion; 2015 Adj. Net Profit: €108 million; Adj. Net Profit CAGR would be equivalent to 16% without asset life extension adjustment effective since January 2017.

² In 2018, there was one communication to the Ethics Ombudsperson through the Ethics Channel. However, the Ethics Committee considered it was not an unethical behaviour within the Ethics Code scope and, consequently, not grounded, declaring the closing of the process.