REPORT ON THE PROPOSED SHARE CAPITAL INCREASE OF EDP RENOVÁVEIS, S.A., BY MEANS OF CASH CONTRIBUTIONS AND EXCLUDING THE PRE-EMPTIVE SUBSCRIPTION RIGHT, ISSUED BY THE BOARD OF DIRECTORS ON 3rd March 2021

(Item ninth of the Agenda)

1. PURPOSE OF THE REPORT

This report has been prepared by the Board of Directors of EDP Renováveis, S.A. ("**EDPR**" or the "**Company**"), pursuant to, and in compliance with, the provisions of articles 286, 296 and 308 of the Spanish Companies Act (*Ley de Sociedades de Capital*), approved by Royal Legislative Decree 1/2010, on 2 July ("**Spanish Companies Act**"), and related provisions of the Commercial Registry Regulations, approved by Royal Decree 1784/1996, on 19 July, which require (i) the issuance of a written report justifying the reasons for the proposed share capital increase, to the extent that the approval and execution of the share capital increase would necessarily entail the amendment of article 5 ("Share Capital") of the by-laws of the Company; and (ii) in connection with the exclusion of pre-emptive subscription rights, the issuance of a written report specifying the value of the Company's shares and the consideration to be paid for the new shares, with an indication of the persons to whom they shall be allocated.

The purpose of this report is to justify the proposed share capital increase by means of cash contributions and excluding the pre-emptive subscription right (the "**Share Capital Increase**"), which will be submitted for approval at the next General Shareholders' Meeting of the Company to be held on 12 April 2021, on first call, or on 13 April 2021, on second call (the "**2021 General Shareholders' Meeting**").

This report, together with the report prepared by an independent expert other than the auditor of the Company and appointed for these purposes by the Commercial Registry of Asturias, will be made available to the shareholders with the calling of the 2021 General Shareholders' Meeting.

2. REPORT SUBMITTED BY THE BOARD OF DIRECTORS FOR THE PURPOSES OF ARTICLES 286 AND 296 OF THE SPANISH COMPANIES ACT

2.1. Context and justification of the proposed Share Capital Increase

EDPR is a listed company focused on the development, construction, operation & maintenance and energy management of renewable energy projects worldwide, primarily through Onshore Wind, Solar PV, Offshore Wind and Solar Distributed Generation. As of December 2020, EDPR owned 12.2GW of renewable operating installed capacity and 2.3GW of assets under construction, primarily in Europe and US.

The current global trend towards the decarbonization of the energy sector and the overall economy coupled with the increasing competitiveness of renewable generation sources is expected to significantly accelerate investments in the renewables sector, more than doubling renewables installed capacity worldwide until 2030.

EDPR is committed to playing a key role in the decarbonization of the sector and has therefore significantly scaled up its organization, teams and capabilities to be able to meet the increasing demand for renewable energy.

In this context, on the 25th of February 2021, EDPR disclosed to the market its Strategy and Business plan 2021-25, which among other, includes a significant step up of growth with an investment plan of c. €19bn targeting c. 20GW of gross renewable capacity additions until 2025, primarily through growth in its core markets, Europe and US.

The sole purpose of the proposed Share Capital Increase is to obtain resources to be fully used to partially fund EDPR investment plan disclosed to the market on the 25th of February 2021.

2.2. Structure of the transaction

For the purposes of achieving the above-mentioned objectives, and based on, among others, the information received from Morgan Stanley Europe SE and Citigroup Global Markets Europe AG as "**Joint Global Coordinators**" of the transaction, the Board of Directors considered that the most appropriate and efficient manner was to execute a private placement of shares previously lent by EDP Energias de Portugal, S.A. ("**EDP**") to the Joint Global Coordinators carried out through an accelerated bookbuilding process among qualified investors (the "**Accelerated Bookbuilding Offering**") followed by the Share Capital Increase to be subscribed by the Joint Global Coordinators (or by entities within their respective groups), which will subsequently return such shares to EDP to settle the stock lending agreement (the Accelerated Bookbuilding Offering and the Share Capital Increase, the "**Transaction**").

For the purpose herein, qualified investors shall exclusively refer to those investors that meet the requirements for holding such status as provided in the applicable regulations in any jurisdiction, including, in particular, in the European Union, as provided in 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, and in any supplementary EU or domestic rules that might apply in each relevant Member State or any other jurisdiction.

The Board of Directors understands that an accelerated bookbuilding process implemented through a secondary private placement, exclusively among qualified investors, is the structure that fits best with the objectives described above, as the proposed structure of the Transaction will allow the Company to obtain the required resources indicated in Section 2.1 above in a very short period of time and reducing the volatility risk of the market, all in the Company' best social interest as further explained in this report.

Details of the process of the Transaction are the following:

(a) The Company, EDP and the Joint Global Coordinators have entered into a placement agreement by virtue of which the Joint Global Coordinators have implemented earlier today the Accelerated Bookbuilding Offering;

(b) For the purposes of enabling such Accelerated Bookbuilding Offering, EDP and the Joint Global Coordinators entered into a stock lending agreement by means of which EDP has lent the required number of EDPR shares to the Joint Global Coordinators, who have placed them among qualified investors.

(c) In respect of the Share Capital Increase, the placement agreement includes the following provisions, among others:

   (i) the commitment from EDPR to convene immediately after the Accelerated Bookbuilding Offering the 2021 General Shareholders' Meeting including the Share Capital Increase, for the exact number of shares and price per share arising from the Accelerated Bookbuilding Offering;
   (ii) the commitment from EDP to vote in favour of such Share Capital Increase in the 2021 General Shareholders' Meeting; and
   (iii) the commitment from the Joint Global Coordinators to fully subscribe and pay up the Share Capital Increase.

EDP has accepted its involvement in the Transaction at the request of EDPR so that it can be implemented. Consequently, EDP's role in the Transaction is instrumental and it should have no impact on EDP different from its impact in any other EDPR shareholder. In fact, EDP has lent a number of shares to the Joint Global Coordinators, expecting to receive back the same number of shares, without EDP receiving any interest or fee for the loan or participating in the Accelerated Bookbuilding Offering.

Likewise, the Joint Global Coordinators' role in the loan of shares and the subscription of the Share Capital Increase is also instrumental and should also be neutral for them. The Joint Global Coordinators received, through the stock lending agreement, EDPR shares from EDP, that have been fully placed among qualified investors. The Joint Global Coordinators will use the funds received in such placement for the subscription of the Share Capital Increase, subsequently allocating such newly subscribed shares to the full repayment to EDP of the loan.

2.3. Characteristics of the Share Capital Increase

2.3.1. Nominal amount of the Share Capital Increase.

It is proposed to increase the share capital of the Company for a nominal amount of €441,250,000, from the current amount of €4,361,540,810 to the amount of €4,802,790,810, by issuing and listing 88,250,000 ordinary shares, of €5 of nominal value per share, represented by book-entries (*acções escriturais*).

2.3.2. Issue price.

The new shares are issued at a nominal value of €5 plus a share premium of €12 per share, resulting in an aggregate issue price of €17 per share including nominal value and share premium, so that the maximum consideration to be paid for the capital increase amounts to €1,500,250,000.

As described in Section 3 of this report, the issue price of the newly issued shares corresponds to the price per share resulting from the Accelerated Bookbuilding Offering.

2.3.3. Subscription and payment of the new shares.

The subscription and payment of the new ordinary shares shall be made by payment in cash of the aggregate amount of the new subscribed shares (nominal value plus share premium) by the Joint Global Coordinators, to whom the Board of Directors has agreed to fully offer their subscription and who has committed to subscribing and paying them up.

2.3.4. Consideration.

The consideration for the Share Capital Increase shall consist of contributions to be made in cash.

2.3.5. Representation of the new shares.

The new ordinary shares to be issued by virtue of the Share Capital Increase shall be represented by book entries (*acções escriturais*) and shall be registered in the relevant accounts of the *Central de Valores Mobiliários*, the centralized securities deposit and settlement system in Portugal managed by Interbolsa – Sociedade Gestora de Sistemas de Liquidação e de Sistemas Centralizados de Valores Mobiliários, S.A., with registered office at Avenida da Boavista no. 3433, 4100-138 Porto, Portugal ("**Interbolsa**").

2.3.6. Rights and characteristics attaching to the new shares.

The new shares to be issued by virtue of the Share Capital Increase, shall be ordinary shares and shall belong to the same class and series as the ordinary shares of the Company which are currently listed in Euronext Lisbon, the Portuguese official quotations market managed by Euronext Lisbon – Sociedade Gestora de Mercados Regulamentados, S.A., with registered office at Avenida da Liberdade no. 196, 1250-096 Lisboa, Portugal (“**Euronext Lisbon**”), and shall be fungible and traded in tandem with the remaining ordinary shares of the Company from the moment they are admitted to trading.

The new issued shares shall confer the same rights and obligations to their holders as from the date on which they are registered in the relevant accounts of the *Central de Valores Mobiliários* and in the individual accounts opened in the name of the entities subscribing the shares before financial intermediaries affiliated with Interbolsa.

The new issued shares shall confer to their holders the right to receive any dividends payable after they have been validly issued.

2.3.7. Incomplete subscription.

In accordance with the provisions of article 311 of the Spanish Companies Act, in the event that the new ordinary shares of €5 of nominal value per share, of the same class and series as those currently in circulation, represented by book entries (*acções escriturais*), are not fully subscribed and paid up, the share capital shall be increased on the amount of the subscription effectively made. As explained, this scenario is not expected as a commitment has been already assumed by the Joint Global Coordinators for their full subscription.

2.3.8. Exclusion of the pre-emptive subscription right.

In order to ensure that the new shares can be subscribed and paid up in accordance with the above, it is necessary to exclude the pre-emptive subscription right of the existing shareholders of EDPR. Such exclusion is based on the corporate interest of the Company as it is explained on Section 3 of this report.

2.3.9. Date of execution of the Share Capital Increase.

The Board of Directors shall determine the specific date on which the Share Capital Increase resolution shall be executed as soon as possible after the 2021 General Shareholders’ Meeting, and in any case within the maximum period foreseen in the Spanish Companies Act (i.e. one year from its approval by the 2021 General Shareholders' Meeting).

2.3.10. Listing of the new shares.

It shall be proposed to the 2021 General Shareholders Meeting to approve to apply for the listing of the new issued shares on Euronext Lisbon, authorising to this effect the Board of Directors of the Company, with faculties of substitution, to execute as many documents and to carry out as many acts as may be necessary for these purposes.

The Company shall rely on the exemptions of preparing and submitting for approval a prospectus for the public offering or admission to trading of the new issued shares, pursuant to articles 1.4.a) and 1.5.a) 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, and repealing Directive 2003/71/EC.

3. REPORT SUBMITTED BY THE BOARD OF DIRECTORS FOR THE PURPOSES OF ARTICLE 308 OF THE SPANISH COMPANIES ACT

The Share Capital Increase is proposed to be executed with the exclusion of the pre-emptive subscription right of the shareholders of the Company, in accordance with the provisions of article 308 of the Spanish Companies Act. In order to comply with the provisions of article 308 of the Spanish Companies Act and to acknowledge the compliance of the legal requirements in the adoption of the resolution on the Share Capital Increase, the Board of Directors of EDPR hereby reports the following:

3.1. Justification of the social interest

The proper implementation of the Transaction to achieve the objectives set out in Section 2.1 above requires the subscription of the new shares issued pursuant to the Share Capital Increase by the Joint Global Coordinators, so that the Joint Global Coordinators can, in turn, repay the loan of shares to EDP, which has been an essential requirement for the execution of the Accelerated Bookbuilding Offering.

In this context, the Board of Directors of the Company considers that the exclusion of the pre-emptive subscription right is in full compliance with the legal requirement which determines that the exclusion of such right must be in the Company's best interests. In this regard, (i) it allows the execution of the Accelerated Bookbuilding Offering which is desirable in terms of social interest; (ii) the chosen procedure is suitable for such purpose; and (iii) there is a proportionality relation between the sought objective and the chosen means, as detailed below.

3.1.1. Suitability of the proposed transaction in terms of social interest.

As explained above, EDPR is a listed company focused on the development, construction, operation & maintenance and energy management of renewable energy projects worldwide, primarily through Onshore Wind, Solar PV, Offshore Wind and Solar Distributed Generation. As of December 2020, EDPR owned 12.2GW of renewable operating installed capacity and 2.3GW of assets under construction, primarily in Europe and US.

The current global trend towards the decarbonization of the energy sector and the overall economy coupled with the increasing competitiveness of renewable generation sources is expected to significantly accelerate investments in the renewables sector, more than doubling renewables installed capacity worldwide until 2030.

EDPR is committed to playing a key role in the decarbonization of the sector and has therefore significantly scaled up its organization, teams and capabilities to be able to meet the increasing demand for renewable energy.

In this context, on the 25th of February 2021, EDPR disclosed to the market its Strategy and Business plan 2021-25, which among other, includes a significant step up of growth with an investment plan of c. €19bn targeting c. 20GW of gross renewable capacity additions until 2025, primarily through growth in its core markets, Europe and US.

Therefore, the Board of Directors of the Company considers that the proposed Share Capital Increase is the most appropriate formula in order to partially fund the EDPR investment plan disclosed to the market on the 25th of February 2021.

3.1.2. Adequacy of the Share Capital Increase with the exclusion of the pre-emptive subscription right in the implementation of the Transaction.

As explained above, the proper implementation of the Transaction requires the subscription of the new shares issued pursuant to the Share Capital Increase by the Joint Global Coordinators, which has been an essential requirement for the execution of the Accelerated Bookbuilding Offering and obtaining the funds by the Company. This is not only suitable for the purpose of achieving the desired objectives but it is also convenient in terms of social interest. Indeed, this procedure would allow the raising of new equity in the terms described above in a very short period of time and by reducing the volatility risk of the market.

The proposed Transaction is framed in a context of strong interest from institutional investors in entering the Company's share capital, which the Board of Directors believes it is highly advisable to consider in order to meet its strategic plans. Such strong interest is also based on the certainty of the Transaction, and such certainty cannot be provided through an ordinary capital increase with pre-emptive subscription rights for the shareholders of the Company.

In this regard, the alternative procedures for raising new equity available to the Company would be either (i) a share capital increase by means of cash contributions with pre-emptive rights, or (ii) a share capital increase, also by means of cash contributions, excluding such rights in order to carry out an ordinary primary accelerated bookbuilding offering. The advantages of the Accelerated Bookbuilding Offering followed by the Share Capital Increase as opposed to these alternatives are analysed below:

(a) *Certainty regarding the placement price*. The placement price resulting from the Accelerated Bookbuilding Offering is already known as of the date hereof, and therefore the nominal amount and the share premium of the Share Capital Increase have been already fixed. Any alternative strategy with pre-emptive subscription rights or through a primary accelerated bookbuilding offering would have required a period of several weeks from its announcement to the determination of its price, being therefore subject to the market risk.

(b) *Flexibility in terms of launch and promptness of execution*. Any alternative strategy would significantly delay the process of ensuring the raising of equity. The period for exercising the pre-emptive rights in a share capital increase by means of cash contributions with pre-emptive rights cannot be less than thirty (30) days from the publication of the announcement of the subscription of the new shares in the Official Gazette of the relevant Commercial Registry.

    These time periods and requirements differ from those required to complete the subscription and disbursement of shares in the proposed Transaction. Consequently, as a more flexible mechanism, the proposed Transaction significantly increases the Company's scope for action and capacity to react in order to carry out the Transaction under the best conditions available to the Company.

    Therefore, neither (i) a share capital increase by means of cash contributions with pre-emptive rights; nor (ii) a primary accelerated bookbuilding offering, could be carried out with the celerity and flexibility in terms of launch that provides the Transaction and which is required to ensure the raising of new equity in the current market conditions.

(c) *Reduced exposure to market volatility and potential lower discount to the listed price*. It should be noted that the issue price of the new shares set by Board of Directors is 9.3% below the closing price of EDPR shares on Euronext Lisbon at the date immediately before the date of this report. In this respect, according to public data, the range of average discounts applied in the relevant share capital increases without pre-emptive rights above or equal to €500,000,000 carried out by Spanish listed companies since 2008 has been a range of between 3.7% and 10.3% discount on the price of their shares on the stock exchange business day immediately preceding the announcement of the terms of the transaction.

In the event of an issue of shares with pre-emptive rights or a primary accelerated bookbuilding offering, the Company would be exposed to market developments during the period in which the rights are negotiated. This could entail the need to apply a higher discount on the listed price of the shares in order to ensure the success of the transaction. In the case of an issue of shares with pre-emptive rights, the long duration, again, of the offer process to current shareholders entails the assumption of a market risk which, depending on its development, could prevent the resources needed from being obtained. Thus, neither an issue with pre-emptive rights nor a primary accelerated bookbuilding offering excluding such rights would be advisable for the Company, taking into account the inherent volatility of the financial markets and the execution time required to carry out these alternatives, in particular under the current exceptional market context, where COVID-19 has introduced added volatility to the financial markets.

(d) *Increase in the Company's shareholder base*. The proposed transaction constitutes an opportunity to increase the Company's shareholder base, adding new reputable qualified investors to it, thereby improving the liquidity of the shares and increasing the analysts' interest and monitoring of the Company. The free float increases in absolute terms in more than 50%. The engagement of qualified investors in the Accelerated Bookbuilding Offering is a demonstration of their confidence in the Company and its future business prospects. Furthermore, through the Accelerated Bookbuilding Offering, the Company has been able to participate in the allocation process in order to consolidate a shareholder base that is aligned with the Company's interests, is not speculative and is intended to be permanent in the long term.

(e) *Cost saving*. It should be noted that the celerity of this process significantly reduces the management costs associated with any share capital increase.

3.1.3. Proportionality of the exclusion of the pre-emptive rights in the Share Capital Increase.

Finally, the exclusion of pre-emptive subscription rights in the Share Capital Increase fully complies with the due proportionality that must exist between the benefits obtained by the Company and the disadvantages that could eventually arise to shareholders, given that the transaction entails a voting rights dilution which could diminish the expectations of the Company's shareholders. This assessment is justified by the benefits arising for the Company and referred to in the previous Section.

For the avoidance of doubt, it is hereby reiterated that EDP's role in the Accelerated Bookbuilding Offering and the Share Capital Increase is instrumental and consequently will have the same voting rights dilution than any other shareholders.

In light of the above, the Board of Directors of the Company considers that the Share Capital Increase referred to in this report is justified for reasons of social interest. Therefore, it is hereby proposed to adopt the Share Capital Increase referred to in this report, excluding the shareholders' pre-emptive rights, considering it is in the best interest of the Company.

3.2. Fair value of the new shares

As described in Section 2.3.2 above, the aggregate issue price amounts to €17 per share, including nominal value and share premium, which corresponds to the fair value of the shares.

The criteria used by the Board of Directors to determine the fair value of the shares correspond to generally accepted business valuation methodologies, taking into account both public information on the value of the Company on Euronext Lisbon and valuation models based on the expected profitability of EDPR's business.

The Board of Directors, in accordance with international and domestic financial practice, considers that the fair value corresponds to the price that resulted from the Accelerated Bookbuilding Offering described herein (which was carried out in a transparent manner and between knowledgeable parties), as this process measures the intensity of demand in the most qualified segment of investors (capable of promptly evaluating the offer and determining the amount and price at which they are willing to acquire the shares) and, therefore, adequately and faithfully expresses what the market is willing to pay for the Company's shares. Consequently, the Board of Directors suggests that the price that resulted from the Accelerated Bookbuilding Offering is taken as a reference for the setting of the share premium in the Share Capital Increase.

As further explained in section 3.1.2 above, it should also be noted that the proposed discount is in line with the discounts generally applied by other companies in similar transactions (by type of placement, size of the placement and percentage of the Company's current share capital that the Share Capital Increase represents) carried out in Spain and in other international markets in highly volatile market environments.

Article 308.2.a) of the Spanish Companies Act makes the agreement to increase share capital excluding pre-emptive rights conditional upon the nominal value of the shares to be issued plus, where appropriate, the amount of the share premium, corresponding to the fair value resulting from the report of the independent expert, different from the Company's auditor, appointed for this purpose by the Commercial Registry.

For these purposes, the information and data included in this report will be reviewed by means of a report that will be issued, prior to the adoption of the agreement to issue the new shares, by KPMG Auditores, S.L. in its capacity as independent expert different from the Company's auditor, appointed by the Commercial Registry of Asturias.

Furthermore, the Board of Directors has requested Credit Suisse Securities Sociedad de Valores, S.A. to deliver an opinion on the fairness from a financial point of view of the price paid by the Joint Global Coordinators for the new shares. This fairness opinion has been delivered on 2nd March 2021 and confirms that the consideration of €17 per share in cash to be received by the Company in the Share Capital Increase is fair to the Company from a financial point of view.

4. PROPOSED RESOLUTION SUBMITTED TO THE GENERAL SHAREHOLDERS' MEETING

Further to the above, the full text of the proposed Share Capital Increase to be submitted to the General Shareholders' Meeting for its approval is the following:

*"**Share capital increase by means of cash contributions and exclusion of the pre-emptive subscription right for an amount of €441,250,000 by issuing and listing 88,250,000 new ordinary shares of €5 of nominal value per share and a share premium of €12 per share. Prevision of incomplete subscription. Delegation of authorities for the execution of the share capital increase, the amendment of the Company's by-laws and the application for the listing of the new shares on Euronext Lisbon**."*

1. Share capital increase by means of cash contributions.

*It is agreed to increase the share capital of the Company for a nominal amount of €441,250,000, by issuing and listing 88,250,000 new ordinary shares, of €5 of nominal value per share, of the same class and series as those which are currently in circulation, represented by book entries (acções escriturais) (the "**Share Capital Increase**").*

The new shares are issued at a nominal value of €5 plus a share premium of €12 per share, resulting in an aggregate issue price of €17 per share including nominal value and share premium. The nominal value and the share premium corresponding to the shares to be issued in execution of this agreement shall be paid in full by means of cash contributions.

In accordance with the provisions of article 311 of the Spanish Companies Act, the possibility of incomplete subscription of the share capital increase is expressly provided for.

2. Issue price.

The new shares are issued at a nominal value of €5 plus a share premium of €12 per share, resulting in an aggregate issue price of €17 per share including nominal value and share premium, so that the maximum consideration to be paid for the capital increase amounts to €1,500,250,000 (and the maximum aggregate share premium of €1,059,000,000).

In this regard, the report issued by the independent expert other than the Company's auditor, appointed for these purposes by the Commercial Registry, on the fair value of the Company's shares, on the theoretical value of the pre-emptive subscription rights whose exercise it is proposed to exclude and on the fairness of the data contained in the report issued by the Board of Directors has been made available to this General Shareholders Meeting upon its call for the purposes provided for by the Law.

For the purposes of article 299 of the Spanish Companies Act, it is acknowledged that the Company's shares existing prior to the share capital increase are fully paid up.

3. Exclusion of the pre-emptive subscription right.

In accordance with the corporate interest of the Company, it is agreed to exclude the pre-emptive subscription rights on the basis of the Report of the Board of Directors and the Report of the independent expert other than the Company's auditor referred to in article 308 of the Spanish Companies Act, so that all the shares issued in execution of this resolution are subscribed for by the recipients of the share capital increase referred to in Section 6 below.

4. Representation of the new shares.

*The new issued shares shall be represented by book entries (acções escriturais) and shall be registered in the relevant accounts of the Central de Valores Mobiliários, the centralized securities deposit and settlement system in Portugal managed by Interbolsa – Sociedade Gestora de Sistemas de Liquidação e de Sistemas Centralizados de Valores Mobiliários, S.A., with registered office at Avenida da Boavista no. 3433, 4100-138 Porto, Portugal ("**Interbolsa**").*

5. Rights attaching to the new shares.

*The new issued shares shall be ordinary shares and shall belong to the same class and series as the ordinary shares of the Company which are currently listed in Euronext Lisbon, Portuguese official quotations market managed by Euronext Lisbon – Sociedade Gestora de Mercados Regulamentados, S.A. with registered office at Avenida da Liberdade no. 196, 1250-096 Lisboa, Portugal ("**Euronext Lisbon**"), and shall be fungible and traded in tandem with the remaining ordinary shares of the Company from the moment they are admitted to trading.*

The new issued shares shall confer the same rights and obligations to their holders in relation to the remaining ordinary shares of the Company as from the date on which they are registered in (i) the relevant accounts of the Central de Valores Mobiliários and (ii) in the individual accounts opened in the name of the entities subscribing the shares before financial intermediaries affiliated with Interbolsa.

The new shares shall be represented by book entries (acções escriturais).

The new issued shares shall confer to their holders the right to receive any dividends payable after they have been validly issued.

6. Recipients of the Share Capital Increase. Subscription and payment.

*The subscription and payment of the new ordinary shares shall be made by payment in cash of the aggregate amount of the new subscribed shares (nominal value plus share premium) by Morgan Stanley Europe SE and Citigroup Global Markets Europe AG or by any entity within their respective groups (the "**Joint Global Coordinators**"), as follows:*

(a) 44,125,000 shares shall be subscribed and paid up by Morgan Stanley Europe SE or by any entity within its group.

(b) 44,125,000 shares shall be subscribed and paid up by Citigroup Global Markets Europe AG or by any entity within its group.

7. Execution of the Share Capital Increase.

The Board of Directors shall execute the Share Capital Increase as soon as possible after the date hereof, and in any case within the maximum period foreseen in article 297.1.a) of the Spanish Companies Act (i.e. one year from the approval of this resolution).

8. Application for the listing on Euronext Lisbon.

Likewise, it is agreed to apply for the listing on Euronext Lisbon of all the ordinary shares issued in execution of this resolution of Share Capital Increase.

The Company will rely on the exemption of preparing and submitting for approval a prospectus for the public offering or admission to trading of the new issued shares, pursuant to articles 1.4.a) and 1.5.a) 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, and repealing Directive 2003/71/EC.*

9. Amendment of the Company's by-laws.

In the event that the Share Capital Increase is fully subscribed and paid up by the Joint Global Coordinators, article 5 of the Company's by-laws shall be amended as follows:

*"**ARTICLE 5 – SHARE CAPITAL***

The value of the Company's issued share capital is € 4,802,790,810 and it is divided in 960,558,162 shares with a nominal value of € 5,00 each, represented by book entries. All shares integrate a single class and series and are fully issued and paid."

Notwithstanding the above, in any case, it is also resolved to authorize the Board of Directors of the Company to adopt any other resolutions required for the amendment of article 5 of the Company's by-laws, in order to reflect the result of the Share Capital Increase.

10. Delegation of authorities for the execution and formalization of the aforementioned resolutions.

It is resolved to authorize the Board of Directors, pursuant to the provisions of article 297.1.a) of the Spanish Companies Act, as well as, for the avoidance of doubt, applicable Portuguese law rules applicable to the (i) request for the registration of the new issued shares before the Central de Valores Mobiliários and the (ii) admission to trading of the new issued shares in Euronext Lisbon, including without limitation the Portuguese Securities Code, CMVM Regulation no. 14/2000, the Rules concerning the functioning of regulated markets published by Euronext Lisbon which are in force from time to time and the regulations published by Interbolsa concerning the functioning of securities settlement systems published by Interbolsa which are in force from time to time, to carry out as many acts and execute as many public and private documents as may be necessary or appropriate in relation to the aforementioned resolutions, with express faculties of substitution and rectification, until the Share Capital

Increase resolved herein is fully registered in the Commercial Registry, including, where appropriate, the request for partial registration and, in particular, to:

(a) *set the date on which the Share Capital Increase shall be executed, establishing the terms and conditions of the Share Capital Increase in all other matters not provided for in this resolution and in accordance to its terms and conditions;*

(b) *to carry out as many acts as may be necessary to execute the subscription and payment of the Share Capital Increase, as well as any others required to comply with this resolution, including the offer and allocation of the new shares for subscription to the relevant entities, the establishment of the deadline for the effective payment and subscription of the Share Capital Increase, the adoption of any other resolutions required for the implementation of the Share Capital Increase and the amendment of article 5 of the Company's by-laws, in order to reflect this circumstance;*

(c) *declare the completion of the Share Capital Increase (with full or incomplete subscription) once the subscription period has ended and the new shares have been paid up, executing as many public and private documents as may be necessary for the total or partial implementation of the Share Capital Increase;*

(d) *take all necessary actions to ensure that the new shares resulting from the Share Capital Increase are registered in the Central de Valores Mobiliários by carrying out the all the required actions for their full effectiveness and compliance, notably before Interbolsa;*

(e) *take all necessary actions to ensure that the new shares resulting from the Share Capital Increase are listed on Euronext Lisbon by carrying out the all the required actions for their full effectiveness and compliance, notably before Euronext Lisbon; and*

(f) *In general, to execute as many documents and agreements, both public and private, and to take as many actions as may be necessary or advisable to execute and formalize the Share Capital Increase before any public or private, Spanish or foreign, entities and bodies, including those of declaration, supplementation or rectification of defects or omissions that may impede or hinder the full effectiveness of the foregoing resolutions, and, without prejudice to any other existing authority to notarize the corporate resolutions, for any of them to appear before a Notary Public and execute the corresponding deed of share capital increase and amendment of bylaws and, if appropriate, to correct and clarify this* *resolution in the terms necessary to achieve its full registration in the Commercial Registry.*"

And for the appropriate legal purposes, the Board of Directors of EDPR formulates this report, in Oviedo, on 3rd March 2021.