



ESG Presentation

Lisbon, September 2020

Disclaimer



This document has been prepared by EDP - Energias de Portugal, S.A. (the "Company") solely for use at the presentation to be made on this date and its purpose is merely of informative nature and, as such, it may be amended and supplemented. By attending the meeting where this presentation is made, or by reading the presentation slides, you acknowledge and agree to be bound by the following limitations and restrictions. Therefore, this presentation may not be distributed to the press or to any other person in any jurisdiction, and may not be reproduced in any form, in whole or in part for any other purpose without the express and prior consent in writing of the Company.

This presentation and all materials, documents and information used therein or distributed to investors in the context of this presentation do not constitute or form part of and should not be construed as, an offer (public or private) to sell or issue or the solicitation of an offer (public or private) to buy or acquire securities of the Company or any of its affiliates or subsidiaries in any jurisdiction or an inducement to enter into investment activity in any jurisdiction.

Neither this presentation nor any materials, documents and information used therein or distributed to investors in the context of this presentation or any part thereof, nor the fact of its distribution, shall form the basis of, or be relied on in connection with, any contract or commitment or investment decision whatsoever and may not be used in the future in connection with any offer (public or private) in relation to securities issued by the Company.

Matters discussed in this presentation may constitute forward-looking statements. Forward-looking statements are statements other than in respect of historical facts. The words "believe," "expect," "anticipate," "intends," "estimate," "will," "may", "continue," "should" and similar expressions usually identify forward-looking statements. Forward-looking statements include statements regarding: objectives, goals, strategies, outlook and growth prospects; future plans, events or performance and potential for future growth; liquidity, capital resources and capital expenditures; economic outlook and industry trends; energy demand and supply; developments of the Company's markets; the impact of legal and regulatory initiatives; and the strength of the Company's competitors. The forward-looking statements in this presentation are based upon various assumptions, many of which are based, in turn, upon further assumptions, including without limitation, management's examination of historical operating trends, data contained in the Company's records and other data available from third parties. Although the Company believes that these assumptions were reasonable when made, these assumptions are inherently subject to significant known and unknown risks, uncertainties, contingencies and other important factors which are difficult or impossible to predict and are beyond its control. Important factors that may lead to significant differences between the actual results and the statements of expectations about future events or results include the company's business strategy, financial strategy, national and international economic conditions, technology, legal and regulatory conditions, public service industry developments, hydrological conditions, cost of raw materials, financial market conditions, uncertainty of the results of future operations, plans, objectives, expectations and intentions, among others. Such risks, uncertainties, contingencies and other important factors could cause the actual results, performance or achievements of the Company or industry results to differ materially from those results expressed or implied in this presentation by such forward-looking statements.

The information, opinions and forward-looking statements contained in this presentation speak only as at the date of this presentation, and are subject to change without notice unless required by applicable law. The Company and its respective directors, representatives, employees and/or advisors do not intend to, and expressly disclaim any duty, undertaking or obligation to, make or disseminate any supplement, amendment, update or revision to any of the information, opinions or forward-looking statements contained in this presentation to reflect any change in events, conditions or circumstances.



OUR 2030 VISION

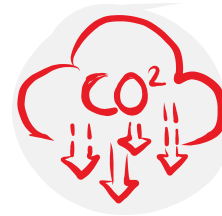
Leading the energy transition to create superior value



Decarbonization



>90% renewables generation



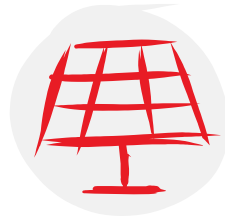
Reduce 90% specific emissions (vs 2005 levels)



Become coal-free



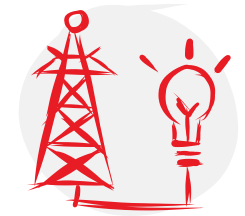
Digitalization



>4 Mn decentralized solar PV panels installed



>1 Mn clients with e-mobility solutions



100% smart grids
(in Iberia)



Decentralization

We are in a privileged position to capitalize on the energy transition given our early-mover advantage



We are a global leading renewables player...



~21 GW

of renewables capacity¹ deployed worldwide



>€21 Bn

deployed in renewables since 2006



- **75% in wind onshore**
- **40% in the US**

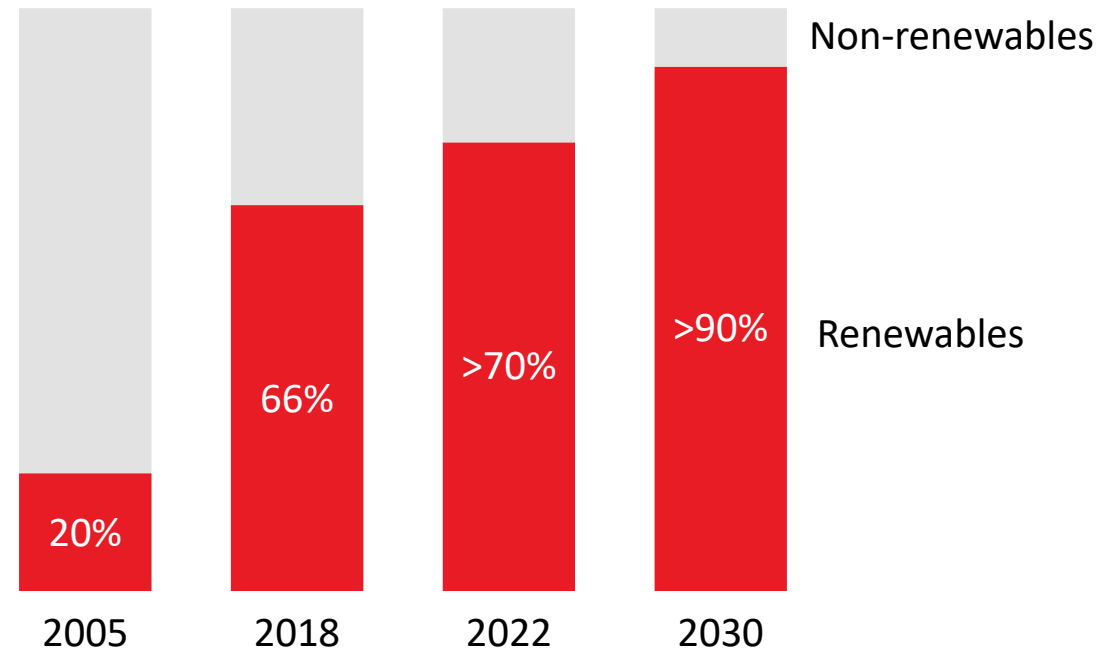


80%

Renewables generation in 1H20

... prepared for the future

Source of generated electricity, TWh



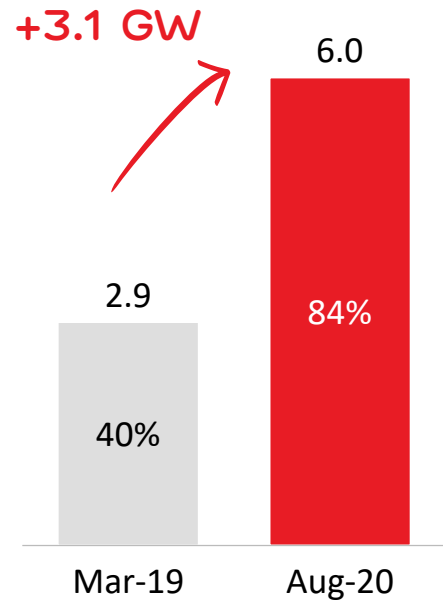
¹ EBITDA + Equity GWs

Build-out for renewables projects secured for 2019-22 increased from 40% to 84% of 7GW target for the period



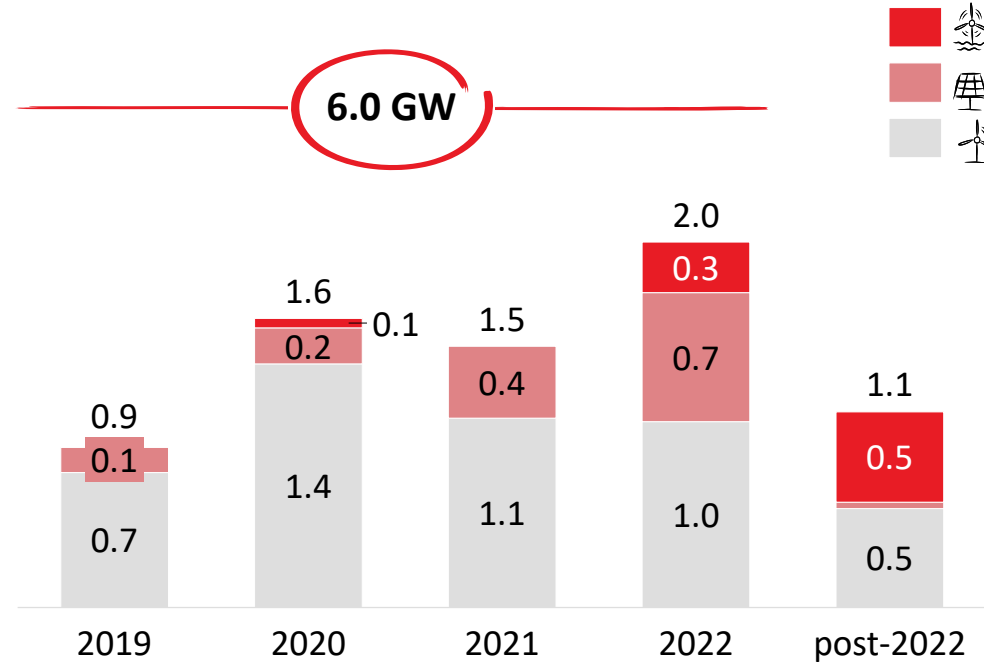
Renewables Capacity LT contracts secured for 19-22

GW



Projects already secured

Build-out GW; Aug-20

















Unprecedented execution

- **Medium-term BP execution on track**
 - <0.5 GW projects expected to have potential COD delays in 2020, although without impact in projects' fundamentals
 - +0.5 GW from Viesgo renewables acquisition expected to be closed in 2H20

Ocean Winds; Offshore JV fully in operation with assets transferred to be fully completed in 2020



PROJECT NAME	TYPE	CAPACITY	COUNTRY	UPDATE	EDPR	ENGIE	STATUS
 Moray East	Offshore-Fixed	950 MW		Sold to JV	33.3%	23.3%	U/Construction
 Tréport & Noirmoutier	Offshore-Fixed	992 MW		Sold to JV	29.5%	31.0%	U/Development
Moray West	Offshore-Fixed	800-950 MW		Sold to JV	67.0%	33.0%	U/Development
 Wind Float Atlantic	Offshore-Floating	25 MW		Pending	54.4%	25.0%	In Operation ⁽¹⁾
 Leucate	Offshore-Floating	30 MW		Sold to JV	35.0%	45.0%	U/Development
 SeaMade	Offshore-Fixed	487 MW		Pending	-	17.5%	U/Construction
 Mayflower	Offshore-Fixed	804-1,300 MW		Pending	50.0%	-	U/Development
B&C Wind	Offshore-Fixed	400 MW		Sold to JV	100.0%	-	U/Development

Total ownership with tariffs/PPAs (net MW)	1,035 MW	+	634 MW	=	1,669 MW
Total ownership (net MW)	2,237-2,338 MW		898-947 MW		3,135-3,285 MW

Assets already sold to Ocean Winds generated a capital gain of €145m

¹ Since July 2020



Projects with tariffs/PPAs awarded

EDP was pioneer in developing floating technology for offshore wind, having installed in Portugal the largest turbine on a floating platform



WindFloat Atlantic (Portugal)



- 25 MW (3 x 8.4 MW)
- 20km off-shore
- 100m water depth




✓ 33% equity stake in **Principle Power** (technology developer)

✓ Developing **Leucate** (30 MW, floating) in France

Benefits of floating offshore wind

- ✓ At farther distances from the shore, the **wind blows stronger** and its **flow is more consistent**
- ✓ **Smaller impact on environmental** surroundings
- ✓ **Larger wind turbines** can be used

Potential of floating offshore wind

	<i>Potential</i>	<i>Share of offshore wind resource in +60m depth</i>
	4,000 GW	80%
	2,450 GW	60%
	500 GW	80%

We are anticipating shutdown of coal plants in Iberia

edp Coal sites in Iberia



Legend:

- Expected shutdown 2021
- Continue operating post-2021

1H20 Developments

Coal production in Iberia: **-76% YoY in 1H20**, with all coal plants off in 2Q20, except Aboño 2



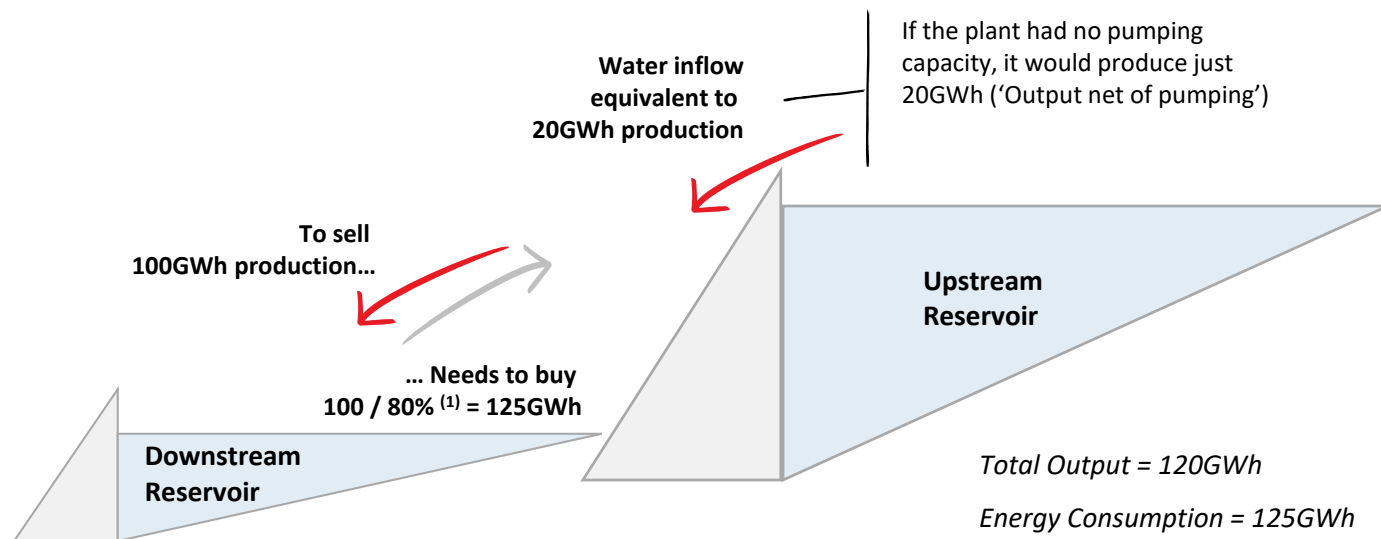
Energy transition projects under development

- **Hydrogen:** Sines
- **Renewables:** Puento Nuevo and Los Barrios
- **Storage:** Soto 3

Accelerating decarbonization through renewables growth or the development of new technologies

The increase in intermittency will require higher flexibility and hydro plants with pumping are well positioned to provide that service

Pumping – Conceptual scheme



- We have **2.8 GW** of pumped hydro in Portugal
 - 2.3 GW if excluding the hydro plants to be sold
- Benefits of pumping:
 - Competitiveness
 - Large scale storage
 - Long-term storage
 - High flexibility levels

Pumped hydro will play a key role in the future electricity system

1)Indicative efficiency rate

We are also developing / testing uses of batteries across all the value chain of the power sector

Hybrid projects renewables + batteries



Cobadin wind farm, Romania

- 1.26 MW | 1.368 MWh battery
- COD 2018



Bailestin solar plant Romania

- 1.3 MW | 0.650 MWh battery
- COD 2019

Other projects under development:

- **Sonrisa (US):** 2 projects with PPA of solar + batteries: (i) 100 MW solar + 30 MW storage; (ii) 100 MW solar + 10 MW storage; COD 2022
- **Alqueva (PT):** 1 MW/1.4MWh battery paired with 4 MWp floating solar; COD 2021

Networks



Battery in Medium Voltage grid

- 480 kW | 360 kWh



Vehicle to grid





- Testing V2G chargers

Hydrogen: EDP has been building innovative projects and strategic partnerships to increase its knowledge and prepare to enter the market



Sines



-  Harbor proximity
-  Natural gas infrastructure
-  High solar resource
-  Industrial cluster

Status:

- A joint project proposal is being prepared
- Discussions with other potential partners are ongoing



Project	Description	Status
Power to hydrogen in CCGT	Test the power-to-H2-to-power concept to enhance CCGT's flexibility	<ul style="list-style-type: none"> • Project kick-off Apr 2020 • Demonstration will start in 2021
Mobility and injection of H2 into gas grid	Support decarbonization of hard to electrify sectors encouraging the emergence of a hydrogen national market	<ul style="list-style-type: none"> • Evaluation of potential business cases • Identification of potential partners ongoing
Offshore hydrogen – wind coupling	Support the development and demonstrate the production of hydrogen from offshore-wind	<ul style="list-style-type: none"> • Feasibility and Pre-FEED study ongoing • New demonstration project opportunities under evaluation


Clients solutions: Contributing to the energy transition and meeting customers' needs



~10M client base with improved operations and new solutions

Jun-2020

 ~4.7 Mn Clients
#1 Portugal

 Focus on B2B
clients and new
services to B2C

 ~3.5 Mn
Clients

We are able to generate, serve and innovate for our clients

Energy efficiency



B2B - Save to compete



Energy certification



B2C - Funciona

Distributed solutions



Solar PV solutions

Complementary services to solar PV



Battery



Re:dy

Demand-side management



E-mobility



EDP Wallbox



E-Mobility energy supplier



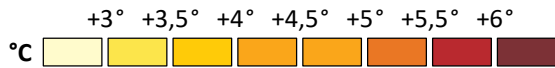
Charging Stations:

- Portugal: 651
- Spain: 64
- Brazil: 358

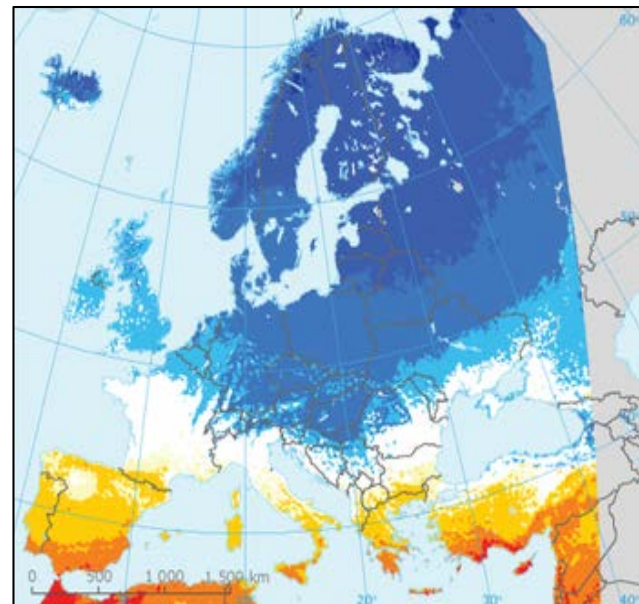
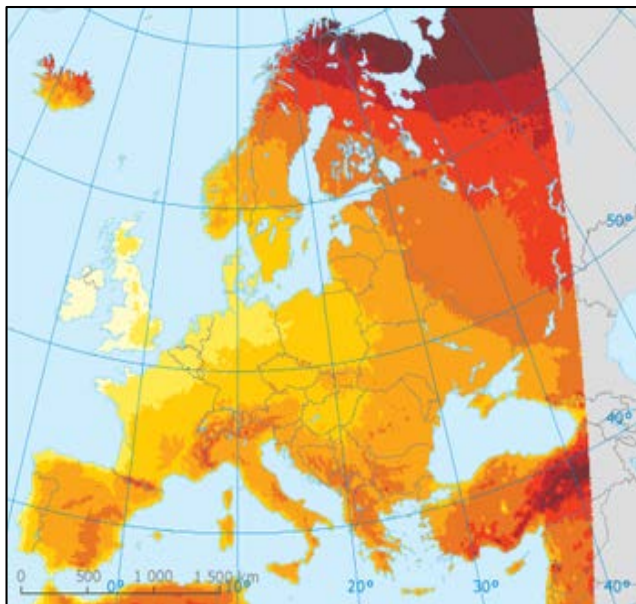
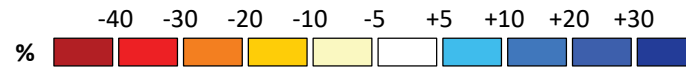
Climate change imply significant physical risks in terms of water availability and infrastructure resilience to extreme events

Expected climate changes in Europe, 2050

Changes in annual avg temperature



Changes in annual precipitation



Key impacts

- **Decrease in hydropower potential**
- **Rise of the number of natural disasters** (such as tornados, storms, wildfires, heavy precipitation and floods)
- Changes in temporal **patterns of electricity demand**
- **Increase in irrigation and other competing water uses** (e.g., human supply, ecological flows)

Wildfires represent a significant risk to EDP's infrastructure, and thus we are taking several initiatives to prevent them



Main initiatives

- Reinforcement of **aerial inspections** (+35% of inspected km vs. 2018) and **ground inspections** targeting the preventive detection of situations of risk of points of contact between trees and electricity distribution lines
- Use of **laser technology** to measure distance between trees and distribution lines
- Use of **drones** for aerial inspection of safety distances
- **Predictive algorithm** for intervention
- **Improvements regarding procedures** to trigger urgent interventions by our teams

 **In 2020, our estimated costs with vegetation management are 2x higher than in 2019 and 3x higher than in 2018**

Expresso

“The execution rates of “strips for vegetation management”, [...], which are in charge of public entities, such as the Institute of Nature and Forest Conservation (ICNF), stands at are around 35%; of rail and road network (Infraestruturas de Portugal) at 34% and 22%, respectively. In the concessioned road network, or in **REN and EDP infrastructure, execution rates are above 90%**. Explaining this, is the factor that the entities that perform these services are not prepared to answer to public service, which makes 1 or 3 years-contracts and does not pay in time, **while REN or EDP make 6-years contracts, pay more, and are more demanding**”

Expresso, 18 July 2020

We are reducing our exposure to hydro, through the disposal of some assets and by integrated energy management of the portfolio



Disposal of 25% of hydro portfolio in Iberia: €2.2 Bn for 1.7 GW in Portugal



- Transaction multiple: **14.4x** EV/EBITDA₂₀₁₈
- Derisking:
 - market price exposure
 - hydro volatility
 - Incumbent profile in Portugal
- Expected closing in 4Q20



Small hydro plants disposal

- In **2018**, we sold:
 - **86 MW** of small hydro plants in Portugal, by €164m
 - **148 MW** of small hydro plants in Brazil, by R\$0.6 billion

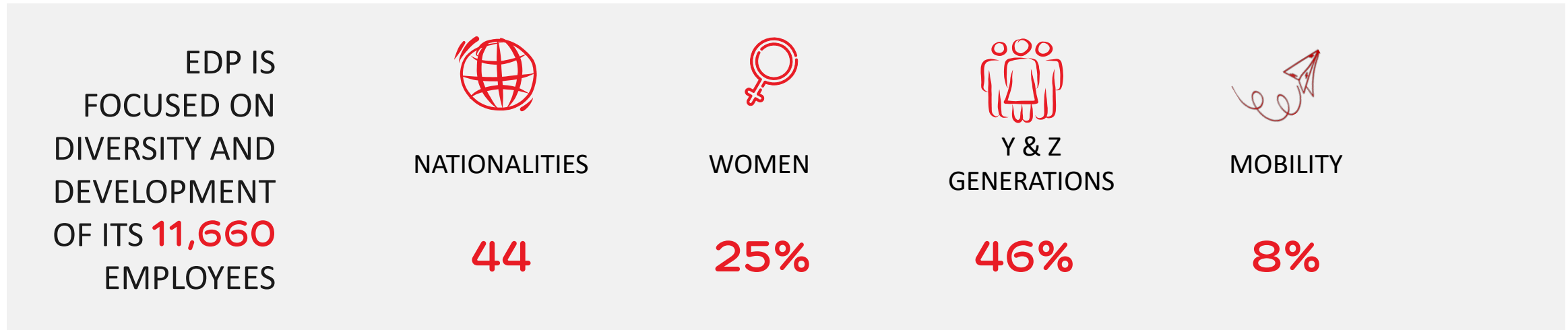
Hydro plants in Brazil

- **Integrated energy management** of the portfolio
- Strategy focused on **new investments in networks and wind and solar**

EDP built the principles of Diversity and Inclusion into values and practices



2019 figures



73% engagement level: 7% above market and 6% above Utilities sector⁽¹⁾. It demonstrates strong commitment of our people with EDP

efr EDP recognized with excellence level as a familiarly responsible company









Global 2000 - World's Best Employers

1) 20 Utilities, totaling c. 200,000 employees

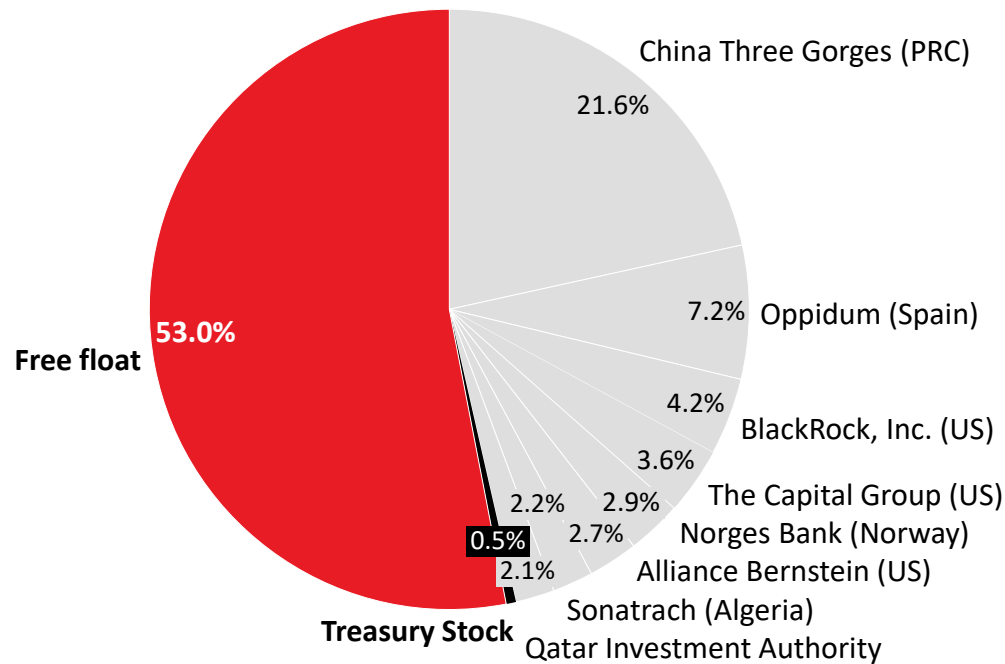
Distinctive Green Positioning: We have been consistently recognized by relevant ESG ratings on our sustainable corporate strategy



	  In collaboration with 	 FTSE4Good	 Euronext vigeoeiris INDICES	 SUSTAINALYTICS
Ranking:	#1 Global Integrated Utilities (Score 90)	Top 3% Global Utilities (Score 4.5)	#1 Global Integrated Utilities (Score 68)	93rd Percentile² Global Utilities
	2019 ranking	2020 ranking	2019 ranking ¹	2019 ranking
Historical rankings:	2009 - 2019 #1 or #2 for 10yrs Avg Score 87 (out of 100)	2011 - 2020 Avg Score 4.3 (out of 5)	2012 - 2018 #5 (in 2012/16) and #9 (in 2014) Avg Score 61 (out of 100)	2015 - 2017 Avg Score 84 ³ (out of 100)

1) EDP has not yet had access to 2020's global score | 2) Bloomberg; | 3) In 2018 Sustainalytics has launched the ESG Risk Rating methodology and replaced the ESG Rating methodology. EDP overall Risk Rating in June 2020 was 24.6.

EDP Shareholder Structure (Sep-2020)



Corporate Governance Highlights

Dual model

- Executive Board of Directors (EBD) and General and Supervisory Board (GSB)
- All major corporate and strategic decisions scrutinized by the GSB after proposal of the EBD

GSB Composition

- 21 non-executive members, of which the majority are independent

EBD Composition

- 9 executive members

edp

Appendix

We will pursue growth under a sustainable business model



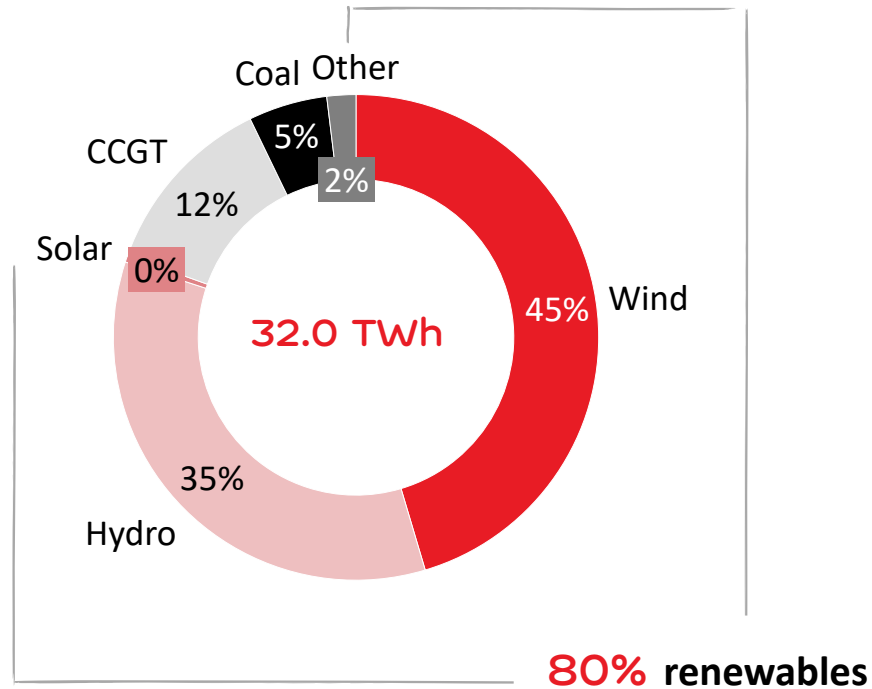
In 2022 we will achieve...



In 1H20, renewables represented 80% of our electricity generation, while capacity under construction doubled vs. Mar-20 to 2.0 GW

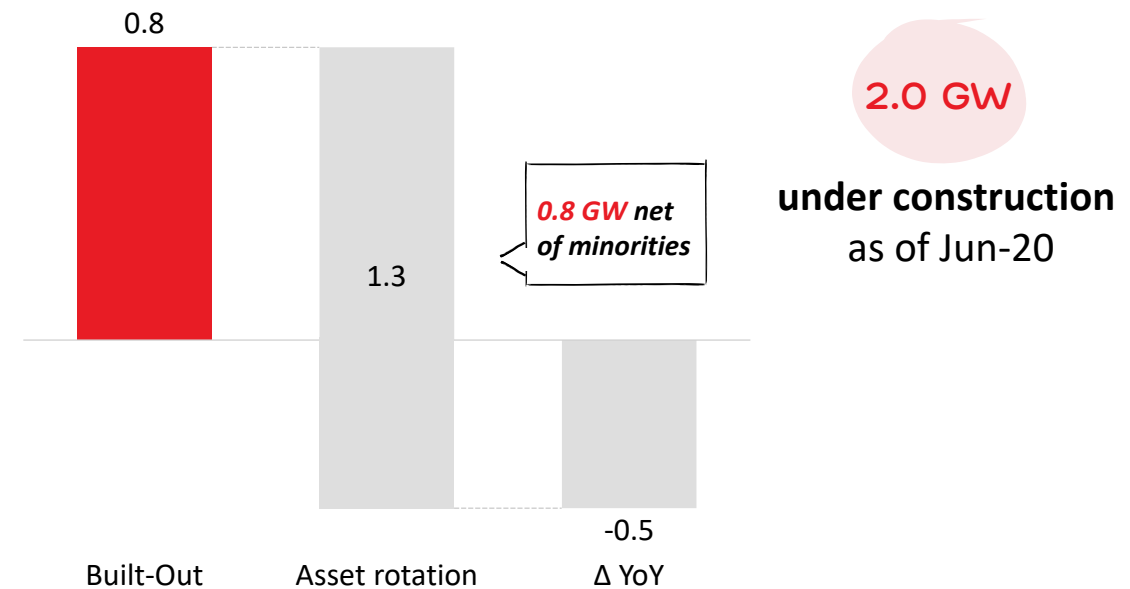
Electricity generation in 1H20

TWh



Wind capacity evolution YoY

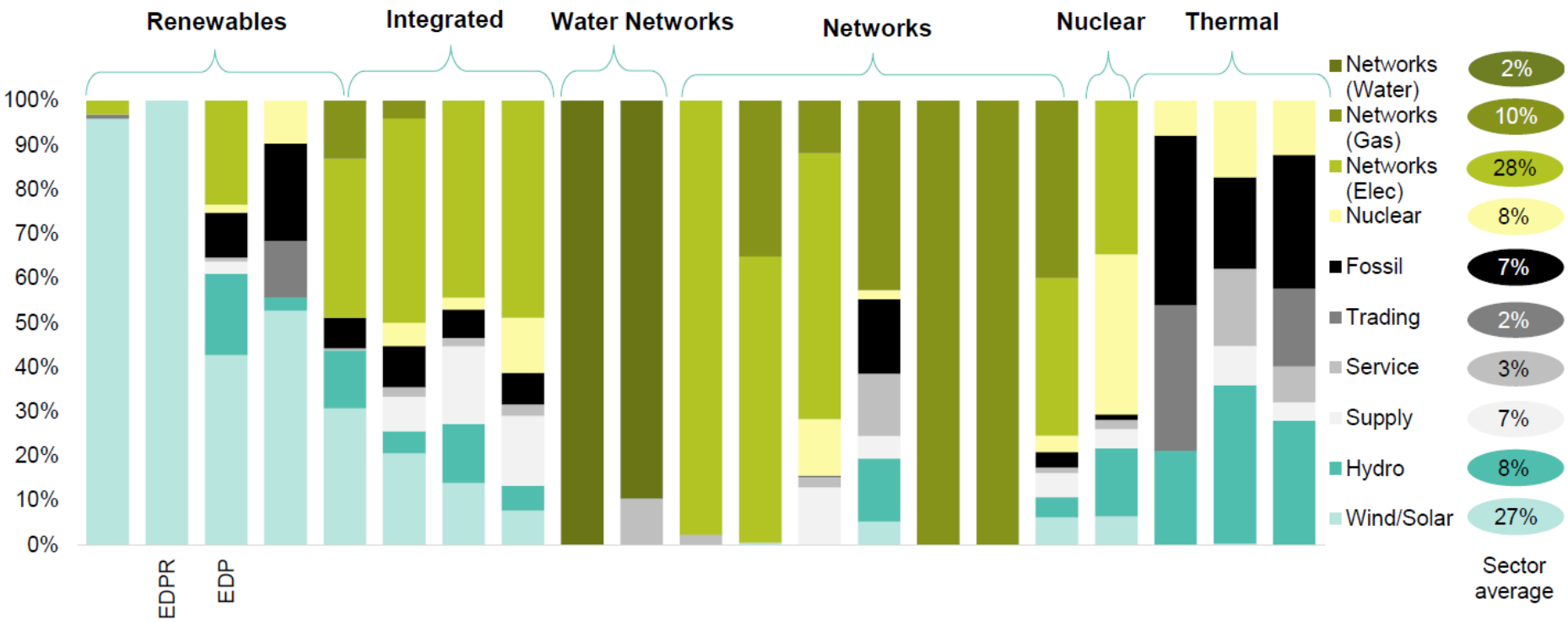
GW; Jun-20



Continued growth in renewables development (+0.8 GW installed YoY; +2.0 GW under construction)

We are already a leading green energy utility

EBITDA split by business segment (2020E)



Source: Bernstein "European Utilities and Renewable: A primer on the EU Green initiatives (Green Deal, Taxonomy & Funding), 15-Sep-2020

List of wind & solar projects already secured for 2019-22



Projects already secured MW

Project Name	MW	Region	CoD
Prairie Queen	199	Kansas	2019
Timber Road IV	126	Ohio	2019
Bright Stalk	205	Illinois	2019
Hidalgo II	50	Texas	2019
Nation Rise (CA)	100	Ontario	2020
Broadlands I	200	Illinois	2020
Headwaters II	198	Indiana	2020E
Rosewater ¹	102	Indiana	2020E
Crossing Trails	104	Colorado	2020E
Reloj del Sol	209	Texas	2020E
WildCat	180	Texas	2020E
Vientos Coahuila	96	Mexico	2021E
Indiana Crossroad ¹	300	Indiana	2021E
Riverstart	200	Indiana	2021E
Sonrisa	201	California	2022E
California Project	300	California	2022E
First Solar	139	East NA	2019
Los Cuervos	200	Mexico	2020E



Projects already secured MW

Country	MW	Status	CoD
	53	Installed	2019
	130	U/ const. & dev.	2020/22E
	47	Installed	2019
	279	U/ const. & dev.	2020/22E
	33	Installed	2019
	94	U/ const. & dev.	2020/21E
	50	Installed	2019
	178	U/const. & dev.	2020/21E
	58	U/construction	2020E
	337	U/ development	2021/22E
	119	U/ development	2020/22E



Projects already secured MW

Project Name	MW	Country	CoD
Aventura II-V	111	Brazil	2022E
Boqueirão I-II	80	Brazil	2022E
Monte Verde VI	46	Brazil	2022E
Santa Rosa & Mundo Novo	158	Brazil	2022E
Alpha	212	Colombia	2022E
Beta	280	Colombia	2022E
Pereira Barreto	199	Brazil	2021E
Lagoa	66	Brazil	2022E

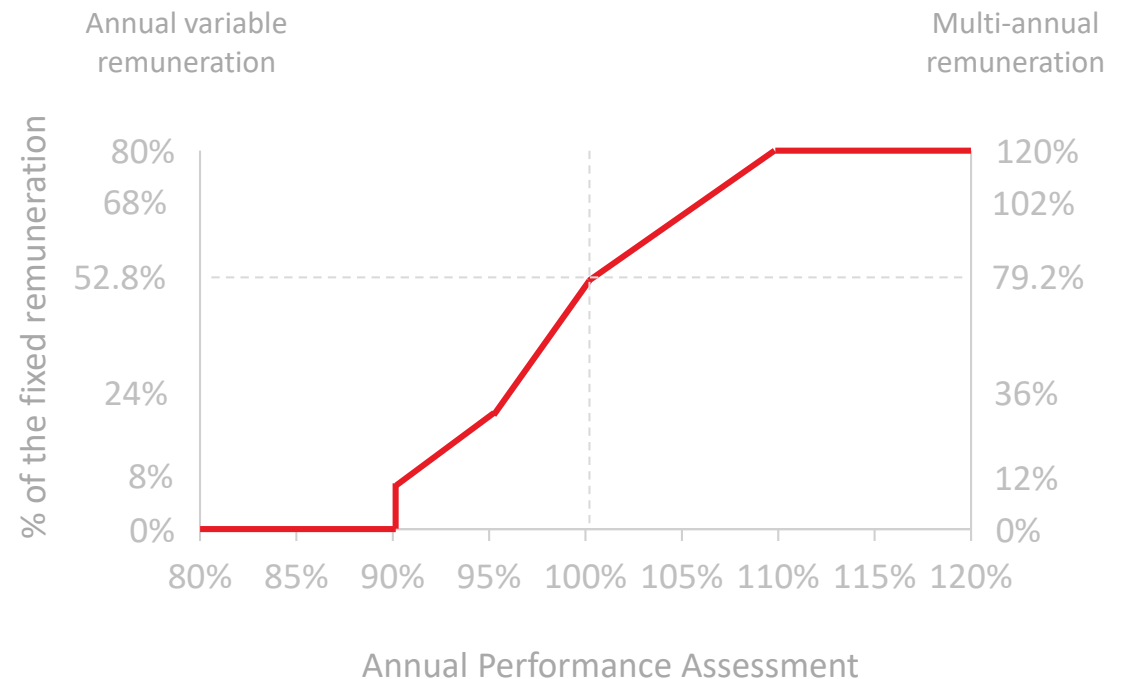
1) Build and Transfer project

Remuneration of the Executive Board of Directors



EBD Remuneration

- EBD remuneration is composed by:
 - **Fixed Remuneration:** Includes a retirement saving plan assigned to Directors during their term of office, amounting in net terms to 10% of their fixed annual remuneration
 - **Variable remuneration:** Includes **annual** and **multi-annual remuneration**, which are deferred until the end of each term of office. Both are determined as a function of the achievement of pre-approved goals expressed through specific KPIs
- Remuneration policy allows that **variable remuneration could reach, overall, twice the value of fixed remuneration** during the mandate
 - **Annual** remuneration may reach **up to 80% of fixed** remuneration, while **multi-annual** remuneration may reach **up to 120%**
 - Variable remuneration only becomes effective if the EBD reaches a **level of performance above 90% of the business plan**

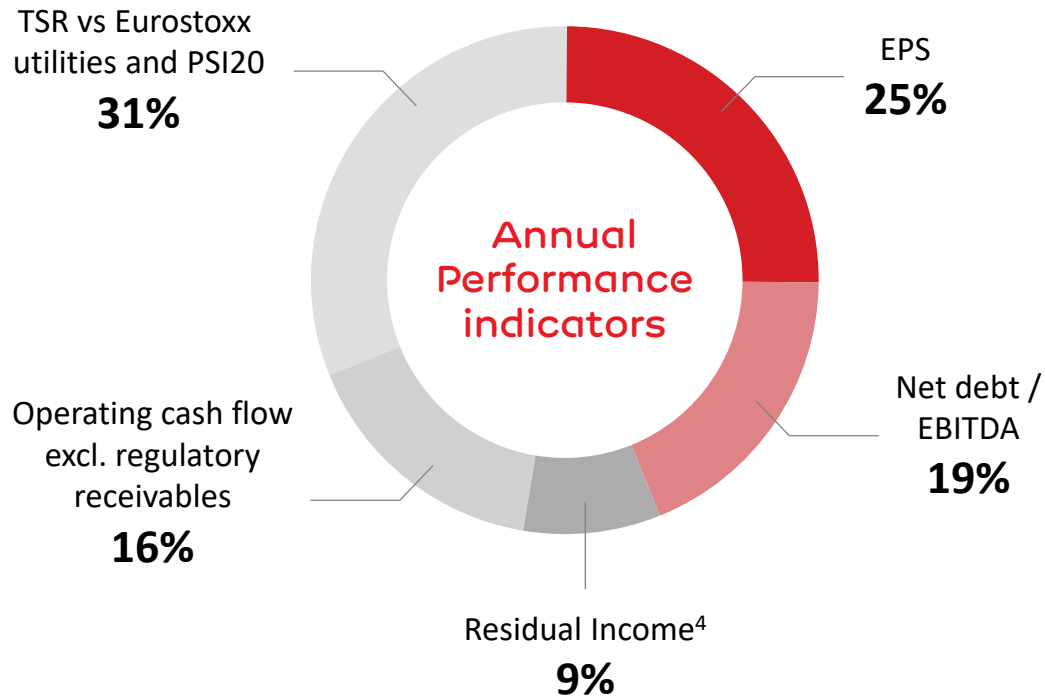


Management targets are fully aligned with shareholder interests

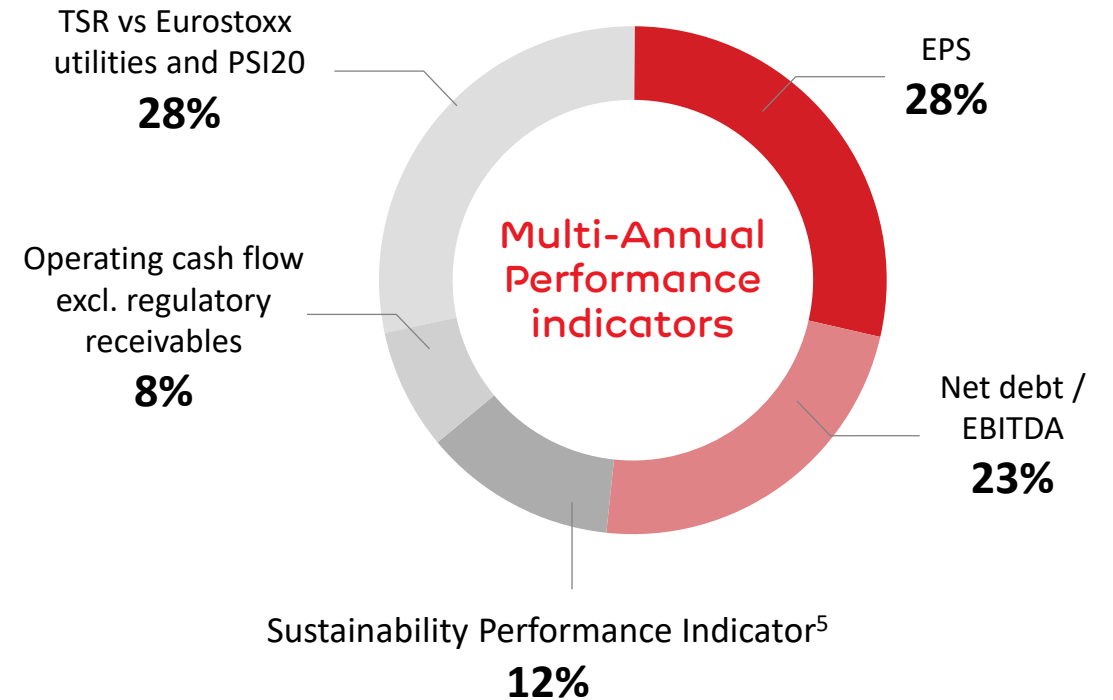


Performance indicators for Executive Board of Directors variable remuneration¹

Annual²



Multi-annual³



¹ Only considers quantitative component, which is worth 80% of total for annual performance and 65% of total for multi-annual performance indicators | ² Comparison with budget | ³ Comparison with Business Plan | ⁴ Residual Income: Comparison between the net income minus the product between EDP's cost of capital and its net worth, excluding non-controllable interest, and the amount previously defined in the annual budget approved by the General and Supervisory Board | ⁵ Sustainability Performance Indicator: This indicator evaluates EDP sustainability performance taking into account: absolute metrics' evolution over past periods, peer comparison and qualitative performance evaluation of the Remuneration Committee of the General and Supervisory Board

ESG Reporting: TCFD



- In 2018, EDP adhered to the TCFD recommendations and defined the commitment to internalize them until 2022.
- EDP discloses in its Sustainability Report information regarding the four categories of the TCFD. This represents a laudable effort to align and implement reporting on climate-related risks and opportunities with the TCFD recommendations during these two years of endorsement.
 - **Governance** - the EDP Group's approach to climate change challenges includes the analysis of risks and opportunities and is managed according to the corporate governance structure.
 - **Strategy** - EDP has established a climate action strategy based on 5 pillars: governance; mitigation; adaptation; innovation; energization
 - **Risk management** - For the assessment of emerging climate-related risks and opportunities, EDP used four RCP scenarios (Representative Concentration Pathway) from IPCC - 8.5, 6.0, 4.5 and 2.6 to analyse the physical risks, and two scenarios from the International Energy Agency (IEA), IEA 450 and 2DS, to analyse transition risks.
 - **Metrics and targets** - EDP's metrics are in line with TCFD's recommended metrics. This includes metrics regarding GHG emissions and targets

TCFD REPORTING RECOMMENDATIONS	CDSB***	SASB**
GOVERNANCE	a) Board's oversight b) Management's role	Req.01 Governance Req.01 Governance; Req. 02 Policies, Strategy and Targets
STRATEGY	a) Climate-related risks and opportunities b) Impact of climate-related risks and opportunities c) Resilience of the organization's strategy	Req. 02 Policies, Strategy and Targets; Req. 03 Risks & Opportunities; Req.06 Outlook Req. 02 Policies, Strategy and Targets; Req. 03 Risks & Opportunities; Req.06 Outlook Req. 03 Risks & Opportunities; Req.06 Outlook
RISK MANAGEMENT	a) Processes for identifying and assessing b) Processes for managing c) Integration into overall risk management	Req. 03 Risks & Opportunities Req. 02 Policies, Strategy and Targets; Req. 03 Risks & Opportunities; Req.06 Outlook Req.01 Governance; Req. 03 Risks & Opportunities; Req.06 Outlook
METRICS AND TARGETS	a) Metrics used to assess b) GHG emissions c) Targets	Req.01 Governance; Req. 02 Policies, Strategy and Targets; Req. 04 Sources of Impact; Req.05 Performance and Comparative Analysis Req. 02 Policies, Strategy and Targets; Req. 04 Sources of Impact; Req.05 Performance and Comparative Analysis Req. 02 Policies, Strategy and Targets; Req. 04 Sources of Impact; Req.05 Performance and Comparative Analysis

SASB Table – since the SASB framework refers to financially material topics, the associated quantitative and qualitative performance metrics should facilitate the development of ESG reports with CAE-level knowledge and approval that provide information on the effectiveness of a company's climate-related strategy, risk management and operational performance.

** Sustainability Accounting Standards Board | *** Climate Disclosure Standards Board Framework.

Source -2019 EDP Sustainability Report – page 231

ESG Reporting: Other Standards



- Besides GRI standards (Global Reporting Initiative), GHG Protocol, TCFD, Climate Disclosure Standards Board (CDSB), **EDP also seeks alignment SASB - Sustainability Accounting Standards Board.**
- We began reporting for the first time in our 2019 Sustainability report** in accordance with the standard of SICS sector – Infrastructure sector - Electric Utilities & Power Generators.
- This includes sustainability disclosure topics, such as: Greenhouse Gas Emissions; & Energy Resource Planning; Air Quality; Water Management; Coal Ash Management; Energy Affordability; Workforce Health & Safety; End-Use Efficiency & Demand; Grid Resiliency.
- However, we consider that this ESG disclosure is a multi-year improvement process.**

SASB Electric Utilities & Power Generators (SICS sector) ¹					GRI Standard Title/ Disclosure number	2019
Topic	Accounting metric	Category	Unit of measure	Code SASB		
GREENHOUSE GAS EMISSIONS & ENERGY RESOURCE PLANNING	(1) Gross global Scope 1 emissions	Quantitative	Metric tons (t)CO ₂ -e	IF-EU-110a.1	305-4	14,362,658
	(2) percentage covered under emissions-limiting regulations	Quantitative	Percentage (%)	IF-EU-110a.1	EU5	68.80
	(3) percentage covered emissions-reporting regulations	Quantitative	Percentage (%)	IF-EU-110a.1	EU5	99.90
	Greenhouse gas (GHG) emissions associated with power deliveries	Quantitative	Metric tons (t) CO ₂ -e	IF-EU-110a.2	305-4	9,568,371
	Discussion of long-term and short-term strategy or plan to manage Scope 1 emissions, emissions reduction targets, and an analysis of performance against those targets	Discussion and Analysis	n/a	IF-EU-110a.3	305-4	2.6. Strategy, Goals and Targets; 3.1.5. Promotion of renewable energies; 3.1.7. New Energy Services; 3.1.8. Energy Efficiency; CDP Climate
	(1) Number of customers served in markets subject to renewable portfolio standards (RPS)	Quantitative	Number	IF-EU-110a.4		EDP didn't have customers served in markets subject to renewable portfolio standards (RPS)
	(2) percentage fulfillment of RPS target by market		Percentage (%)	IF-EU-110a.4		

Source 2019 Sustainability Report – page 226 onwards