

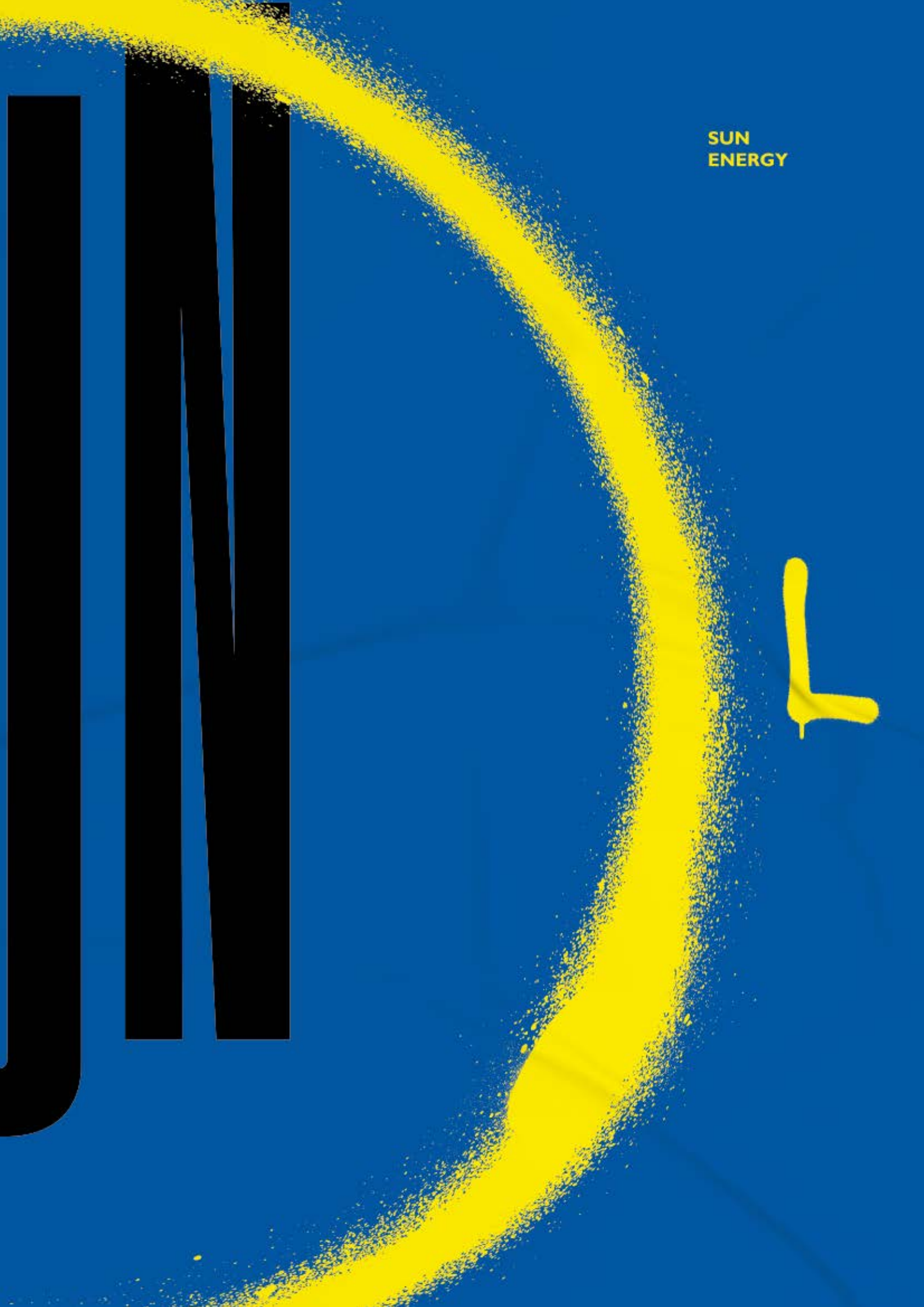
01

01 THE COMPANY

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SUN
ENERGY



01

THE COMPANY

I.I. EDPR IN BRIEF

I.I.I

Vision, Values & Commitments

VISION

A GLOBAL ENERGY PROVIDING COMPANY LEADER IN THE ENERGY TRANSITION TO CREATE SUPERIOR VALUE

VALUES

INNOVATION

With the aim of creating value in the many areas in which we operate.

SUSTAINABILITY

Aiming to improve the quality of life of current and future generations.

HUMANIZATION

Building genuine and trusting relationships with our employees, customers, partners and communities.

COMMITMENTS

RESULTS

We fulfil the commitments that we embraced in the presence of our shareholders.

We are leaders due to our capacity of anticipating and implementing.

We demand excellence in everything that we do.

SUSTAINABILITY

We assume the social and environmental responsibilities that result from our performance thus contributing towards the development of the regions in which we operate.

We ensure the participatory, competent and honest governance of our business.

We avoid specific greenhouse gas emissions with the energy we produce.

CLIENTS

We place ourselves in our clients' shoes whenever a decision has to be made.

We listen to our clients and answer in a simple and clear manner.

We surprise our clients by anticipating their needs.

PEOPLE

We join conduct and professional rigour to enthusiasm and initiative, emphasizing team work.

We promote the development of skills and merit.

We believe that the balance between private and professional life is fundamental in order to be successful.

1.1.2

EDPR in the World

IN 2019 EDPR GENERATED 30.0 TWH AVOIDING THE EMISSIONS OF 19 MT OF CO₂.

EDPR is a market leader with top quality assets in 14 countries and has 1,566 employees. The company manages a global portfolio of 11.4 GW of installed capacity, has built 888 MW in 2019 and has 4.4 GW secured for 2020-22 period, as of December 2019.

 **Employees**

NORTH AMERICA 663

United States of America

| 6,112 MW operational + 1,895 MW capacity secured
| 15,696 GWh generated

Canada

| 30 MW operational + 100 MW capacity secured
| 70 GWh generated

Mexico

| 200 MW operational + 96 MW capacity secured
| 726 GWh generated

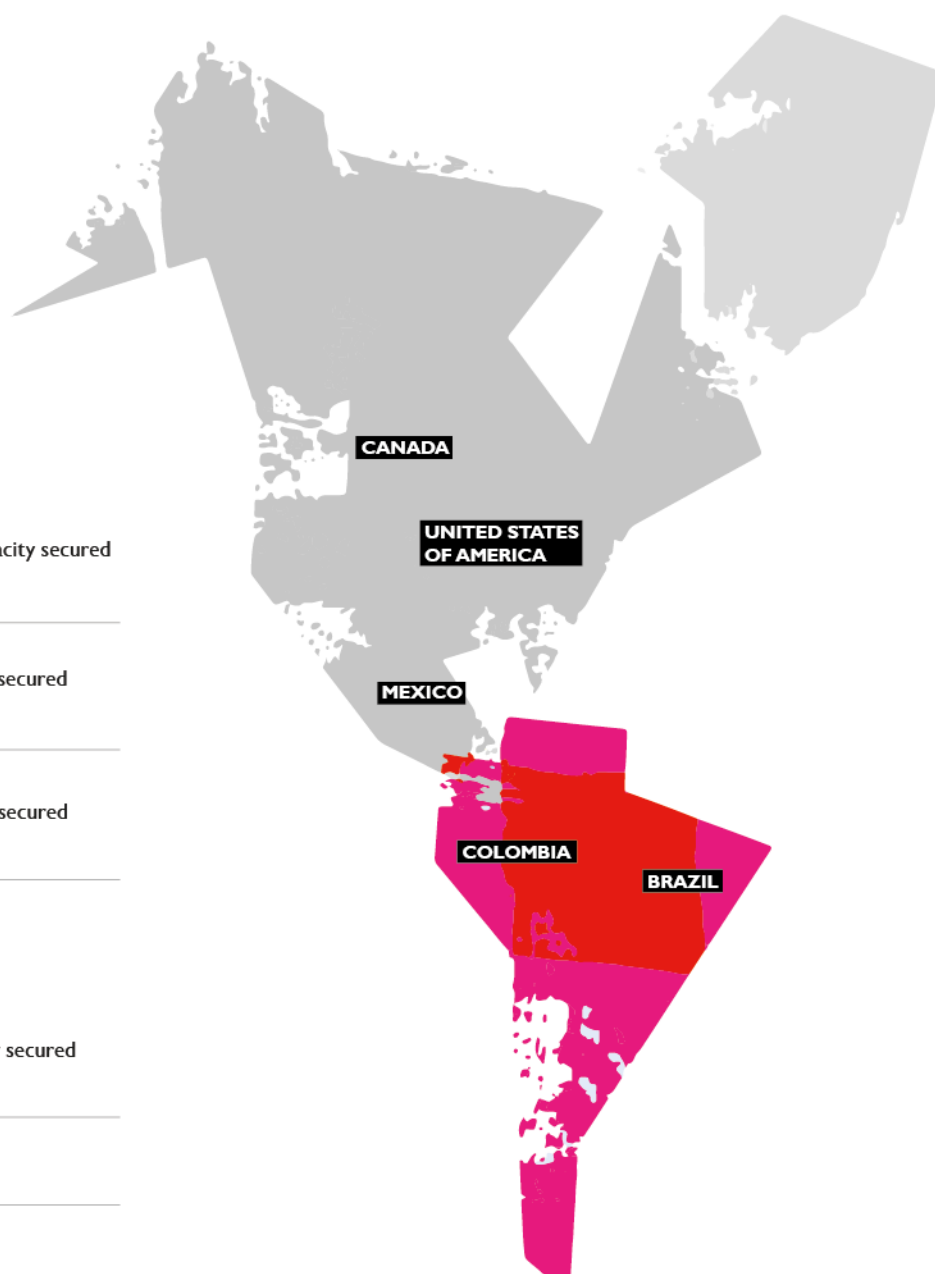
SOUTH AMERICA 65

Brazil¹

| 467 MW operational + 598 MW capacity secured
| 1,757 GWh generated

Colombia

| 492 MW capacity secured



¹Includes the 137 MW from Babilonia wind farm in Brazil, corresponding to the sell-down announced in July 2019 and which financial closing occurred in February 2020.

EUROPE 837

Spain

| 2,126 MW operational + 89 MW capacity secured
| 5,298 GWh generated

Portugal

| 1,164 MW operational + 279 MW capacity secured
| 3,160 GWh generated

France

| 53 MW operational + 84 MW capacity secured
| 465 GWh generated

Belgium

| 10 MW capacity secured
| 69 GWh generated

Poland

| 418 MW operational + 365 MW capacity secured
| 1,098 GWh generated

Romania

| 521 MW operational
| 1,151 GWh generated

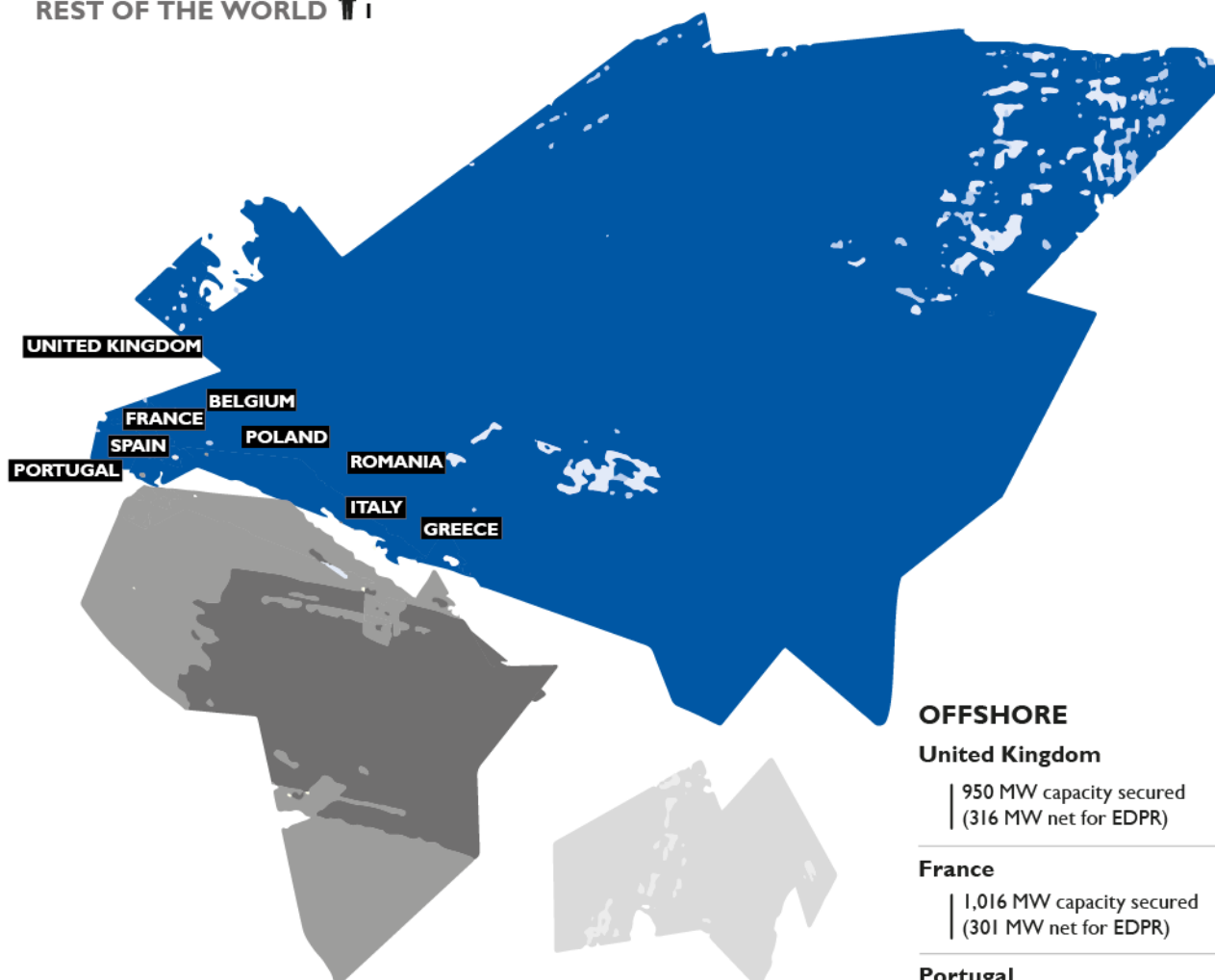
Italy

| 271 MW operational + 16 MW capacity secured
| 551 GWh generated

Greece

| 119 MW capacity secured

REST OF THE WORLD 1



OFFSHORE

United Kingdom

| 950 MW capacity secured
| (316 MW net for EDPR)

France

| 1,016 MW capacity secured
| (301 MW net for EDPR)

Portugal

| 25 MW capacity secured
| (14 MW net for EDPR)

United States of America

| 804 MW capacity secured
| (402 MW net for EDPR)

Business Description

DEVELOPMENT



SITE IDENTIFICATION

- Search for sites with top-class wind conditions or irradiance resource and analyse grid connection feasibility.



RENEWABLE RESOURCES ANALYSIS

- Install meteorological equipment to collect and study wind profile and solar radiance.



OBTAIN PERMITS

- Engage with local public authorities to secure environmental, construction, operating and other licenses.

CONSTRUCTION



PROJECT FUNDING

- Find appropriate financing for the project.



LONG TERM CONTRACT FOR THE SELL OF ENERGY

- Secure long term contracts for energy sale, guaranteeing stable and predictable cash-flows.



DESIGN LAYOUT & EQUIPMENT CHOICE

- Optimise the layout of the asset and select the best fit of equipment model based on the site characteristics.

OPERATION



CONSTRUCTION

- Build access roads, prepare foundations, assemble wind turbines or solar panels, construct substation.



START OF OPERATIONS & DELIVER CLEAN ENERGY

- A better energy, a better future, a better world!



ONGOING MAINTENANCE SERVICE

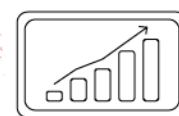
- Keep availability figures at the highest level possible and minimise failure rates.

DISMANTLING



DISMANTLING

- Once wind farms and solar plants reach the end of useful life (30-35 years), there is a process of land restoration and proper treatment of the wastes generated.



DATA ANALYSIS

- Monitor real-time operational data, analyse performance and identify opportunities for improvement.

I.1.4

EDPR Main Events in 2019

Jan

EDPR RECOGNISED BY THE TOP EMPLOYERS INSTITUTE AS ONE OF THE BEST COMPANIES TO WORK FOR IN EUROPE IN 2019

Feb

EDPR SIGNS A BUILD & TRANSFER AGREEMENT FOR A 102 MW WIND FARM PROJECT IN THE US STATE OF INDIANA

Feb

EDPR ENTERS THE US STATE OF COLORADO THROUGH A 104 MW PPA FOR A NEW WIND ENERGY PROJECT

Mar

EDP GROUP PRESENTED ITS STRATEGIC UPDATE 2019-2022

Mar

EDPR ENTERS ITS 14th GLOBAL MARKET THROUGH A WIND ENERGY PROJECT IN COLOMBIA WITH A TOTAL OF 492 MW

Apr

IN ITS SHAREHOLDERS MEETING, EDPR ANNOUNCED THE PAYMENT OF A GROSS DIVIDEND OF 0.07 EUROS PER SHARE

Apr

EDPR ANNOUNCES AN €800 MILLION ASSET ROTATION DEAL FOR WIND FARMS IN FRANCE, SPAIN, PORTUGAL AND BELGIUM

May

EDPR AND ENGIE ANNOUNCE THE CREATION A CO-CONTROLLED 50/50 JOINT-VENTURE IN FIXED AND FLOATING OFFSHORE WIND

May

EDPR'S MORAY EAST PROJECT NAMED EMEA WIND DEAL OF THE YEAR 2018, BEING RECOGNISED AS A PIONEERING OFFSHORE PROJECT

Jun

EDPR SECURES A PPA IN THE US FOR ITS FIRST LARGE SCALE RENEWABLE PROJECT WITH STORAGE TO SELL 100 MW OF SOLAR ENERGY AND 30 MW OF ENERGY STORAGE

Jul

EDPR IS A CONSTITUENT OF THE FTSE4GOOD INDEX SERIES FOR 9 YEARS IN A ROW

Aug

EDPR SECURED A PPA FOR SONRISA SOLAR PROJECT WITH STORAGE SYSTEM IN THE US

Aug

EDPR IS AWARDED WITH 142 MW OF SOLAR ENERGY IN PORTUGAL

Sep

EDPR SECURED A PPA FOR 100 MW IN MEXICO

Sep

EDPR HAS BEEN RECONFIRMED FOR INCLUSION IN THE ETHIBEL PIONEER AND ETHIBEL EXCELLENCE INVESTMENT REGISTERS

Oct

EDPR SECURED TWO 15-YEAR PPA WIND CONTRACTS FOR 492 MW IN COLOMBIA

Oct

EDPR SIGNED A BUILD & TRANSFER AGREEMENT FOR A 302 MW WIND FARM PROJECT IN THE US

Oct

EDPR SECURED A 200 MW PPA FOR A NEW SOLAR PROJECT IN THE US

Oct

EDPR JOINT VENTURE PROPOSAL WINS MASSACHUSETTS OFFSHORE WIND CONTRACT

Nov

EDPR SECURES A PPA FOR A NEW WIND FARM IN BRAZIL

Dec

EDPR IS AWARDED LONG-TERM CFD FOR 33 MW OF WIND AT GREEK ENERGY AUCTION

Dec

EDPR REINFORCES ITS A2E STRATEGY TO PROMOTE ACCESS TO SUSTAINABLE ENERGY BY INVESTING IN RENSOURE, WHICH DEVELOPS AND MANAGES DECENTRALIZED SOLAR ENERGY SYSTEMS IN NIGERIA

Dec

EDPR IS AWARDED LONG-TERM CFD FOR 307 MW OF WIND AT POLISH ENERGY AUCTION

I.1.5 STAKEHOLDER FOCUS

Generating, monitoring and maintaining commitments is considered one of the most important aspects of stakeholder relationship management for successful project performance. Within the framework of the SDG Compass and EDP Group policies, EDPR continues its commitment to generate, maintain and improve a transparent and trustworthy dialogue with its stakeholder groups, in order to provide value for both them and the company. In this sense, appropriate monitoring of stakeholder groups assists in decision-making and in obtaining additional, accurate information that allows the company to fulfil its commitments to them.

EDPR's stakeholders in 2019 are represented by the groups shown in the following diagram:



EDPR's interaction commitments are consistent with those of EDP Group: Comprehend, Communicate, Collaborate and Trust. These four pillars formed the basis of EDP's 2019 objectives regarding stakeholder relationship management.

Comprehend

Include, identify and prioritise:



EDPR regularly identifies the stakeholders that influence the Company and works to analyse and understand their expectations and interests in the decisions that directly impact them.

Communicate

Inform, listen and respond:



Committed in promoting a two-way dialogue with stakeholders through information and consulting initiatives is a part of EDPR's objective. This can be attainable by listening, informing and responding to stakeholders in a consistent, clear, rigorous and transparent manner, resulting in a strong, meaningful and lasting relationship.

Collaborate

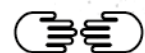
Integrate, share, cooperate and report:



EDPR aims to collaborate with stakeholders by building strategic partnerships that aggregate and disperse knowledge, skills and tools. These will promote the creation of shared value in a differentiating way.

Trust

Transparency, integrity, respect and ethics:



One of the company's beliefs is the importance of a trustworthy relationship with the stakeholders in establishing stable, long-term relationships. These relationships with the stakeholders are based on values like transparency, integrity and mutual respect.

In 2019, following the precedent set in previous years, the Stakeholder Management Plan's methodology was established through three main elements: 1) The Stakeholder Steering Committee led strategy, planning and control. The Committee was composed of leaders from different functions across the company who share a strong strategic vision and have direct contact with various stakeholders; 2) The Stakeholder Working Group, a more operational team, was in charge of implementing policies and procedures; 3) A digital customer relationship management (CRM) tool provided an informed and systematic approach to a results-driven, comprehensive model.



MAIN COMMUNICATION CHANNELS

Communication channels are used to build and consolidate collaboration, understanding and trust, making them essential to the effective management of stakeholder relationships. For almost all stakeholders, the most widely used and highly rated types of communication continue to be emails, phone calls, meetings and events. Another preferred communication channel is EDPR's website, particularly for stakeholders within the area of finance, such as banks, analysts and investors. Each group of stakeholders is allocated a specific communication channel tailored to their needs, which is central to maintaining good relationships. Through a combination of these channels, the Stakeholders Global Survey and interviews, EDPR can accurately identify each stakeholder's perceptions, expectations, value drivers and behaviours. This allows the company to continue improving communication and strengthening relationships between various groups of stakeholders.

STAKEHOLDERS SUPPORT

Carrying out appropriate monitoring of stakeholders allows EDPR to adapt its strategies to increase stakeholder involvement, by modifying its tactics and plans for getting them involved. After having properly identified the stakeholder groups with which the company maintains a close relationship, EDPR has established a series of criteria that helps the company to classify, analyse, evaluate and readjust its relationships based on real business interests. Studying the link between variables such as power, impact, legitimacy/visibility and urgency has allowed the company to identify the expectations and demands of stakeholders and integrate them into organisational strategy.






2019 MILESTONES

For many years, EDPR has actively listened to and established dialogue with its various stakeholder groups in order to understand their needs. Accordingly, throughout 2019 EDPR defined and implemented different lines of action that further encouraged dialogue, satisfied demands and expectations. And that also have allowed to generate and improve its engagement with stakeholders. The company has also integrated various new initiatives into its strategy, including awareness campaigns, ad hoc individual communication plans and action protocols, among other measures that help it to responsibly manage dialogue with stakeholders.

I.1.6




Sustainability Roadmap

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 seventeen Sustainable Development Goals.

UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS (SDGs)		SUSTAINABILITY ROADMAP STRATEGIC LINES (2019-22)	SUSTAINABILITY ROADMAP INDICATORS (2019-22)	EXECUTION 2019
CORE BUSINESS	 	Increase renewable energy installed capacity	c.7 GW cumulative build-out	888 MW built
		Ensure high safety standards for employees & contractors	Zero fatal accidents	0 fatal accidents
DIRECT IMPACT		Guarantee high environmental standards	Zero significant spills and fires	0 significant spills and fires
		Maintain the recovery waste ratio	> 75% total waste recovered (and > 90% hazardous waste recovered)	74% total waste recovered (92% hazardous waste recovered)
		Promote the transition to electric vehicles	Service vehicles to be replaced by electric vehicles	26% hybrid operational vehicles

“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 (2019-22)	SUSTAINABILITY ROADMAP INDICATORS (2019-22)	EXECUTION 2019
DIRECT IMPACT	5 GENDER EQUALITY 	Maintain the rate of female employees	> 30% of female employees	30% of female employees
	11 SUSTAINABLE CITIES AND COMMUNITIES 	Foster universal access to sustainable energy (A2E)	€20m investment	€4.9m invested in A2E
		Support local communities in their social development	€8m investment	€2.2m in social investment
		Ensure a high participation in voluntary actions	20% employees participating in volunteering activities	26% employees participating in volunteer activities
	9 INDUSTRY, INNOVATION AND INFRASTRUCTURE 	Implement digital transformation plan promoting digital skills	100% employees participating in digitalisation trainings	51% employees participating in digitalisation trainings

I.2. 2019 IN REVIEW

I.2.1

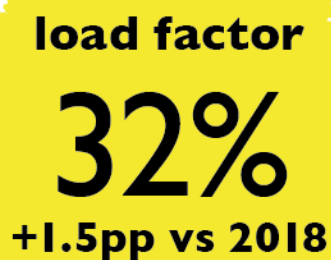
Key Metrics



CAPEX
€1,109m



**new
additions**
+888 MW
EBITDA + Net Equity



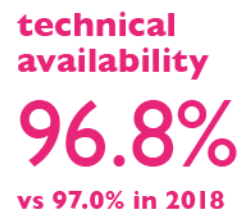
load factor
32%
+1.5pp vs 2018



net income
€475m
vs €313m in 2018



**installed
capacity**
11.4GW
EBITDA + Net Equity



**technical
availability**
96.8%
vs 97.0% in 2018



net debt
€2.8 billion



EBITDA
€1,648m
+27% YoY

1,566
employees
+13% YoY

emissions
avoided
19 mt CO₂



**CORE
OPEX/
AVG. MW**
€43k/MW
flat YoY

generation
30 TWh
+6% YoY

employees
trained
94%
34hrs/employee

100%*
capacity certified
ISO 14001

100%*
capacity certified
OHSAS 18001

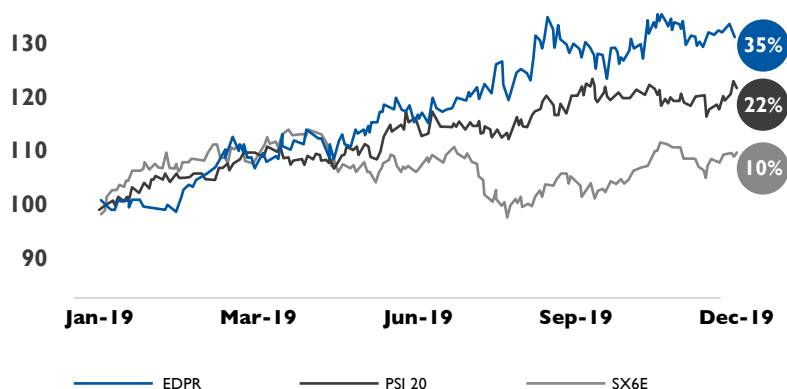
**operating
cash-flow**
€1,089m
+€11% YoY

* CALCULATION BASED ON 2018YE INSTALLED CAPACITY. EDPR CERTIFIES THE FACILITIES THE YEAR AFTER THE COD (COMMERCIAL OPERATING DATE).
THUS, THE FACILITIES THAT HAVE ENTERED INTO OPERATION IN 2019 WILL BE CERTIFIED IN 2020.

1.2.2 SHARE PERFORMANCE

EDPR has 872.3 million shares listed and admitted to trading in NYSE Euronext Lisbon. On December 31st 2019, EDPR had a market capitalisation of €9.2 billion, above the €6.8 billion at previous year-end, and equivalent to €10.50 per share. In 2019 total shareholder return was +36%, considering the dividend paid on May 10th of €0.07 per share.

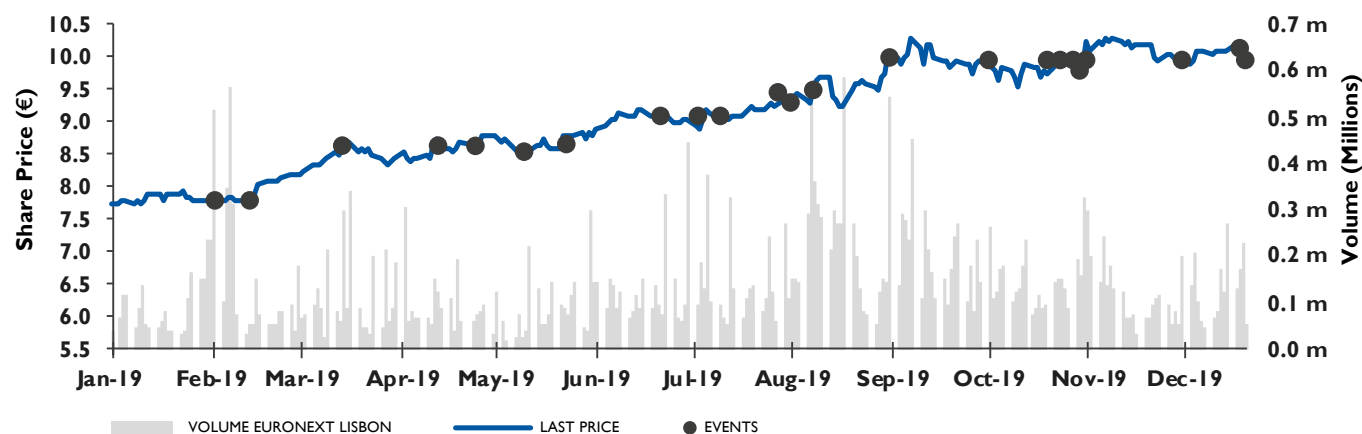
Indexed EDPR Share Performance vs. PSI20 & SX6E



EDPR IN CAPITAL MARKETS	2019	2018	2017	2016	2015
Opening Price (€)	7.78	6.97	6.04	7.25	5.40
Minimum Price (€)	7.72	6.78	5.71	5.70	5.30
Maximum Price (€)	10.50	9.17	7.20	7.28	7.25
Closing Price (€)	10.50	7.78	6.97	6.04	7.25
Market Capitalisation (€ Millions)	9,159	6,782	6,077	5,265	6,324
Total Traded Volume: Listed & OTC (Millions)	162.72	209.59	421.94	291.07	289.22
...of which in Euronext Lisbon (Millions)	36.24	44.01	101.63	103.50	109.67
Average Daily Volume (Millions)	0.64	0.82	1.65	1.13	1.13
Turnover (€ Millions)	1,502.80	1,587.12	2,744.04	1,828.34	1,824.08
Average Daily Turnover (€ Millions)	5.89	6.22	10.76	7.11	7.13
Rotation of Capital (% of Total Shares)	19%	24%	48%	32%	33%
Rotation of Capital (% of Floating Shares)	107%	107%	215%	141%	148%
Total Shareholder Return	36%	12%	16%	-16%	35%
Share Price Performance	35%	12%	15%	-17%	34%
PSI 20	10%	-12%	15%	-12%	11%
Dow Jones Eurostoxx Utilities	22%	0%	16%	-8%	-5%

EDPR's main events in 2019

- | | | | | | |
|----|--------|--|----|--------|---|
| 1 | 01-Feb | EDPR signs a Build & Transfer agreement for a 102 MW in the US | 13 | 07-Aug | EDPR secures a new PPA for Sonrisa solar project with storage system in the US |
| 2 | 12-Feb | EDPR secures a 104 MW PPA for a new wind farm in the US | 14 | 30-Aug | EDPR awarded with 142 MW of solar energy in Portugal |
| 3 | 12-Mar | EDPR announces 2019-22 Strategic Update | 15 | 30-Sep | EDPR secures a new PPA for 100 MW in MX & establishes new TE structure for 405 MW in the US |
| 4 | 11-Apr | EDPR Annual Shareholders Meeting | 16 | 23-Oct | EDPR enters the Colombian market with two 15-year PPA wind contracts |
| 5 | 23-Apr | EDPR announces €0.8bn Asset Rotation for EU wind farms & announces IQ19 Operational data | 17 | 24-Oct | EDPR signs a Build & Transfer agreement for a 302 MW wind farm project in the US |
| 6 | 08-May | EDPR announces IQ 2019 Results Report (EDPR ex-dividend date (€0.07 per share)) | 18 | 25-Oct | EDPR secures a 200 MW PPA for a new solar project in the US |
| 7 | 21-May | EDPR announces a MoU with ENGIE, to create a 50:50 joint-venture for offshore wind | 19 | 29-Oct | EDPR expands its US solar base securing 50% stake in a portfolio of 278 MW |
| 8 | 20-Jun | EDPR reaches a PPA agreement for its first renewable project with storage system in the US | 20 | 30-Oct | EDPR JV proposal wins Massachusetts offshore wind contract |
| 9 | 03-Jul | EDPR is awarded long-term CfD for 30 MW of wind at Greek auction | 21 | 28-Nov | EDPR secures a PPA for a new wind farm in Brazil |
| 10 | 08-Jul | EDPR secures PPA for 126 MW in Brazil | 22 | 18-Dec | EDPR is awarded long-term CfD for 33 MW of wind at Greek energy auction |
| 11 | 29-Jul | EDPR announces R\$ 1.2bn Asset Rotation transaction for Brazilian wind farms | 23 | 19-Dec | EDPR is awarded long-term CfD for 307 MW of wind at Polish energy auction |
| 12 | 30-Jul | EDPR concludes €808m asset rotation deal for wind farms in Europe | | | |



SOURCE: BLOOMBERG / EDPR

1.3 ORGANISATION

1.3.1 SHAREHOLDER STRUCTURE

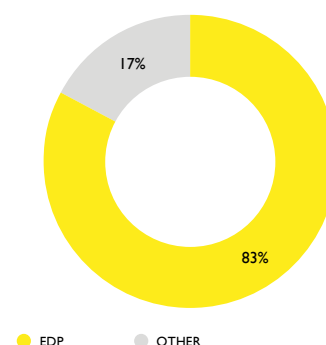
EDPR shareholders are spread across more than 20 countries, being EDP the main shareholder.

EDPR total share capital is, since its initial public offering (IPO) in June 2008, composed of 872,308,162 shares issued with a nominal value of five euros each, fully paid. All these shares are part of a single class and series and are admitted to trading on the Euronext Lisbon regulated market.

MAJOR SHAREHOLDERS, THE EDP GROUP

The majority of the Company's share capital is owned by EDP Group, holding 82.6% of the share capital and voting rights, since the General and Voluntary Public Tender Offer closed in August 2017, where EDP Group increased by 5.03% its shareholding in EDPR's share capital and voting rights. EDP Group is a vertically integrated utility company, the largest generator, distributor and supplier of electricity in Portugal, has significant operations in electricity in Spain and is one of the largest private generation group in Brazil through its stake in Energias do Brasil. In the Iberian Peninsula, EDP is the third largest electricity generation company and one of the largest distributors of electricity. EDP has a worldwide relevant presence, being present in 16 countries and has close to 12,000 employees around the world. In 2019, EDP had an installed capacity of 26.7 GW, generating 66.7 TWh, of which 66% came from renewables. EDP is part of sustainability indexes (DJSI World and Europe), following its performance in the economic, social and environmental dimensions. Its holding company, EDP S.A. is a listed company whose ordinary shares are traded in the Euronext Lisbon since its privatisation in 1997.

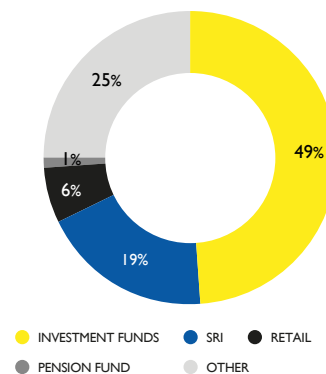
EDPR Shareholder



OTHER SHAREHOLDERS

In October 2019, MFS notified EDPR that, in accordance with article 23 of the Royal Decree 1362/2007 and as a result of transactions hold on October 3rd, it crossed the 3% minimum threshold for qualified shareholding positions. MFS decreased its shareholding to 25,674,035 ordinary shares of EDPR, which corresponds to 2.943% of EDPR's share capital and 2.943% of the respective voting rights, therefore leaving its qualified share holding position in EDPR.

Shareholders (Ex-EDP) by Type



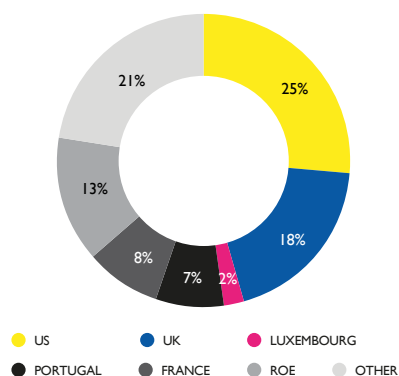
BROAD BASE OF INVESTORS

EDPR has an international base of investors. Excluding EDP Group, EDPR shareholders comprise more than 30,000 institutional and private investors spread worldwide. Within institutional investors, which represent about 94% of shareholder base (ex-EDP Group), investment funds are the major type of investor, followed by sustainable and responsible funds (SRI). EDPR is a member of several financial indexes that aggregate top performing companies for sustainability.

WORLDWIDE SHAREHOLDERS

EDPR shareholders are spread across 21 countries, being United States the most representative country, accounting for 25% of EDPR shareholder base (ex-EDP Group), followed by United Kingdom, France, Portugal and Luxembourg. In the Rest of Europe, the most representative countries are Switzerland, Sweden, Belgium and Spain.

Shareholders (Ex-EDP) by Country



I.3.2 GOVERNANCE MODEL

The organisation and functioning of EDPR corporate governance model aims to achieve the highest standards of corporate governance, business conduct and ethics referenced on the best national and international practices.

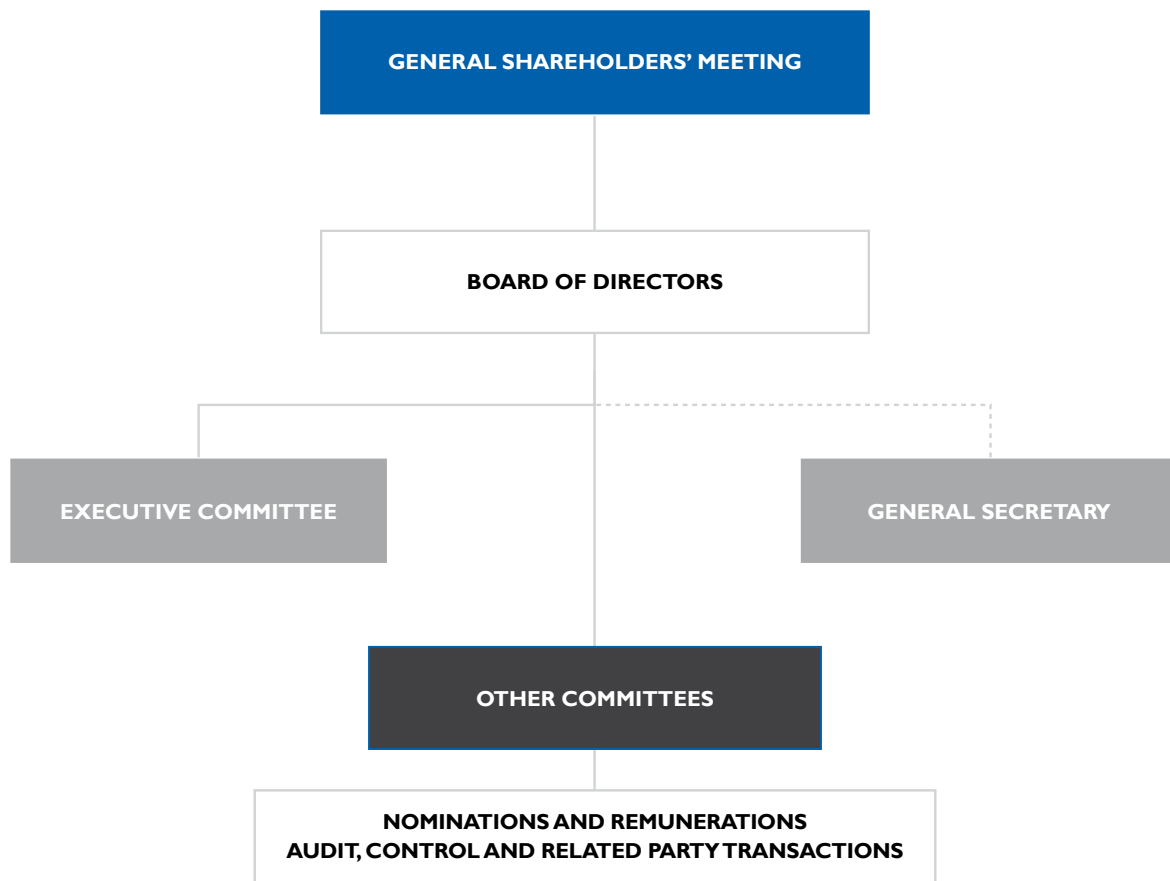
EDPR is a Spanish Company listed in a regulated stock exchange in Portugal, being the regulation of its corporate organisation subject to the Spanish law, but trying to parallelly also comply to the extent possible with the Portuguese recommendations contained in the Corporate Governance Code of the Instituto Português de Corporate Governance (“IPCG”).

Considering the applicable guidelines as of this regulatory framework, EDPR’s model was designed with the aim of ensuring a transparent and meticulous separation of duties and management by the same time that provides a specialisation in the supervision functions. As such, EDPR’s governance structure is comprised by a General Shareholders’ Meeting and a Board of Directors (BoD) that represents and manages the Company, which in accordance with the law and its Articles of Association has additionally set up three delegated Committees entirely composed its members: the Executive Committee, the Audit, Control and Related-Party Transactions Committee and the Nominations and Remunerations Committee.

Additionally, as detailed in the Corporate Governance chapter, with the purpose of adapting to the extent possible this structure to the Portuguese legislation, EDPR parallelly seeks to correspond it to the so-called “Anglo-Saxon” model set forth in the Portuguese Commercial Companies Code, in which the management body is a Board of Directors, and the supervision and control duties are of the responsibility of an Audit and Control Committee.

This structure and its functioning enable a fluent workflow between all levels of the governance model, as each of the delegated Committees shall report the decisions taken to the Board of Directors, and additionally all the Committees Members are also Members of the Board. Hence, this organisation allows Directors to receive the complete information at Board of Directors level in order to take the corresponding decisions, and all in all, ensuring in time and manner the access to all the information in order to appraise the performance, current situation and perspectives for the further development of the Company.

As exposed above, the governance model of EDPR was designed to ensure the transparent and meticulous separation of duties and the specialisation of supervision through the following structure of its governing bodies:



Board of Directors

- Executive Committee
- Audit, Control and Related Party Transactions Committee
- Nominations and Remunerations Committee
- Independent Member



ANTÓNIO MEXIA
Chairman



EMILIO GARCÍA-CONDE
General Secretary



JOÃO MANSO NETO
Vice-Chairman & CEO



DUARTE BELLO
COO Europe & Brazil



MIGUEL ÁNGEL PRADO
COO North America



SPYRIDON MARTINIS
COO Offshore & CDO



VERA PINTO PEREIRA



RUI TEIXEIRA



MANUEL MENÉNDEZ



ANTÓNIO NOGUEIRA LEITE
Lead Independent Director



ACÁCIO PILOTO



ALLAN J. KATZ



**FRANCISCA GUEDES
DE OLIVEIRA**



**FRANCISCO SEIXAS
DA COSTA**



CONCEIÇÃO LUCAS



**ALEJANDRO FERNÁNDEZ
DE AROZ**

A) GENERAL SHAREHOLDERS' MEETING

The General Shareholders' Meeting is the body where the shareholders participate. Represents the Company with the full authority corresponding to its legal personality and has the power to deliberate, vote and adopt decisions, particularly on matters that the law and Articles of Association reserve for its decision and must be submitted for its approval.

B) BOARD OF DIRECTORS

The Board of Directors is the body that represents and administrates the Company under the broadest powers of management, supervision and governance with no limitations other than the responsibilities expressly and exclusively granted to the jurisdiction of the General Shareholders Meeting in the Company's Articles of Association or in the applicable law.

In line with the best corporate governance practices and in accordance with its Articles of Association, EDPR's Board of Directors shall consist of no less than 5 and no more than 17 members (including a Chairperson), who are elected for 3 years period and that may be re-elected for equal periods. EDPR Board of Directors is currently composed by 15 Board Members, 11 are non-executive, from which a total of 6 are also independent.

DELEGATED COMMITTEES OF THE BOARD OF DIRECTORS

As stated, EDPR BoD has set up three delegated Committees entirely composed by its members: the Executive Committee, the Audit, Control and Related-Party Transactions Committee and the Nominations and Remunerations Committee.

I) EXECUTIVE COMMITTEE

This is the delegated body of the Board of Directors entrusted to perform the daily management of the business. EDPR's Executive Committee is composed by the following members that are also "Consejeros Delegados Mancomunados".

The CEO, João Manso Neto, is empowered to ensure the daily management of the business and to coordinate the implementation of the BoD decisions and the Corporate and General Management functions, partially assigning those to the other executive officers.

The COO of Offshore, COO of Europe & Brazil and the COO of North America coordinate their platforms by developing, establishing and implementing the strategic plan for the renewable energy business, in accordance with the guidelines set by the BoD. They are also responsible for planning, organising and managing resources, controlling, measuring and improving the management of projects and subsidiary companies to achieve expected results to make EDPR a leader in the renewable energy sector in their respective platforms. The Chief Development Officer ("CDO") is responsible for the business development areas and for implementing processes to support business growth.

II) AUDIT, CONTROL AND RELATED PARTY TRANSACTIONS COMMITTEE

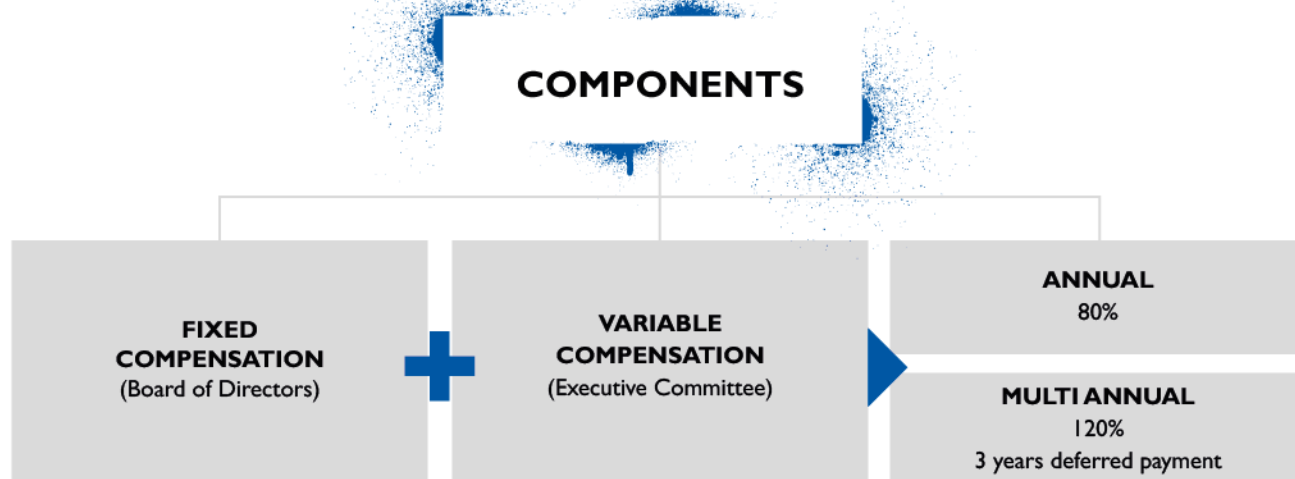
This is the specialised and delegated Committee of the BoD in charge of, among others, the appointment of the Company's auditors and the internal risk management and control systems, supervision of internal audits and compliance and ratification of transactions between EDPR and EDP and between its related parties, qualified shareholders, directors, key employees or his relatives and prepares an annual report on its supervisory activities. The Audit, Control and Related Party Transactions Committee consists of three (3) independent members: Acácio Piloto (who is the Chairman), Francisca Guedes de Oliveira and António Nogueira Leite.

III) NOMINATIONS AND REMUNERATIONS COMMITTEE

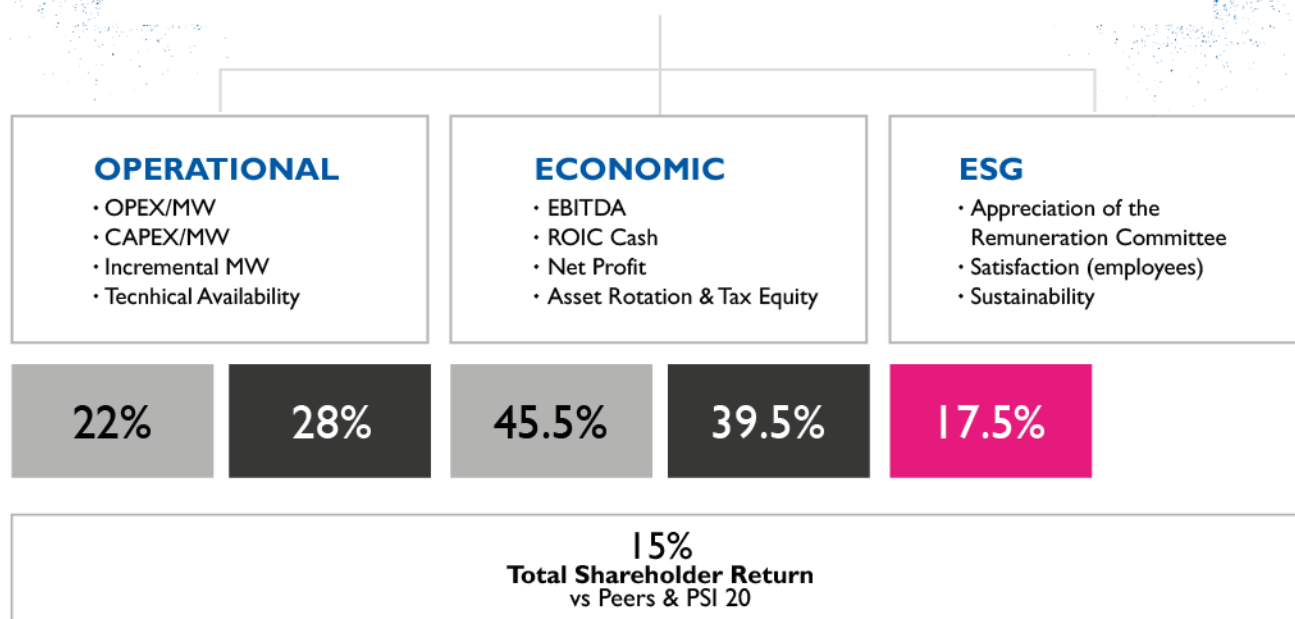
This is the specialised and delegated Committee of the Board of Directors in charge of, within others, the assistance and report to the Board about appointments, re-elections, dismissals, evaluation and remunerations of the Directors. Nominations and Remunerations Committee consists of three (3) independent members: António Nogueira Leite (who is the Chairman), Francisco Seixas da Costa and Conceição Lucas.

REMUNERATION POLICY

EDPR governance model is reinforced by an incentive structure with transparent remuneration through variable remuneration based on key performance indicators. The graphic below describes the remuneration policy.



THE VARIABLE REMUNERATION 2017-19 IS DEFINED IN LINE WITH THE STRATEGIC PILLARS THROUGH 12 KPIS



	CEO/CFO/CDO/ COO Offshore Exec Non-officers
	COO EU & BR/COO NA
	Global

NOTE: FOR THE COO NA AND COO EUROPE & BRAZIL, THESE KPIS WILL BE CALCULATED, FOR BOTH ANNUAL AND MULTI-ANNUAL COMPONENT, ON THE BASIS OF GROUP'S ACHIEVEMENT, WHICH HAS A WEIGHT OF 100%.

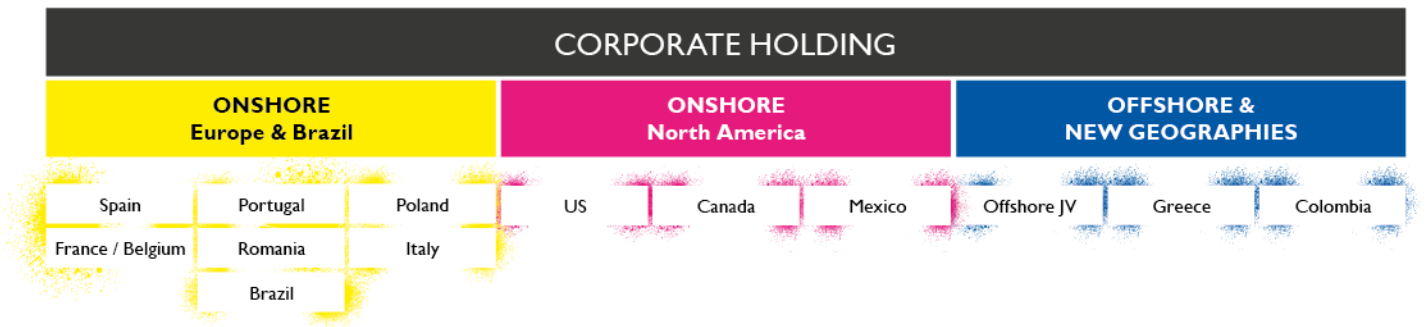
For further detailed information regarding the responsibilities and roles of the different social bodies, 2019 activity and the Company's up-to-date articles of association and regulations, please visit www.edpr.com.

I.3.3 ORGANISATION STRUCTURE






The organisation structure is designed to accomplish the strategic management of the company but also a transversal operation of all the business units, ensuring alignment with the defined strategy, optimising support processes and creating synergies.

ORGANISATIONAL MODEL PRINCIPLES

EDPR organisation model is organized around five main elements: a corporate center Holding, Onshore Europe & Brazil, Onshore North America, Offshore and New Geographies. Each platform includes different business units specialized in each of the country specificities.



The principles on which EDPR bases its organisational model is defined by the Executive Committee. These are a set of performance aspects that: define the characteristics of the relationships, grant the rights between EDPR Holding and the business units, and ensure optimal efficiency and value creation.

 ACCOUNTABILITY ALIGNMENT	Critical KPIs and span of control should be hierarchically aligned at project, country, platform and holding level to endure accountability tracking, and to take advantage of complementarities derived from end-to-end process vision.
 CLIENT-SERVICE	Corporate areas function as competence support centers and are internal service providers to all business units for all geographical non-specific needs. Business priorities and needs are defined by local businesses, and best practices are defined and distributed by corporate units.
 LEAN ORGANISATION	Execution of activities at holding level are held only when significant value is derived, coherently with defined EDPR holding role.
 REINFORCE COLLEGIATE DECISION MAKING	Ensure proper country-balance dynamics to ensure multiple-perspective challenge across functions.
 CLARITY AND TRANSPARENCY	Platforms organizational models should remain similar, to allow for: (1) Easy coordination, vertically (holding-platforms) and horizontally (across platforms); (2) Scalability and replicability to ensure efficient integration of future growth.

EDPR HOLDING

EDPR Holding seizes value creation, through the dissemination of best practices in the organisation and the standardisation of corporate processes to the platforms and the business units to improve efficiency. The internal coordination model and interface with EDP Group impacts functions and responsibilities of both the company's processes and structure. The assignments of the main responsibilities and activities of EDPR Holding to fulfil their respective missions include:

- Definition of internal structures;
- Ensure a global budget and its periodic monitoring;
- Manage the necessary human resources;
- Provide appropriate management information;
- Compete for a culture of excellence throughout the Group;
- Integrate a risk management and compliance in each area of responsibility, ensuring the monitoring and effectiveness of controls.

STRATEGIC MANAGEMENT

Covers the activity of EDPR Holding to support the Executive Committee

- Define strategy objectives, policies, rules and procedures
- Promote the dissemination of the EDPR culture and best practices
- Review the accomplishment of the company's business plan
- Control key performance indicators

TRANSVERSAL OPERATION

Systematically and progressively coordinate between EDPR Holding and the Business Units

- Leading the activities included in the mission and functions of corporate addresses
- Align the policies and strategies of each business unit
- Ensure a functional reporting including: policies, plan of action of activities
- Linking the regulatory obligations of each business unit with efficient and effective management by leveraging corporate knowledge to maximise the interests and results of the Group
- Capture synergies and optimise support processes

EDPR PLATFORMS

The three platforms are defined as: Onshore Europe & Brazil, Onshore North America, Offshore & New Geographies.

- **EDPR Europe & Brazil Onshore platform:** there are different business units where the company operates, namely Spain, Portugal, France/Belgium, Italy, Poland, Romania and Brazil.
- **EDPR North America Onshore platform:** there are three business units that represent the operational regions in North America: United States of America, Mexico and Canada.
- **EDPR's Offshore & New Geographies platform:** a MoU was signed in 2019 with Engie for the creation of a Joint Venture with EDPR that will grant the development of Wind Offshore projects, namely projects in UK, Portugal, France, Belgium, Poland, and the United States of America. This platform also grants EDPR's international business expansion in any geography where the company does not currently operate.

I.3.4 INTEGRITY AND ETHICS

Ethical behaviour is absolutely essential for the functioning of the economy. EDPR recognises its importance and complexity and is committed to address ethics and its compliance. But it is the employees' responsibility to comply with ethical obligations.

GOVERNANCE MODEL FOR ETHICS

Ethics are the cornerstone of EDPR strategy, to the extent that EDPR has a Code of Ethics, an Anti-Corruption Policy and a Compliance Policy that go beyond just defining the Company principles to be adopted, but also how employees and any other service provider working on behalf of EDPR should behave when dealing with the Company stakeholders. The Code of Ethics refers to principles of action that include compliance with legislation, integrity regarding matters such as bribery and corruption, respect for human and labour rights, transparency and corporate social responsibility, including its contribution to sustainable development and its responsibility for the economic, environmental and social impacts of its decisions and activities. In addition, the Code has its own regulation that defines a process and channel, open to all stakeholders, to report any potential claim or doubt on the application of the Code. The Ethics Ombudsperson is behind this communication channel, and is responsible for analysing and presenting to the Ethics Committee any potential ethical problem. The Code is communicated and distributed to all employees and interested parties, and complemented with tailored training sessions.

ETHICS

EDPR's Code of Ethics applies to all Company employees regardless of their position in the organisation and working location, and they all must comply with it. Suppliers should also comply with the Code of Ethics, and this is reflected in the procurement policies. The Ethics Ombudsperson plays an essential role in the ethics process. His role is to provide impartiality and objectivity in registering and documenting all complaints of ethical nature submitted to him. He monitors their progress and ensures that the identity of the complainants remains confidential, while entering into contact with them whenever appropriate, until the case is closed.



In 2019, there were three claims to the Ethics Ombudsperson through the Ethics Channel, none of them were considered a violation of EDPR's Code of Ethics. The claims were distributed to the different responsible areas and were addressed.

The Code of Ethics has been widely circulated among employees through internal communications mechanisms, individual shipments, delivery to new employees, and intranet publishing. The Code of Ethics is also attached to the labour agreements of the new hires to their written acknowledgement when they join the Company. Likewise, in the Welcome Day Presentation organised every year for the new hires of EDPR, it is also explained the main contents of these documents, as well as the Ethics Channel, existence and functioning. This information is also published on the Intranet and Website of the Company.

In addition, to promote the alignment and compliance of the Company's ethical standards among its suppliers, any supplier working for EDPR should agree to EDP Supplier Code of Conduct and also the EDPR Code of Ethics.

ANTI-CORRUPTION

This Anti-Corruption Policy implies a series of procedures regarding the relationships of EDPR employees with external parties, namely the approval of certain actions regarding hospitality to and from external parties, donations, and sponsorships. Company Personnel and Transaction Partners are encouraged to raise concerns about any issue or suspicion of bribery or corruption at the earliest possible stage through the Compliance Channel. In 2019, no claims were submitted through the Compliance Channel related to Anti-Corruption issues.

The Anti-Corruption Policy is available at the Company's website and intranet, and it is also attached to the labour agreements of the new hires to their written acknowledgement when they join the Company. Likewise, in the Welcome Day Presentation, the main contents of these documents and its functioning are also explained.

Moreover, EDPR analyses all the new markets where it operates through a Market overview including Sustainability topics such as human rights, labour, environment and corruption. This study also evaluates the corruption risk. In addition, EDPR has a questionnaire related to the anti-corruption practices of the counterparts in the M&A processes was defined, in order to ensure that they are all aligned with EDPR's Anti-Corruption Policy.

CORPORATE COMPLIANCE

The implementation of a solid corporate culture of integrity and transparency has always been a priority for EDPR, structuring its supervision and monitoring, through a regulatory compliance conduct basis and through the adoption of ethical values and principles; both consolidated as central elements of its business model. In order to lead and manage the necessary measures and initiatives required to this implementation and its functioning, the Compliance Officer figure was created in 2016 in EDPR.

In this context, the Board of Directors of EDPR approved the Criminal and Legal Risk Prevention Model (Compliance Model) on December 2017 with the goal of promoting, establishing, developing and maintaining an adequate ethical business culture. The Compliance Model is constantly updated according to the most demanding national and international standards. This model includes a Compliance Channel, a tool to report any act that may involve the commission of a criminal offense or irregularity. In 2019, no claims were submitted through the Compliance Channel.

In June 2019, the Compliance Area was created to support and provide assistance to the Compliance Officer. The Compliance Area main responsibilities are promoting a culture of prevention based on the principle of "absolute rejection" towards the commission of illegal acts and fraud situations, guaranteeing the dissemination of the principles of the Compliance Model and managing the cases of complaints from employees or collaborators.

Among the activities performed during 2019 by the Compliance Area, it can be highlighted: 1) the review and update of the Spanish Compliance Model, as a result of a change of the Spanish Criminal Code. For this review, a third-party consultant was engaged to evaluate the criminal risk and review the associated controls in order to ensure the Spanish Compliance Model was reflecting the most current legal and organisational changes. 2) the development of an on-line Compliance training for EDPR Spain-based employees.

The main objectives of the training were to introduce employees to the fundamentals of Compliance, highlighting the importance of Compliance at EDPR and identifying the main criminal risks that EDPR could be potentially exposed in the exercise of its activity. As of December 31st, 2019, the Compliance training was completed by 363 employees, which represent the 73% of all staff based in Spain.