INFORMATIVE DOCUMENT REGARDING SHARE CAPITAL INCREASE THROUGH THE INCORPORATION OF RESERVES OF EDP RENOVÁVEIS, S.A.

MAY 2, 2023

This informative document has been prepared in accordance with the provision of article 1.5(g) of Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market

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1. BACKGROUND

1.1. Background and objectives

EDP Renováveis, S.A. ("**EDPR**" or the "**Company"**) has traditionally remunerated its shareholders through ordinary dividends paid-out in cash. Notwithstanding the foregoing, with the aim to improve its shareholders' remuneration structure and pursuant to the trends followed in this area by other listed companies, the Company now intends to offer its shareholders a new remuneration mechanism in the form of a scrip dividend, replacing, at the option of the shareholders, the ordinary dividend corresponding to fiscal year 2022, with the issuance of new paid-up shares.

This new remuneration mechanism will, pursuant to Spanish law, be structured as a share capital increase charged against reserves ("**Share Capital Increase**") and shall operate through the offer to all EDPR shareholders of newly issued paid-up shares of EDPR ("**New Shares**") or, as the case may be, the receipt of cash through the sale of their incorporation rights (the "**Incorporation Rights**") to the Company or in the regulated market of Euronext Lisbon (the new remuneration mechanism hereinafter referred to as the **"EDPR Scrip Dividend Program**" or "**Program**").

The purpose of this informative document (the "**Informative Document**") is, therefore, to provide the shareholders of EDPR with all information available at this date in relation to the Share Capital Increase and the Program. This Informative Document is available at the Company's corporate website (www.edpr.com) and at CMVM's information dissemination system (at www.cmvm.pt).

1.2. Corporate approvals and formalities

The General Shareholders Meeting of EDPR held on April 4, 2023, on first call, has resolved, under item 3 of the respective Agenda, to perform the Share Capital Increase and to approve the Program for a maximum value of 275,000,000 euros.

The resolution of the General Shareholders Meeting was taken pursuant to the substantiating report issued by the Board of Directors of the Company (the meeting of the Board of Directors having occurred on February 27, 2023), which determined the key features of the Program.

In this context, the Board of Directors of the Company, at its meeting held on May 2, 2023, resolved to execute the Program and to carry out the Share Capital Increase, for a maximum value of 67,435,100.00 euros and setting the other final terms and conditions thereof that were not established in the resolution of the General Shareholders Meeting.

In turn, this Informative Document has been prepared and is issued for the purposes of Article 1.5(g) of Regulation (EU) 2017/1129 of the European Parliament and of the Council, of 14 June 2017, on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market (the "**Regulation (EU) 2017/1129**"). Pursuant to the aforementioned Article, the obligation to publish a prospectus set out in Article 3(3) of Regulation (EU) 2017/1129 shall not apply to the admission to trading of shares offered, allotted or to be allotted free of charge to existing shareholders, and dividends paid in the form of shares of the same class as those for which dividends are paid, provided that said shares are of the same class as those already admitted to trading on the same regulated market and that a document containing information on the number and nature of the shares and the purposes and details of the offer is available.

2. STRUCTURE OF THE SHARE CAPITAL INCREASE

Under the Program, each shareholder will receive one Incorporation Right per EDPR share they have acquired until 23:59 hours GMT (inclusive) of May 8, 2023 (last trading date), so long as such acquired shares are settled by May 10, 2023 (record date).

The Incorporation Rights shall be tradable on the regulated market of Euronext Lisbon under the same conditions as the shares they arise from, for a period of fourteen (14) calendar days. Once such period expires, the Incorporation Rights shall automatically convert into New Shares at a ratio defined under Section 3.1, which shall be vested to the holders of the Incorporation Rights.

With it, the Company offers its shareholders an alternative which gives them the opportunity to receive paid-up shares of the Company. Therefore, EDPR shareholders will have the three following options, to be exercised in their sole discretion:

a) not to sell all or part of their Incorporation Rights. In this case, at the end of the trading period, the shareholders will receive their corresponding number of New Shares, based on the proportion defined under section 3.1, fully paid up; or

b) to sell all or part of their Incorporation Rights to EDPR at a guaranteed fixed price of 0.265 euros per Incorporation Right (“**Purchase Commitment**”). This way, the shareholders may opt to monetize their Incorporation Rights and receive a cash amount instead of receiving New Shares; or

c) to sell all or part of their Incorporation Rights on the Euronext Lisbon regulated market. Shareholders choosing this option would also monetize all or part of their Incorporation Rights, even though they would not receive a guaranteed fixed price, as in option b) above, but instead they would receive a compensation in cash for the sale of the Incorporation Rights equivalent to their trading price. Therefore, in this case the Company would not make any payment.

Shareholders may combine any or all of the above options (that is, they may choose one or more of them in respect of the entirety or part of the rights and shares to which they are entitled), depending on what they freely decide. In this regard, EDPR shareholders should note that the alternatives receive different tax treatments (see section 5 below for a summary of the tax regime applicable to these transactions under Spanish regulations).

The gross amount received by those shareholders choosing options a) and b) shall be equivalent, as the share price of EPDR (defined under Section 3 below) shall be used to determine both the fixed price of the Purchase Commitment and the number of Incorporation Rights required to subscribe one new paid-up share. In this sense, the gross price received by a shareholder selling all his Incorporation Rights to the Company under the Purchase Commitment shall be, approximately, equal to the value of the New Shares it shall receive if it does not sell its Incorporation Rights, calculated at the share price of EDPR (defined under Section 3 below). However, the tax treatment under Spanish regulations for options a) and b) would still be different (*cfr* Section 5 below).

Additionally, it must be taken into account that the share price of EDPR (defined under Section 3 below) is subject to market fluctuations, in such way that the share price which shall serve as a reference to determine the aforementioned gross price may not be the same as the share price of the shares of the Company on the date on which the shareholder receives the new issued paid-up shares or the cash.

3. DETAILS OF THE SHARE CAPITAL INCREASE

3.1. Amount of the Share Capital Increase, number of shares to be issued and number of Incorporation Rights required for the attribution of one new paid-up share

Pursuant to the formulas set forth in the resolution adopted under item 3 of the Agenda by the General Shareholders' Meeting of April 4, 2023, the Board of Directors of the Company has determined that the Share Capital Increase shall have the following characteristics:

Incorporation rights required for the attribution of one new paid-up share

The number of Incorporation Rights needed to receive one New Share ("**No. Rights per share**") is 75. Incorporation Rights shall be vested to the shareholders who have acquired their shares until May 8, 2023 (last trading date), so long as such shares are settled by May 10, 2023 (record date) at Interbolsa – Sociedade Gestora de Sistemas de Liquidação e de Sistemas Centralizados de Valores Mobiliários, S.A. ("**Interbolsa**"), at a rate of one Incorporation Right per issued share that they hold at said date. Accordingly, such shareholders shall be entitled to receive one New Share of EDPR per every 75 shares of EDPR held at said date.

Said number of Incorporation Rights required to receive one New Share has been automatically determined according to the proportion existing between the number of New Shares and the number of issued shares on May 2, 2023, date on which the Board of Directors has passed the resolution to carry out the Share Capital Increase:

No. Rights per Share = NIS / Provisional no. shares = 1,011,526,562 / 13,661,202 = 74.04

No. Rights per share rounded up = 75

Where:

"**Provisional no. shares**" = Amount of the Shares Option / Share Price = 275,000,000 / 20.130 = 13,661,202.19

Provisional no. shares rounded down = 13,661,202

“**NIS**” = Number of issued shares of the Company at the date on which the Board of Directors has resolved to carry out the Share Capital Increase (May 2, 2023) = 1,011,526,562.

Where:

“**Amount of the Shares Option**” = means the theoretical aggregate amount payable by EPDR if all EDPR shareholders were to opt for the Amount of the Shares Option = 275,000,000 euros gross.

“**Share Price**” = 20.130 euros, corresponds to the arithmetic mean of the weighted average prices of the Company’s shares on the regulated market of Euronext Lisbon over the five (5) trading sessions prior to the date of the resolution passed by the Board of Directors to carry out the Share Capital Increase, meaning the trading days on the regulated market of Euronext Lisbon of April 24, April 25, April 26, April 27 and April 28, 2023, rounded up or down to the nearest thousandth of a euro and, in the event of half a thousandth of a euro, rounded up to the nearest thousandth of a euro. Share Price may never be lower than the nominal value of the shares of EDPR. In the event that such calculation results in a lower figure, the Share Price will be equal to 5 euros.

Incorporation Rights will be allocated to those shareholders of the Company entitled to receive them, meaning those registered in the relevant accounts of financial intermediaries affiliated with *Interbolsa* and the corresponding jumbo accounts opened by such financial intermediaries in the *Central de Valores Mobiliários,* managed by Interbolsa, on May 10, 2023 (record date), pursuant to the regulations in effect regarding the registration, compensation and settlement of securities.

Maximum number of New Shares to be issued

The maximum number of New Shares to be issued in the Share Capital Increase (“**MNNS**”) is 13,487,020 resulting from the formula approved by the General Shareholders’ Meeting of EDPR, which is reproduced below, rounded down to the nearest whole number:

MNNS = NIS / No. Rights per share = 1,011,526,562 / 75 = 13,487,020.83

MNNS rounded down = 13,487,020

The final number of New Shares will depend on the number of shareholders who elect to receive their remuneration in cash at the Purchase Commitment.

As the number of Incorporation Rights required for the attribution of one New Share (No. Rights per share) is 75, which multiplied by the maximum number of New Shares to be issued (MNNS), i.e. 13,487,020, is less than the number of outstanding shares of the Company (NTAcc), being 1,011,526,562, it is reported that EDP – Energias de Portugal, S.A. ("**EDP**") has waived 62 Incorporation Rights held by it, for the sole purpose of ensuring that the number of New Shares is the whole number previously indicated (i.e. 13,487,020) and not a fraction.

Furthermore, once the Incorporation Rights trading period has expired, the Company will waive the Incorporation Rights acquired as a result of the Purchase Commitment.

The final number of New Shares to be issued ("**NNS**") shall be calculated as the result of dividing the number of outstanding Incorporation Rights at the end of the trading period by the No. Rights per Share, and if this figure is not a round number, EDP shall waive the relevant amount of Incorporation Rights necessary to do so:

NNS = Number of outstanding Incorporation Rights / No. Rights per share

Maximum amount of the Share Capital Increase

Considering the maximum number of New Shares to be issued in the Share Capital Increase (MNNS) and notwithstanding the possibility of incomplete subscription, the maximum amount of the Share Capital Increase which has been determined by the Board of Directors is 67,435,100.00 euros:

MNNS x nominal value = 13,487,020 x 5 = 67,435,100.00 euros

The final amount of the Share Capital Increase will be the result of multiplying the number of New Shares to be issued following the trading period of the Incorporation Rights (NNS) by the face value of the shares of EDPR (5 euros per share). The Share Capital Increase will take place at par, with no share premium.

3.2. Allocation of Incorporation Rights and procedure to opt for cash or New Shares

As indicated above, the Incorporation Rights will be allocated to persons registered as EDPR shareholders on the accounts of the financial intermediaries affiliated with Interbolsa as of May 10, 2023 (record date).

The trading period of the Incorporation Rights will begin on the business day following the record date, and will last for 14 calendar days (i.e., from May 11 to 24, 2023, inclusive). During this period, the Incorporation Rights will be negotiable and, therefore, may be transferred under the same conditions as the shares from which they derive, on the regulated market of Euronext Lisbon.

During the Incorporation Rights trading period, shareholders may opt to (i) do nothing and receive the relevant amount of New Shares initially attributed, according to the terms of 3.1 above; (ii) to exercise the Purchase Commitment and sell to EDPR all or part of their Incorporation Rights for a minimum guaranteed price in cash, or sell them in the regulated market of Euronext Lisbon, not under a guaranteed price but for their market price; or, (iii) to sell or acquire the relevant amounts of Incorporation Rights in the regulated market of Euronext Lisbon necessary to subscribe additional New Shares.

In order to decide between the options offered by EDPR, shareholders must contact the financial intermediaries where their shares and corresponding Incorporation Rights are deposited in order to communicate their decision.

Once the Incorporation Rights trading period has expired, the New Shares must be allocated to those shareholders or, when applicable, third party acquirors, who hold them registered in the relevant accounts of financial intermediaries affiliated with Interbolsa and the corresponding jumbo accounts opened by such financial intermediaries in the Central de Valores Mobiliários, managed by Interbolsa.

3.3. Receipt of the New Shares

In the absence of a formal communication to the relevant financial intermediaries of the decision to sell their Incorporation Rights on the Euronext Lisbon regulated market or to EDPR during the respective trading period (see point below), shareholders will receive the relevant proportion of New Shares for such Incorporation Rights, as defined herein.

Shareholders may receive a number of Incorporation Rights which does not entitle them to receive a number of shares of EDPR corresponding to a whole number. In that case, and in the event that a given shareholder has opted to receive new EDPR shares, to avoid losing the remaining Incorporation Rights such shareholder shall be required to order its financial intermediary to, either (i) sell said Incorporation Rights to EDPR or in the regulated market of Euronext Lisbon (pursuant to 3.4 and/or 3.5 below) or (ii) to acquire a number of Incorporation Rights in the regulated market of Euronext Lisbon (pursuant to 3.5 below) which would allow such shareholder to subscribe an additional new share of EDPR.

3.4. Purchase Commitment

Price of the Purchase Commitment

The Company has irrevocably undertaken the commitment to purchase the relevant amount of Incorporation Rights from those shareholders who request it within the period set forth below; thus, shareholders of EDPR receiving Incorporation Rights at the start of the trading period of those Incorporation Rights will have guaranteed the possibility of selling them to the Company and receiving, at their choice, all or part of their remuneration in cash.

The Purchase Commitment shall only apply for those Incorporation Rights initially received by each of the Company's shareholders, excluding those purchased or otherwise acquired on the market either by shareholders or by third-party acquirors.

Purchase Price = Share Price / (No. Rights per share +1) = 20.130 / (75 + 1) = 0.264868

Purchase Price rounded = rounded up or down to the nearest thousandth of a euro and, in the event of half a thousandth of a euro, rounded up to the nearest thousandth of a euro = 0.265

Consequently, EDPR shareholders who wish to receive their remuneration in cash may sell their Incorporation Rights to EDPR at a fixed price of 0.265 euros during the period indicated below.

The overall amount of the Purchase Commitment thus calculated shall be determined at the end of the Incorporation Rights trading period and disclosed on the Share Capital Increase execution date.

Term of the Purchase Commitment

The Purchase Commitment is extended within a 12 calendar days term as from the day following the publication of the announcement of the implementation of the Share Capital Increase in the Spanish Commercial Registry Official Gazette (BORME) (i.e., from May 11 to May 22, 2023, both inclusive). Therefore, EDPR shareholders who wish to take up the Purchase Commitment must communicate their decision no later than 23:59 hours GMT of May 22, 2023.

3.5. Trading of Incorporation Rights

During the trading period of the Incorporation Rights, which will run from May 11, 2023 to May 24, 2023, inclusive, EDPR shareholders will be able to sell or purchase such Incorporation Rights under the same conditions as the shares from which they derive, on the regulated market of Euronext Lisbon.

3.6. Provisional calendar

The provisional calendar for the implementation of the Share Capital Increase is as follows:

Target date	Operation
May 2, 2023	Publication of the Informative Document in CMVM's information dissemination system and in the Company's corporate website.
May 8, 2023	Publication of the announcement of the Share Capital Increase in BORME. *Last trading date*: Reference date to participate in the scrip dividend. Shareholders who have acquired their shares up to this date (inclusive), and who appear as shareholders in Interbolsa records at 23:59 hours GMT on the May 10, 2023 (record date), will be entitled to participate in the scrip dividend.
May 9, 2023	*Ex-date*: the Company's shares are traded without right to take part in the Program as from this date.

Target date	Operation
May 10, 2023	*<u>Record Date</u>*: Effective date of settlement of the operations carried out on the last trading date, for the purposes of attributing the incorporation rights to the EDPR shareholders.
May 11, 2023	**Admission to trading of the Incorporation Rights in the regulated market of Euronext Lisbon.** **Beginning of the Incorporation Rights trading period and of the period to request to EDPR the remuneration in cash under the Purchase Commitment.**
May 22, 2023	**End of the period for requesting cash remuneration under the Purchase Commitment.**
May 24, 2023	End of the Incorporation Rights trading period in the regulated market of Euronext Lisbon. Execution of the order to buy and sell the rights to the shareholders who have opted to sell their Incorporation Rights to the Company under the Purchase Commitment.
May 25, 2023	Granting of the Share Capital Increase execution public deed and filing with the Commercial registry for its registration.
May 26, 2023	Effective payment to shareholders who have opted to sell their Incorporation Rights to the Company.
May 29, 2023	Conversion by Interbolsa of the Incorporation Rights into temporary New Shares (*cautelas*).
June 2, 2023	Conversion of the temporary New Shares into definitive New Shares of EDPR. Admission to trading of the New Shares of EDPR in the *Central de Valores Mobiliários*.

Notwithstanding the foregoing, this schedule is tentative as it may be subject to terms which are not under the management of the Company regarding the obtention of the relevant authorizations. In the event of a relevant change in the aforementioned dates, the Company will inform the market as soon as possible.

4. NATURE OF THE SHARES TO BE ISSUED

4.1. Nominal value, share price and representation of the shares

The New Shares to be issued in the Share Capital Increase will be ordinary shares of 5 euro nominal value each, of the same class and series as those currently issued and represented by book entries; the New Shares shall be registered in the relevant accounts of financial intermediaries affiliated with *Interbolsa* and the corresponding jumbo accounts opened by such financial intermediaries in the *Central de Valores Mobiliários*, managed by *Interbolsa*.

4.2. Expenses and fees

The Share Capital Increase will be conducted free of expenses and fees with respect to the allocation of the New Shares issued. The Company will bear the expenses of issuance, subscription, placing in circulation, admission to trading and other expenses related to the New Shares.

Notwithstanding the foregoing, the Company's shareholders should bear in mind that the financial intermediaries before which their shares are deposited may charge, in accordance with the legislation in force, fees and expenses for the subscription of the New Shares and for administration, derived from the maintenance of the securities in the relevant accounts of such financial intermediaries, as they may freely determine. Likewise, the aforementioned financial intermediaries may establish, in accordance with the legislation in force, the fees and expenses chargeable for the processing of purchase and sale orders of Incorporation Rights that they may freely determine.

In any case, EDPR shareholders should consider the tax aspects (and, in particular, the existence of withholdings, if any) applicable to each of the options (*cfr*. section 5 of this Informative Document).

4.3. Rights of the New Shares

The New Shares will grant their holders the same voting and economic rights as the Company's ordinary shares issued on the date on which the Share Capital Increase is declared subscribed, on the applicable amount, and paid-up, as from the date on which they are registered in their name in the relevant accounts of financial intermediaries affiliated with *Interbolsa* and the corresponding jumbo accounts opened by such financial intermediaries in the *Central de Valores Mobiliários,* managed by Interbolsa and will be admitted to trading on the regulated market of Euronext Lisbon.

4.4. Balance sheet serving as a base for the Program and reserves against which the Share Capital Increase is charged

The Share Capital Increase shall be entirely charged against the outstanding amount in the “Share premium” account, which belongs to the reserves provided for in Article 303.1 of the Spanish Companies Act, which was 2,287,450,275.29 euros at December 31, 2022 (expressed in thousands of euros in the balance sheet).

Pursuant to the provisions set forth by article 303.2 of the Spanish Companies Act and article 168 of the Spanish Commercial Registry Regulations, the Share Capital Increase is carried out on the basis of the balance sheet corresponding to the financial year ended as of December 31, 2022, which was approved by the General Shareholders’ Meeting under item one of its Agenda, having been previously prepared by the Board of Directors, at its meeting held on February 27, 2023, and audited by Pricewaterhouse Coopers Auditores, S.L., on February 28, 2023.

4.5. Admission to trading

The Company will apply for admission to trading of the New Shares on the regulated market of Euronext Lisbon, by taking such steps and actions as may be necessary or appropriate and submitting the required documents to Euronext Lisbon in order for them to be admitted to trading.

Ordinary trading of the New Shares on the regulated market of Euronext Lisbon is expected to begin on June 2, 2023.

4.6. Shares on deposit

Notwithstanding the foregoing, once the Incorporation Rights trading period has ended, New Shares that could not be allocated due to reasons not attributable to the Company shall be kept on deposit at the disposal of those holders who can prove their legitimate ownership over the relevant Incorporation Rights. Three (3) years after the expiry of the aforementioned Incorporation Rights trading period, the New Shares still pending to be allocated may be sold in accordance with the provisions set forth in Article 117 of the Spanish Companies Act, on behalf of and at the expense of the interested parties. The net amount of the aforementioned sale shall be deposited with the Bank of Spain or with the *Caja General de Depósitos* at the disposal of the interested parties.

5. TAX FRAMEWORK

The following is a non-exhaustive summary of the tax consequences in Spain from participating in the Program. EDPR shareholders are advised to consult a tax advisor to be aware of all tax repercussions from their participation in the Program.

5.1. SPANISH TAX FRAMEWORK

General comments

The principal tax implications deriving from the Share Capital Increase are set out below on the basis of the tax laws in place in the common territory and the administrative doctrine laid down by the Spanish Directorate for General Taxation (*Dirección General de Tributos*) in its responses to several binding consultations.

Although the tax regime applicable to shareholders resident in the regional (*foral*) territories of the Basque Country and the Foral Community of Navarre is similar to that of the Spanish common territory, certain differences may exist.

Shareholders are recommended to seek tax advice regarding the Share Capital Increase. Specifically, non-resident shareholders are advised to consult their own tax advisors on the tax impacts deriving from the different options granted under the Share Capital Increase in the light of their personal circumstances, including reporting obligations and their possible entitlement to tax exemptions provided for by the Non-Resident Income Tax (*Impuesto sobre la Renta de no Residentes*) (hereinafter, the

"**IRNR**") legislation and to the provisions of income tax conventions for the avoidance double taxation and the prevention of tax evasion entered into by Spain and their states of residence.

Furthermore, it should be noted that, on 16 January 2021, the Financial Transaction Tax Law (hereinafter, the "**FTTL**," and the tax, the "**FTT**") came into force. Pursuant to the provisions of the FTTL, the FTT is chargeable at a 0.2% fixed rate on acquisitions for consideration of shares in Spanish companies admitted to trading on a Spanish market, a regulated market in the European Union or a market deemed to be equivalent in a third country, provided that the capitalization value of the relevant company as of December 1 of the year preceding the acquisition exceeds €1,000 million.

Although EDPR's capitalization value as of 1 December 2022 exceeds €1,000 million, it should be indicated that Spanish Directorate for General Taxation has published a document on Frequently Asked Questions about the FTT (updated on 17 October 2022) clarifying that acquisitions of shares under shareholder compensation programs known as "scrip dividend" (provided the delivered shares are New Shares issued in a fully paid-up capital increase) are not subject to the FTT.

Specific comments

5.1.1. Receipt of paid-up shares

In the event shareholders elect to receive new fully paid-up shares, the applicable tax regime will be as follows:

*(a) Shareholders liable to Personal Income Tax (Impuesto sobre la Renta de las Personas Físicas) (hereinafter, the "**IRPF**") and to IRNR without a permanent establishment in Spain.*

The delivery of the New Shares will be considered, for tax purposes, as the grant of fully paid-up shares and, therefore, will not be treated as income for IRPF or IRNR purposes. The delivery of New Shares will not be subject to withholding tax either.

The acquisition cost, both of the New Shares received in the Share Capital Increase and of the shares from which the latter originate, will be the result of dividing the total cost by the total number of shares, both old and new. The acquisition date of such paid-up shares will be that of the shares from which they arise. Consequently, in the event of a subsequent transfer of shares (old or new), capital gain or loss will be calculated by reference to this new acquisition cost.

*(b) Shareholders liable to Corporate Income Tax (Impuesto sobre Sociedades) (hereinafter, the "**IS**") and to IRNR with a permanent establishment in Spain.*

Shareholders liable to IS or to NRIT with a permanent establishment in Spain to which the shares in EDPR are allocated will determine their tax base in accordance with the applicable accounting rules (for which regard must be had, if applicable, to the ICAC Resolution of March 5, 2019[1] and, in particular to its Article 35.4, dealing with the treatment at the level of shareholder compensation programs that grant the option to acquire new fully paid-up shares, dispose of the Incorporation Rights on the market or sell them to the issuing company) and with any specific tax rule that may be of application.

According to several binding resolutions issued by the Spanish Directorate for General Taxation[2], there will be no obligation for the Company to withhold tax on the delivery of New Shares or Incorporation Rights to these shareholders in the context of the Share Capital Increase.

5.1.2. Sale of Incorporation Rights on the market

If shareholders sell their Incorporation Rights on the market, the proceeds obtained thereof will be given the following tax treatment:

(a) Shareholders liable to IRPF.

The sale of Incorporation Rights will be subject to the same rules that apply to the transfer of pre-emptive subscription rights. Consequently, the amount obtained in the market as a consideration for the sale of their Incorporation Rights by these

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[1] Resolution of 5 March 2019 by the Spanish Accounting and Audit Institute (*Instituto de Contabilidad y Auditoría de Cuentas*) implementing the presentation standards for financial instruments and other accounting matters related corporate law provisions on capital companies (hereinafter, the "**ICAC Resolution**").

[2] *Inter alia*, binding resolutions V2468/2020 and V1357/2020.

shareholders will be treated as a capital gain in the tax period in which such sale occurs and will be taxed accordingly. The capital gain so calculated will be subject to withholding tax at the applicable rate (currently 19%).

This withholding will be made by the corresponding depositary entity or, in the absence thereof, by the financial broker or notary public who participates in the transfer.

(b) Shareholders liable to IRNR without a permanent establishment in Spain.

For IRNR purposes, the sale of Incorporation Rights on the market will also be treated as the transfer of pre-emptive subscription rights. As a result, the amounts obtained by IRNR taxpayers without a permanent establishment in Spain as a consideration for the sale of their Incorporation Rights will be treated as a capital gain for NRIT purposes and will be taxed at a 19% rate.

No withholding tax will be levied in these cases; instead, the NRIT taxpayer will be obliged to submit a tax return, all of the above without prejudice to the possible application of an income tax convention for the avoidance of double taxation and the prevention of tax evasion entered into by Spain and the shareholder's state of residence, and to the exemptions provided for by the IRNR legislation.

(c) Shareholders liable to IS or to IRNR with a permanent establishment in Spain.

For IS taxpayers and IRNR taxpayers not operating through a permanent establishment in Spain, the tax treatment of the sale of the Incorporation Rights on the market will be in line with the applicable accounting rules (having regard, if applicable, to the ICAC Resolution and, in particular, the above-mentioned Article 35.4) and with any available special regimes for those taxes. All of the above without prejudice to the applicable rules, if any, on the determination of the tax base for these taxes.

There is no obligation to withhold tax in this case.

5.1.3. Sale of the Incorporation Rights to EDPR

In the event that the Share Capital Increase is charged against a retained-earnings reserve, shareholders that elect to sell their Incorporation Rights to the Company will treat the Purchase Price received as a dividend distributed directly in cash which will be, accordingly, subject to withholding tax.

Shareholders who are IS taxpayers or IRNR taxpayers operating in Spain through a permanent establishment will have to take the applicable accounting rules into consideration (including the ICAC Resolution) and any available special regimes for those taxes. All of the above without prejudice to the applicable rules, if any, on determining the tax base for these taxes.

Shareholders who are IRNR taxpayers without a permanent establishment in Spain may benefit from the application of the provisions provided for under the income tax conventions for the avoidance double taxation and the prevention of tax evasion entered into by Spain and their states of residence.

Diversely, if the Share Capital Increase is charged against a share-premium reserve, an amount equal to the Purchase Price will reduce, for tax purposes, the acquisition cost of the shares in the Company and only the excess, if any, will be taxable in accordance with the rules applicable to each shareholder. In this case, there will be no obligation to withhold tax.

5.2. Other jurisdictions

EDPR shareholders who are not resident in Spain are warned that the tax legislation of their country of residence may have an impact on the income received from the attribution of New Shares, sale of Incorporation Rights in the market and/or sale of Incorporation Rights to EDPR and are advised to consult a tax advisor to be aware of all tax repercussions from their participation in the Program.