EDP Renováveis, S.A.

Code of Ethics Regulations
1. Object and scope of regulations

These regulations have been adopted by the Board of Directors, with a view to the application within EDP Renováveis Code of Ethics, particularly with regard to the receipt, registration and processing of information and reports received by the Company about violations of the Code in matters of legislation and ethics, conduct in the work environment, human rights and equal opportunities, integrity, relations with customers and suppliers, the environment and sustainability.

These regulations have the same scope as the Code of Ethics, the application of which they regulate.

These regulations also establish the procedures for articulation of the relevant bodies on matters of corporate ethics and the companies in EDP Renováveis.

2. Functions and responsibilities

The following specific functions and responsibilities are hereby defined:

2.1. Pursuant to its internal regulations and with regard to corporate ethics, the Ethics Committee of the Company is responsible for:

- monitoring application of the Code of Ethics, laying down guidelines for its regulation and overseeing its proper application by the Company and its subsidiaries;
- appointing Ethics Ombudsmen;
- proposing corporate ethics instruments, policies, goals and targets;
- analyzing reported violations of the Code of Ethics, deciding on their relevance and admissibility and, if admissible, deciding on and monitoring subsequent corrective action;

The names of the Ethics Committee members shall be published within and outside EDP Renováveis.

2.2. The Ethics Ombudsmen is responsible for:

- receiving reports and preparing and documenting cases and submitting them to the Ethic Committee;
- monitoring each violation case that they have prepared until its conclusion and liaising with the complainant whenever necessary and appropriate.
- drafting quarterly reports on the organization’s performance in terms of compliance with the Code of Ethics;

3. Procedures
3.1. Reporting violations of the Code of Ethics

Reports of alleged violations of the Code of Ethics coming from employees, suppliers or customers must be submitted in writing by letter, fax or e-mail to the Ethics Ombudsmen. Reports must indicate the person’s name, address and telephone number and contain a detailed description of the situation in question.

Reports of violations of the Code of Ethics from internal or external auditors must be sent directly to the Chairperson of the Ethics Committee together with all pertinent information.

The procedure for reporting and registering reports of violations of EDP Renováveis’ Code of Ethics shall be disseminated via the appropriate channels to employees, customers, suppliers and other stakeholders.

3.2. Action

3.2.1. Registering reports

The Ethics Ombudsmen shall ensure that a register is kept of all reports received. The register shall indicate the report number and date of receipt.

3.2.2. Notification to the Ethic Committee

The Ethics Committee must be notified of reports registered and documented by within two weeks of their registration and be sent the preliminary reports referred to in subparagraph 4.1.

Irrespective of this notification, all reports of violations of the Code of Ethics that may involve irregular accounting or financial practices shall be reported immediately to Audit Committee as set out in its procedures and specific regulations on whistle-blowing procedures.

The Ethics Committee shall set in motion the necessary measures to confirm the report and may request assistance from departments at the holding company or any others that s/he deems appropriate.

As a rule, EDP Renováveis shall take the necessary steps to settle reports in a maximum of six months of the date of receipt.
4. Confirmation, investigation and corrective action

4.1. Initial confirmation

The Ethics Ombudsmen shall first confirm the events reported to him/her. This initial confirmation shall be based on the preliminary information (including contacts with the person submitting the report). The factors to be considered include:

- the nature of the report and as detailed and sustained a description as possible of the violation(s) in question;
- the names and positions of the members of the organization or third parties potentially involved in the situation in question or who may have relevant information about it;
- a preliminary analysis of the possible implications of the events reported, including liability for the Company and the risk of damage to its reputation;
- an analysis of whether the events reported may involve ongoing reprehensible behavior or whether the problem is liable to recur if no coercive measures are taken.

The Ethics Ombudsmen shall submit a preliminary report on the initial confirmations to the Ethics Committee within a maximum of two weeks of the registration of the report on the situation in question, describing the situation and all known relevant aspects of it. A preliminary opinion shall also be issued as to the pertinence or classification of the situation as a violation of the Code of Ethics and, in the latter case, the degrees of possible risk.

This preliminary report will not identify the source of the information, which the Ethics Ombudsmen shall keep confidential throughout the process, provided that this does not prejudice the success of any investigation or corrective action.

4.2. Investigation and corrective action

The Ethics Committee shall analyze every situation reported and decide as to whether it should be classified as a violation of the Code of Ethics and whether there is any need for a more in-depth investigation to ascertain the implications and persons involved. The Ethics Committee may, for this purpose, use internal auditors or hire external auditors or other resources to assist in the investigation. When conducting an investigation, the Company shall abide by the law and its own in-house rules. The people involved in any alleged violation of the Code of Ethics shall be advised of their right to legal counsel before they make any statements about it to an auditor or investigator.

After investigations have been completed, the Ethics Committee shall decide whether there is any need for corrective and/or disciplinary action and shall inform any Company managing bodies involved or interested. The action decided upon may include changes to work methods, interaction between employees and/or stakeholders, control procedures or Company policies.

4.3. Conflicts of interest
If a report of a violation of the Code of Ethics involves a conflict of interest for the Ethics Ombudsmen receiving it, s/he shall arrange for another person to deal with it.

In the same way, if the Ethics Committee identifies a possible conflict of interest for any of its members during the investigation, the other members of the Ethics Committee shall appoint an ad hoc member to replace him.

5. Confidentiality and anonymity

All reports of violations of the Code of Ethics shall be treated as confidential and the identity of those making them shall remain a secret to the extent permitted by the Company’s need to investigate the report.

Given the Company’s commitment to confidentiality and non-retaliation in its Code of Ethics, anonymous accusations against any of its managing bodies will not be considered.

In view of their confidentiality, only the following shall have access to reports of violations of the Code of Ethics:

- the members of the Ethics Committee;

- the Ethics Ombudsmen;

- the members of any audit or inspection teams set up to investigate a reported violation.

- the members of any internal committee or body of EDP Renováveis that should be informed by reason of the subject.

Everyone with access to information in the files of reports of violations of the Code of Ethics shall be obliged to respect their confidentiality.

6. Management review

The Ethics Committee shall conduct a periodical review of the EDP Renováveis Code of Ethics and these regulations in order to ensure that they are appropriately disseminated and applied and continue to meet their goals of transparency, impartiality, integrity and excellence of management.

Its review report shall be submitted to the Board of Directors for evaluation and approval.

The following indicators, among others, shall be considered in the management’s review:

- number of alleged violations reported (reports);

- report acceptance rate (number of reports accepted / total number of reports);

- report resolution rate (number of cases closed / number of reports accepted);
• recurrence of violations of the Code of Ethics (measure of efficacy of corrective action);

A summary of the review report containing the conclusions of the review and the Company's main ethics performance indicators will be made available on communication channels open to employees and the Company's other stakeholders.

7. Commitment to the EDP Renováveis Code of Ethics principles and values

The EDP Renováveis Code of Ethics lays down principles of action that are either the result of legal obligations incumbent on the Company or every member of the organization or an assertion of values of ethics and citizenship reflected by management options that, in the organizational and market setting in which EDP Renováveis operates, are believed to be those that most foster long-term sustainability of its business and the achievement of excellence.

EDP Renováveis will take the necessary actions to ensure that progressively all its suppliers adopt the principles set out in the Code by the end of 2013.