



# General and Supervisory Board Annual Report 2024

EDP Headquarters | Portugal  
by Alejandro Aravena



Purpose

Our energy

Speaks of our stamina, our track record and what drives us to continuously deliver green energy

and heart drive

Highlights our people and their key role in delivering our commitment to our clients, partners and communities

Reflects our ambition and leadership in making change happen

a better tomorrow

The reason why we work every day

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## Message from the Chair



António Lobo Xavier  
Chair of the EDP General and Supervisory Board

### Dear Shareholders,

In April 2024, the members of EDP's Governing Bodies were elected at the General Shareholders Meeting for the current term of office from 2024 to 2026. It was there that I was entrusted with the mission of chairing the General and Supervisory Board of EDP, a position that honors me very much.

I arrived at the largest Portuguese company with a very clear purpose: to help produce value for shareholders, comply with the legal rules and the functions that are in the statutes and collaborate with the people of EDP. The tasks are demanding, but everything became easier when I realized that the corporate environment is extremely rewarding and collaborative.

The ease with which we can diagnose the global energy sector contrasts with the complexity of its current state. It is a sector that is going through times of uncertainty very much motivated by the war in Europe, the intensification of conflicts in the Middle East and geopolitical tensions between the major global powers. This uncertainty carries over to the energy sector, creating volatility in the markets, less firmness in energy policies and greater regulatory risk.

It is precisely in this deeply complex context that, more than ever, to manage is to decide. And at EDP we have already decided.

We have decided that leading the energy transition is far beyond a simple aspirational statement. It translates into very concrete actions such as EDP's commitment, for many years, to the investment in renewable energies. A commitment that has brought us today to an almost entirely renewable energy production. And the future necessarily relies on these energies, despite some hesitations that we see today in some geographies: they will continue to be the most competitive, guarantee an increasingly desired energy independence and effectively curb global emissions.

We decided that our activity in expanding renewables was not confined to a single country or a single continent. We have expanded our operation to a global scale. We were able to anticipate that the diversity of our people around the world and the understanding of the different cultures in the markets would make us stronger.

We decided that the industrial vocation of a company like EDP has to be reinforced. The continuous commitment to the development of electricity grids is an example of this, recognizing their increasingly central role in an intelligent and decarbonized electricity system.

We decided that innovation is in our day-to-day, in everything we do. Whether in technology, operations, business models or interaction with our customers.

The pride we feel in the decisions we have made in the past gives us unshakable confidence in the future. We cannot be under the illusion that the path is easy, because the context in which we act is increasingly difficult. But we are already being firm in adapting. Our stakeholders know that we must be more selective and focused on our business and that is what we are doing. The demand for profitability for our projects, the focus on the geographies with the greatest potential and the protection of the company's balance sheet will be the drivers of delivering value to our shareholders, while this global volatility persists. Those who have worked at EDP for several years are already used to the cycles: we will now go through a time of lower growth, but we are sure that it will be better growth. And, at the precise moment when the market uncertainties dissipate, EDP will be ready to accelerate growth again and lead the energy transition.

I would like to leave a special word to EDP's employees. The results of the daily work of a collective of about 12500 people and the individual contact I have had with many of them give me the clear conviction that they are the most solid foundation for the confidence in the future of EDP, which I affirm in this message. The way they expressed themselves massively in the recent internal climate survey shows how they continue to make a point of feeling like they are part of something bigger, in which they see the teams around them as decisive. Being by everyone's side, in the day-to-day of EDP, is a source of enormous pride for me.

The Executive Board of Directors of EDP is both a reflection and promoter of the unique spirit that I find daily in the company. Its cooperation with the General and Supervisory Board has been exceptional. Transparency and openness to dialogue regarding the path that creates the most value for EDP have been a constant and it is my conviction that this will continue to be the case.

A final word of appreciation to EDP's Shareholders. Their support and high standards have been, and will continue to be, fundamental to the company's success story. Their long-term vision is what allows the company to have stability and hope in the times of cyclical uncertainty that the energy sector is experiencing.

**António Lobo Xavier**



# PART I



Solar Utility Scale  
Cotia Solar Park | Brazil



## PART I



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Wind Onshore

Livadi Wind Farm | Greece



# 1. Structuring pillars followed by the General and Supervisory Board

## Main highlights

- **Transition of mandates** – continuity of an effective supervision in consecutive mandates
- **Business Plan update** - adapt the future of the company to a rapidly changing context
- **Risk and Investments** - efficiency and transparency in a context of increasing complexity that requires close monitoring

This ambition was strengthened with reinforced strategic objectives and the anticipation of the financial commitments set out in the 2023 Capital Markets Day (CMD). Several discussions were held with the Board that shaped the strategic reflection and preparation of EDP's 2023–2026 CMD. The GSB played a key role in the main strategic decisions that framed this mandate, such as the acquisition of Sunseap and Kronos, the anticipation of the 2021–2025 Business Plan targets in the last CMD, and the acquisition of minority stakes in EDP Energias do Brasil.

During the 2021–2023 period, the execution of the Business Plan was also marked by a challenging market and sector environment. This included the spread of the Covid-19 pandemic, which impacted global economies, disrupted the supply chain, and resulted in significant delays in solar panel deliveries. Rising inflation and interest rates, geopolitical conflicts, and severe drought in the Iberian Peninsula also had a material impact on hydro production in 2021 and 2022.

EDP evolved as a future-proof organization, increasing scale and reallocating its resources between businesses to support growth. Its purpose was renewed, setting the tone for an aligned value proposition for employees, along with a successful rebranding. EDP continued to build capacity in new technologies and digital solutions, remaining at the forefront of the energy transition. The company's global reputation was steadily improved, and its global positioning strongly reinforced.

In conclusion, EDP arrived at the transition of mandates as a leading company in the energy transition, present on four continents with a truly global footprint, having renewed its ambition through reinforced strategic and financial commitments in the 2023 CMD with a clear vision of leading the energy transition and creating value for all stakeholders throughout the decade.

On April 10, 2024, the GSM elected a new composition of the GSB, chaired by António Lobo Xavier, and re-elected the EBD for a new three-year mandate. Right from the start, both Boards agreed on a shared vision for the Group.

EDP is already a leader in the energy transition, with a truly global presence in five regions: Iberia, Europe, South America, North America, and Asia-Pacific. The company operates across four business platforms: Renewable Generation Assets, Global Energy Management, Client Solutions, and Networks. EDP has around 13,000 employees, with an EBITDA of €5.0 billion and a net profit of €1.3 billion in 2023. The company has been implementing a renewed operating model organized by regions and business platforms to leverage operational excellence and value creation.

## A year of transition of mandates

The General Shareholders Meeting of April 10, 2024, marked the transition between two mandates of the General and Supervisory Board (GSB). During the three previous years, the Board was chaired by João Talone and the mandate was conducted with close joint work between the GSB and the Executive Board of Directors (EBD). In 2021, the first year of the previous mandate, EDP communicated its vision of leading the energy transition, with unprecedented challenges requiring a decarbonized world with clean, affordable, and reliable energy. This set the tone for the 2021–2023 mandate.

EDP stepped up to the challenge with a renewed growth ambition to lead the energy transition, creating value for shareholders. The key commitments included doubling growth in renewable energies, increasing the deployment of renewable energy sources (RES) to around 4 GW/year, largely financed through an asset rotation strategy. EDP maintained a diversified portfolio in RES and Grids, a strong balance sheet to achieve a BBB rating by the three main agencies, supported by capital increases at EDP and EDPR, and delivered value to shareholders under a leadership positioning in renewable energies.



Over the last decade, the energy sector has experienced significant changes, pushing EDP to strategically adapt to lead the energy transition. In this new mandate, EDP remains committed to consistently meet the ambitious targets set in its Business Plans. The company will prioritize balance sheet strength, a sustainable dividend policy and a focus on execution. The GSB will work with the EBD on the approval of initiatives that will enable EDP to face macroeconomic and market challenges, creating value for EDP's shareholders.

## Adapting the Business Plan to a complex and volatile context

Through 2024, there were positive updates in the macroeconomic and market context, including economic data driving European Central Bank and United States Federal Reserve rate cuts, higher power prices in the Iberian market. After the updated market guidance in the beginning of the year regarding EDP's Business Plan, markets welcomed EDP's re-forecasted targets, highlighting the value of communicating a business plan with execution visibility and a focus on value creation and balance sheet strength.

The updated guidance for 2024–2026 will serve as the starting point for the 2025–2030 discussions. These aim to establish the boundaries for the bottom-up business plan, focusing on delivering sustained earnings and dividend growth until 2030. The investment plan for 2025–2030 will be framed by disciplined investments, with a focus on organic growth in distribution and transmission networks, and a pipeline focused on low-risk markets. EDP remains committed to maintaining solid ratings and a strong balance sheet to support the investment cycle until 2025–2030, with a fully funded Business Plan and continued value crystallization through asset rotation in renewables and transmission. EDP's target portfolio will continue to focus mainly on renewable energies, with a strong exposure to networks and a focus on core low-risk markets. The company aims to maintain its sustainability commitments that lead up to net zero by 2040. EDP also plans to streamline its geographical footprint. These guidelines set the high-level boundaries for the bottom-up business plan, which will involve detailed inputs and projections, as well as strategic discussions and analyses as the Capital Markets Day approaches in 2025.

## A continuous focus on risk and investment analysis

The General and Supervisory Board continued to permanently monitor EDP Group's risk management and the profitability analysis of its investments. Each topic is the focus of more than one of its meetings every year and they are complemented by other initiatives both at Board and Specialized Committees levels.

During 2024, there were several risk management initiatives that were monitored by the GSB. The Risk Appetite Framework is a key element in the Risk Management Process as it establishes EDP's risk strategy and encompasses four pillars, one of which is the Risk Appetite Statement that formalizes the risk appetite and guarantees strategic alignment. This Statement focuses on establishing i) a Balanced Business through a risk-controlled utility with a strong component of long-term regulated/contracted activities, diversified both geographically and along the value chain, with a strong focus on renewable energy growth; ii) Solid Financials through a credible business plan with adequate financials, seeking a solid investment grade rating and a sustainable dividend policy; and iii) Operational Excellence through prudent operational risk management, following best practices and ensuring business continuity. The GSB also monitored the Risk Appetite Dashboard, which is a quarterly report that monitors the most important Key Risk Indicators for each Risk Appetite Statement.

This management area is thus monitored in its different aspects by the EBD, with the GSB having appropriate visibility. The Specialized Committees also monitor each of the risk areas assigned to them in greater detail. For example, the Financial Matters Committee supervises the business and financial aspects of the entire EDP Group. The Corporate Governance and Sustainability Committee analyses the issues of environmental risk and risk associated with the company's human capital. The USA Business Affairs Monitoring Committee oversees all risks associated with its specific geographical area. Regarding the active monitoring of EDP's investments, the GSB continues to dedicate one meeting to analyze EDP's investment policy and the overall status of investments. Specific investment decisions are then taken at most GSB meetings, making this one of the most recurring topics at the Board.

Aligned with EDP's revised growth expectations and investment approach focused on top-tier projects, the GSB and the EBD converge on the aim to implement a more rigorous investment framework to better guide investment approvals in the future, increasing the profitability requirements while maintaining other remaining key investment metrics. In this context, a greater focus on timely contribution to earnings and balance sheet strength has led to the need for better visibility over time for metrics and cash impacts. To accompany this evolution, new investment guidelines were prepared, and more comprehensive information will be included in future moments of investment decisions.



## 2. Relevant topics of the General and Supervisory Board

### 2.1. Financial Matters Committee

#### Main highlights

- **Financial and Sustainability Reporting** – ability to permanently monitor the application of accounting, tax and sustainability regulations (integrating environmental, social and governance topics) and the preparation of financial and non-financial information, in order to ensure its reliable and timely disclosure to the Company's stakeholders.
- **Internal Control System** – focus on monitoring the execution of activity plans and the implementation of Internal Audit recommendations and non-compliances and opportunities for improvement identified in the functioning of the Internal Control System for Financial Reporting (ICSFR) in the Compliance area and in the company's risk management process.
- **Statutory Auditor** – PwC was elected for a third term (2024–2026) at the General Shareholder's Meeting of April 10, 2024. Once again, in this financial year, the Committee carried out permanent monitoring of the activity and conditions of independence of the Statutory Auditor, whose conclusions from the evaluation carried out allowed the issuance of the opinion that it performed its duties with quality, competence, rigor, impartiality and with an adequate degree of independence.
- **Meeting of the Audit Committees** – strengthening the interaction and relationship between the Audit Committees and sharing best practices in the development of their activities, including topics on recommendations and good practices in the functioning of Audit Committees and new legal and regulatory requirements in terms of monitoring non-financial reporting (ESG and Sustainability information).

As part of its activities, the Financial Matters Committee (or "FMC " or "Committee") has always sought to reinforce its knowledge of the mechanisms and procedures put in place by EDP to prevent or detect the occurrence of situations that may affect the ability to produce, analyze and disclose information that adequately and faithfully represents the economic and financial situation and to minimize the risks of errors in financial information and of misappropriation or misuse of the Company's own resources.

On the other hand, taking into account the current external context of great geopolitical instability and transformation of the markets in which EDP operates, the Committee has given increasing attention and importance to monitoring the work carried out within the scope of financial reporting, the review of regulations and procedures on tax and transfer pricing matters and internal control system, in conjunction with the GSB, the EBD and the Group's corporate management areas.

Taking these concerns into account, the FMC has been reinforcing its supervisory action on the following major to, which have been monitored and discussed throughout 2024.

#### Interim and Integrated Reporting (Financial and Sustainability)

The Committee took part in the EBD meetings where the interim and annual accounts were analyzed. In this context, it periodically monitored, discussed, and supervised (i) the process of preparation and disclosure of financial information by EDP, (ii) the activity and opinions issued by the Audit Committees of EDP Renewables on the financial statements of these subsidiaries and (iii) the reports and opinions issued by PricewaterhouseCoopers & Associados – Sociedade de Revisores Oficiais de Contas, Lda. (or "PwC" or "SA") on the interim information, the audit/legal review of annual accounts, the Internal Control System for Financial Reporting and the Group's Sustainability Information. As a result of the effort to improve the performance of its duties, the FMC continued to produce, with increasing rigor and consistency, the reports and opinions on EDP's interim reports and the integrated annual report, the annual report and accounts of EDP Finance B.V., the annual report and accounts of EDP Servicios Financieros España, S.A. and the assessment report of the activity and independence of EDP Group's SA.

Also, as part of its analysis of the financial statements, the Committee paid particular attention to the information produced by EDP's corporate services directors and by the Statutory Auditor on the impairment tests of the most significant assets, which led to the recording of a very significant loss on the investment underway in Colombia, given the



decision to abandon the project, and to the risk assessment of the main ongoing litigation identified in each geography.

## Internal Control System

Throughout 2024, the FMC supervised the internal audit function through increasingly demanding monitoring of the execution of the activity plan, the audit work carried out and the implementation of the recommendations issued, particularly those of higher risk and greater seniority. The same happened with the periodic monitoring of the results of the tests carried out on the ICSFR (Internal Control System for Financial Reporting) controls, either by analyzing the information received from EDP's internal services or on the basis of the reports delivered by the Statutory Auditor's work, monitoring the regularization of non-compliance and the implementation of the opportunities for improvement identified. The heads of Internal Audit and ICSFR participated in meetings of this Committee on a recurring basis, explaining their biggest challenges and sharing the strategic execution of their activity.

Regarding the Compliance activity, the Committee supervised and monitored the execution of the work provided for in the annual activity plan, with particular emphasis on the integrity and anti-corruption, separation of activities and protection of personal data programs. It also accompanied and participated in EDP SA's ongoing certification process under the ISO 37301 – Compliance Management Systems standards, Compliance and ISO 37001 – Anti-Corruption Management Systems noting the alignment of internal systems with the requirements of the respective standards and verifying the reduction of delays in implementing actions to remedy non-compliances and opportunities for improvement identified.

In relation to risk management, the Committee stepped up its monitoring of the activity carried out and reported on by the risk management area, particularly the main projects underway, the risk indicators and the risk appetite framework. In this context, it analyzed in detail the mitigation plans for the main risks, namely those arising from the impacts of the wars in Ukraine and the Middle East, climate change, regulation and ESG issues, among others. The greater interaction between the Committee and the Risk Corporate Global Unit (Risk) also resulted in the continued regular participation of the Chair of the FMC in meetings of the EDP Group's Risk Committee, where the most important high-level technical risk issues affecting the entire EDP geography are analyzed and discussed.

In addition, given the importance of technological information risks in the current context, the FMC has also monitored the strategic planning for mitigating technological risks and cybersecurity events reported by EDP Group's Digital area, and has monitored the effectiveness of its implementation, especially those resulting from the attacks that take place on EDP's information and communication systems.

## Transactions with Related Parties

The Committee's various interactions with the EBD in this area have made it possible to (i) improve the quality of the information provided and strengthen the control procedures at the different levels of EDP Group's companies and (ii) issue properly sustained opinions on the operations carried out, in accordance with the principles defined in the new Related Parties Transactions Policy.

Also, with reference to this matter, the Committee monitored and discussed with the Statutory Auditor the conclusions of the audit work carried out, with the aim of finding out whether there were any potential conflicts of interest associated with transactions between related parties, considering the requirements and obligations laid down in IAS 24 – Related Party Disclosures and ISA 550 – Related Parties. Nothing relevant was reported by the Statutory Auditor in this area.

## Statutory Auditor's Independence

During 2024, the Committee regularly followed up and monitored the activity and independence of the Statutory Auditor, namely the proposals for the provision of audit and non-audit services, the conclusions of the audit of the financial statements and annual report and the respective opinions, and the conclusions and opinion on the adequacy and effectiveness of the internal control system for financial reporting and sustainability information (Independent Report of Limited and Reasonable Assurance on the Disclosure requirements "ESRS" and "EU taxonomy"; Independent Limited Guarantee Report on additional indicators on "CSA" requirements and Independent Limited Guarantee Report on "Green Bonds").

The Committee also continually assessed the respective performance and independence, based on which it issued a report expressing its opinion that it had performed its duties with quality, competence, rigor, impartiality and with an appropriate degree of independence.



Although the conclusions of this assessment process are satisfactory, the FMC has emphasized to the Statutory Auditor that there is still room for improvement in its interaction and communication with the Committee.

It is worth noting that PricewaterhouseCoopers & Associados – Sociedade de Revisores Oficiais de Contas, Lda. (or “PwC”, or “PwC-SROC” or “SA”) was re-elected for a third term (2024–2026), at EDP’s General Shareholders Meeting, on April 10, 2024.

## Meeting of the Audit Committees

The FMC has paid great attention to and improved its relationship mechanisms and interaction with the Audit Committees of its subsidiaries, with the aim of sharing best practices in terms of monitoring and supervising the most important topics in its activity, namely financial reporting, the internal control system, compliance, risk, the transactions with related parties and other ongoing concerns, including emerging risks and ESG and Sustainability issues.

In order to strengthen this relationship and coordination, the Committee organized the eleventh Meeting of EDP Group’s Audit Committees on 09 and 10 September 2024 in Madrid, Spain, which was attended by, in addition to the members of these Committees (EDP/EDP Finance BV/EDP Servicios Financieros España, S.A and EDP Renewables), the Chair of EDP’s General and Supervisory Board, the Chair of EDP Renewables’ Board of Directors, the CEO and CFO of EDP, other EDP’s Directors (Internal Audit, Ethics & Compliance, Sustainability, Risk and Accounting, Consolidation and Tax) and two external guests who presented, respectively, (i) the Framework of the new CSRD Directive (Corporate Sustainability Reporting Directive), which establishes an European legal framework aligned with ICSFR standards and the EU Taxonomy Regulation and (ii) The Recommendations and good practices for Audit Committees. The presentations made allowed for a wide-ranging exchange of views on the most relevant topics and on the need to reinforce efforts to (a) implement sustainability reporting, in accordance with the new requirements (b) strengthen the quality and consistency of information on ESG risks and (c) review the governance model for these matters.



2.2. Remuneration Committee

Main highlights

- **Proposal of a new Remuneration Policy for the EBD for the 2024–2026 mandate** – proposing an improved policy to the General Shareholders Meeting of 2024, where it was approved
- **Application of the EBD’s Remuneration Policy to annual and multiannual variable remuneration** – ensuring the company is aligned with international best practices, both inside and outside the energy sector
- **Transparency in reporting** – disclosure of the criteria and calculation methods in the Annual Remuneration Report, again autonomized

Proposal of a new Remuneration Policy for the EBD for the 2024–2026 mandate

The new Remuneration Policy of EDP’s Executive Board of Directors (EBD), approved at the 2024 General Shareholders Meeting, was the result of extensive and rigorous work by the Remuneration Committee of the General and Supervisory Board (REMC), supported by a study carried out by an independent consultant, and on the advice obtained by the REMC, on matters of corporate governance, good international practices and, in general, in terms of remuneration policy as an instrument to promote EDP's corporate strategy and long-term interests and sustainability, carried out by an independent law firm, based on a benchmark analysis of the remuneration model, qualitative and quantitative, of companies in the PSI 20 Index and comparable companies in the international electricity sector.

In the new EBD Remuneration Policy, due consideration was also given to the evolution of the remuneration system for executive directors and other EDP employees, and the reasonable expectations of EBD members regarding the remuneration model and its adequacy and competitiveness. This also contributed to the consideration of the current

employment conditions and the remuneration model of EDP workers and the economic and financial situation that is being experienced, in the country and on a global scale.

In fact, and for example, the consideration of these elements advised that, on this occasion, a revision of the fixed and variable remuneration component of the EBD President and an update of the fixed remuneration component of the remaining members of the EBD should be made. Aspects related to share-based incentives were also refined with the objective of clarifying the consequences of certain corporate events and aligning them more closely with the applicable regulatory regimes, namely with the possibility of converting a portion of this remuneration into cash, as needed to fulfil the tax obligations of the EBD member. Notably, consideration was given to the fact that this change does not have the effect of reducing exposure to the risks and benefits associated with holding EDP shares during the deferred remuneration payment period, should the EBD member opt to receive a portion of the multi-annual variable component in cash.

EDP, as a responsible multinational business group, has a solid culture that ensures the management, monitoring, control and supervision of the risks that the Group, its shareholders, employees, customers and, in general, all its stakeholders face, including those arising from the remuneration systems it adopts. EDP adopts remuneration practices transversal to the Group, consistent and based on common principles, which comply with the regulations applicable in the jurisdictions where it carries out its activity. EDP's remuneration systems, including those of the EBD members, are defined to promote a culture of merit and high performance that ensures that people and teams are recognized, encouraged / rewarded according to the responsibility, availability, loyalty, and competence placed at the service of EDP, ensuring a performance aligned with the long-term interests of the shareholders and the promotion of a sustainable performance of EDP.

The procedures for the departure and replacement of directors were also revised to enhance EDP's capability to attract talent, particularly in situations where directors are replaced during their term. Additionally, adjustments have been made to regulate REMC's powers in cases where directors are departing.

The approved Remuneration Policy of the members of the EBD aims at simplification, transparency, and clarity objectives, favoring a complete understanding of the framework of principles and rules that constitute it, and which will be applied by the REMC.



## Application of the EBD's Remuneration Policy

Also in 2024, the annual and multiannual variable remuneration was calculated based on the Remuneration Policy in force for the 2021–2023 mandate. The annual variable component is linked to financial objectives set forth pursuant to EDP's budget evaluated annually and to non-financial objectives, reflecting on the year subject to evaluation and with consequent repercussions on the following ones, being paid in cash.

The annual variable remuneration is determined after the approval of EDP's accounts at the Annual General Shareholders Meeting each year, by reference to the previous annual performance period. The multiannual variable component is linked to quantitative and qualitative objectives within the EDP business plan, the fulfilment of which were assessed at the end of a period of three years, with payment subject to partial deferral.

The application of these calculation criteria and the consequent disclosure of their results in the Group's Annual Remuneration Report, again this year separate from the other reports, is a measure of transparency for the market about the remuneration of the Executive Board of Directors.



2.3. Corporate Governance and Sustainability Committee

Main highlights

- **Sustainability Leadership** – EDP at the forefront of sustainable transformation
- **People as a vector of success** – the excellence of EDP employees as a driver of the future
- **Strengthening governance structures** – ensuring a sustainable future, where integrity and transparency are the pillars that underpin every decision and action

Sustainability Leadership – EDP at the forefront of sustainable transformation

EDP has demonstrated a continuous commitment to the best ESG (Environmental, Social and Governance) practices, solidifying its leadership position in Sustainability in its strategies.

The members of the General and Supervisory Board, through the Corporate Governance and Sustainability Committee ("CGSC"), have been following the work developed by the EDP Group in this area with a special focus on the analysis and supervision of ESG risks and opportunities, actively contributing, at each meeting, with their *know-how* and experience. In 2024, these topics were once again of great relevance due to the persistent context of uncertainty and volatility, driven by the climate crisis, global geopolitical instability and fluctuations in the energy market.

In the Environmental axis, EDP reached 97% renewable energy production in 2024 and will become a coal-free company in the short term. Significant progress in the decarbonization of the asset portfolio in recent years allows EDP to currently meet sustainable investment criteria. The Commission had the opportunity to continue monitoring the implementation of the Decarbonization Plan, a central element in the Group's strategy. CGSC received periodic reports from the EDP Group's Sustainability team and assessed performance

indicators and alignment with international standards and frameworks, such as the UN Sustainable Development Goals and the Paris Agreement.

The GSB also had the opportunity to monitor through the Committee's work the evolution of EDP's implementation of the processes and procedures necessary for strict compliance with the new reporting obligations, namely those arising from the Corporate Sustainability Reporting Directive ("CSRD"). In fact, notwithstanding that EDP has been a pioneer in sustainability reporting, the new regulatory frameworks demand increased focus from the company. The members of the GSB had the opportunity to participate in internal and external training, given by Auditors specialized in the subject, with the scope of monitoring and contributing, in a proficient way, to the full compliance with these new obligations.

In the Social axis, the Committee evaluated the strengthening of EDP's partnership with local communities, developing and supporting several community projects. This approach aims to improve the quality of life of the communities where the company operates, promoting sustainable socio-economic development. In 2024, EDP invested approximately 35M€ in social impact across all geographies, aligning with its ambition. This investment has been channeled through a clear framework that includes flagship projects globally. The CGSC evaluated the reports of the EDP Group's SICO (Social Impact Coordination Office), providing feedback on them, and examined the results and best practices of the projects and initiatives supported by EDP in the areas of education, health, social inclusion, culture, environment and access to energy. In addition, the Committee was informed of the Group's activities, projects and strategy for each of its Foundations, namely in Portugal, Spain and Brazil.

Throughout the year, CGSC also had the opportunity to analyze the reports of the EDP Group's Procurement team, verifying compliance with best practices, supplier performance, as well as the results of audits, evaluations and certifications. Particular attention was given to the examination of the relationship with Suppliers, to ensure the quality, efficiency and sustainability of the goods and services provided to EDP. Also in this context, the Committee analyzed and provided feedback on the promotion of ethical, social and environmental standards and respect for human rights in the supply chain.

In the Corporate Governance axis, EDP consolidated its leadership position in ESG, being recognized by institutions of international reference. It is noteworthy that S&P Global Sustainable has once again recognized EDP as one of the most sustainable electric utilities in the world, among the 264 electric utilities from different geographies, thanks to its solid



ESG culture. EDP is the Portuguese company that has been part of the global reference index in sustainability for the longest time. In addition, EDP achieved its best result within the scope of the procedure for monitoring compliance with the IPCG Corporate Governance Code, by the 3<sup>rd</sup> consecutive year.

The Committee assessed the 2023 Corporate Governance Report, having extensively analyzed the feedback from investors, ESG evaluators and other stakeholders, following up on the topics and analyzing the points of improvement identified.

The CGSC recognizes EDP's efforts to achieve sustainability objectives and improve its corporate governance practices, in addition to the support of the teams involved.

### People as a vector of success – The excellence of EDP's employees as a driver of the future.

EDP believes that its employees are the foundations that allow it to build a more promising future, where each person can reach their full potential and thus contribute to a better world. EDP is a socially responsible company that incorporates the principles of Diversity & Inclusion into its culture and management. Diversity is considered a strategic factor of competitiveness and excellence, which enables the company to achieve its global objectives.

The Committee had the opportunity to accompany the strengthening of EDP's commitment to gender equality, through the implementation of a comprehensive plan that includes 10 strategic pillars and 38 measures. The plan aims to address the gender gap in all areas of the company, promoting an inclusive and equitable work environment. The Committee found a variation of around 6% in the number of employees since 2020, with a significant increase in diversity, including more markets, nationalities and greater representation of women and millennials and Gen Z in leadership positions.

The Committee also had the opportunity to analyze the company's significant investments in the well-being of employees, recognizing it as a determining factor for the performance of the organization, the teams and each employee.

The GSB, through the Corporate Governance and Sustainability Committee, met with the *People & Organizational Development team – Corporate Global Unit (P&OD)*, to learn about

the results of the "2023 Climate Study", which reflect the commitment and satisfaction of employees. This analysis found that, during 2023, EDP continued to evolve as a global and diverse organization, with 85% of employees feeling proud to work for the company.

Overall, the Committee had the opportunity to give feedback on the global strategy for people and organization, which aims to enhance the talent, development and retention of employees, who are recognized as the strategic vector of EDP's future.

EDP also seeks to be a future-proof company, looking at development in a holistic way, which allows it to define a flexible path adapted to personal and business needs. The CGSC provided feedback and recommendations to the EDP Group's P&OD and encouraged the continuous improvement and innovation of people management and development strategies and processes.

Finally, it is important to note that the safety and protection of employees and service providers are extremely important to the company. Indeed, it is important to stress that this is a priority for both the General and Supervisory Board and the Executive Board of Directors. Both bodies share the concern with the need to improve the indicators of incidents that have been recorded, reinforcing our commitment to the safety of all those involved in EDP's operations. The CGSC monitored the *PlayitSafe Program*, which is a global program that aims to improve the safety culture and performance of EDP and its employees, suppliers and partners, as well as to prevent and reduce accidents and incidents in the workplace.

EDP has promoted a flexible approach to employee learning and development, offering on-demand content and mobility and talent programs. It has also established a new operating model to streamline processes and improve efficiency. The Committee had the opportunity to monitor the implementation of the priorities for 2024, namely: the implementation of processes aligned with the new organizational reality, leadership development and the review of the people strategy for 2025–2030.

EDP continues to evolve and adapt to global needs, promoting an inclusive, efficient and safe work environment, while preparing for future challenges.



## Strengthening Corporate Governance structures – ensuring a sustainable future, where integrity and transparency are the pillars that underpin every decision and action

The strengthening of Corporate Governance structures is a central theme in discussions on improving the effectiveness, efficiency and transparency of organizations. In order to continue to lead in the implementation of best practices and face current challenges, EDP has strengthened its Corporate Governance policies.

In 2024, the CGSC had the opportunity to analyze the implementation at EDP of a deep organizational restructuring, of a matrix nature, characterized by a double reporting system composed of: (i.) Platforms and Regions, (ii.) Business Enablement Functions ("BEF") and (iii.) Global Business Services ("GBS"). Thus, the Platforms ensure an integrated positioning with transversal capabilities in all regions, managing the main business operations that should not be replicated in the regions and ensuring the production of results (P&L delivery). The Regions, on the other hand, function as a single face for the market, ensuring business development, project execution, and the delivery of generation capacity and results (P&L). BEF ensures global functional leadership and manages its end-to-end activities, aligning objectives, programs and initiatives and promoting global excellence across the functions. Finally, GBS provides adjusted professional/transactional services, through automation and data analysis, favoring growth and transformation throughout EDP.

Also, in the area of Ethics, significant changes were made with regard to Corporate Governance. Mrs. Manuela Silva, EDP Group's Ethics Ombudsperson for five years, retired in April 2024, leaving an important legacy in strengthening the ethical culture at EDP. In fact, CGSC had the opportunity to monitor the union of the Ethics and Compliance areas under a new global management. Consequently, the responsibility for promoting Ethics fell on a new global Ethics & Compliance team, with the aim of enhancing synergies and complementarities between both areas. The Ethics Committee, led by the Chair of the General and Supervisory Board, continued to ensure independence and oversee the implementation of business ethical principles in the Group.

The changes described reflect the organization's commitment to strengthening its governance structures, promoting an environment of transparency, accountability, and innovation. The new organizational model and the changes in the Ethics Committee are

important steps to ensure that EDP will be well positioned to face future challenges and reach its full potential.

The CGSC commends the excellent work in this area, noting that EDP has been recognized as one of the world's most ethical companies for 13 years by the Ethisphere Institute.



## 2.4. USA Business Affairs Monitoring Committee

### Main highlights

- **Recovery of installed capacity** – addition of 1.9 GW of new renewable capacity in the US, marking a new record and demonstrating EDPR NA's great effort and efficiency in a context of global challenges
- **Policy and Regulation** – adaptation of the company to new policies and regulations, in a context of changes driven by the Inflation Reduction Act (IRA), commercial policies and presidential elections in the USA
- **Offshore wind** – focus on operational efficiency, cost control and exposure management of ongoing projects in a context of political and market challenges in the US and changes in the regulatory landscape and government support

The United States of America Business Affairs Monitoring Committee (USA BAMC) is a Specialized Committee of the General and Supervisory Board, with delegated powers, resolved by the GSB as a result of the compliance mechanisms adopted within the scope of the EDP Group's activity in the United States of America. Its mission is to monitor and autonomously issue resolutions concerning the activity carried out by the companies wholly or majority owned and/or held by the EDP Group in the United States of America.

### Capacity recovery – EDPR NA reaches a new level in 2024

EDP Renewables North America (EDPR NA) continues to play a central role in EDP's global strategy, consolidating itself as one of the Group's main growth engines. The relevance of the United States to EDP's objectives is undeniable, with North America representing 40% of the total investment of 25 billion euros foreseen in the Business Plan for the period 2023–2026.

Nevertheless, the last few years have been marked by significant challenges that have impacted the ability to deliver projects. The COVID-19 pandemic, the war in Ukraine, and global geopolitical tensions have caused disruptions in supply chains, resulting in material

shortages and increased costs. In addition, regulatory and trade constraints, such as anti-circumvention tariffs and the implementation of the Uyghur Forced Labor Prevention Act, have made it difficult to access essential components such as solar panels, leading to delays in the commercial commissioning of several farms and further increasing pressure on the objectives outlined for EDPR NA.

2024, however, emerged as a year of recovery and overcoming challenges. EDPR NA achieved historic milestones, with the addition of 1.9 GW of new renewable capacity in North America, contributing to the EDP Group's global record of 3.8 GW of renewable capacity added in the year. This year, EDP doubled its solar capacity, with two-thirds of that growth concentrated in the US. In addition, EDPR NA made significant progress in the storage segment, with the addition of 0.2 GW of battery capacity, accompanying the sharp growth of this market in the USA. This exceptional performance was possible thanks to efficient operational management and a strategy focused on overcoming existing logistical and regulatory challenges.

During the year, in line with the Executive Board of Directors in the concern about the potential impact of these challenges on the development of EDP's growth plan on this geographical platform, the United States of America Business Affairs Monitoring Committee kept a close watch on EDP's operational activity in North America.

In 2024, the Committee held a meeting dedicated to the analysis of the supply chain management strategy of the EDP Group's projects in the US, where the challenges that EDPR NA faces in terms of procurement and the response strategy to mitigate risks and optimize the execution phase of the projects were analyzed. Aspects such as the equipment acquisition strategy, the current status of deliveries of photovoltaic modules, wind generators and battery energy storage systems (BESS) were examined, as well as the diversification of the supplier base and the design and implementation of plans to mitigate possible impacts.

Operational efficiency was also a topic thoroughly discussed at the beginning of the year in a meeting where the Committee monitored the progress of operational efficiency management at EDPR NA, analyzing the operational reorganization process for the management and operation of wind and solar assets, the priorities and focus areas for 2024, the key factors that could challenge operational efficiency performance throughout the year, and the future scope of action resulting from the growth objectives until 2026.



With a particular focus on the potential impacts that logistical constraints have on the company's operations, especially regarding delays in the commercial start-up of the parks and the increase in costs, which puts pressure on the budget execution of Capex and Opex and on the profitability of operations, the Committee has closely monitored the execution of the Business Plan, the reflection process on the new strategic plan, the analysis of business risk management in the USA, the evaluation of investments in this geography and the analysis of the budget of EDP Renewables North America for 2025. The Committee ensured that all these factors were carefully monitored to mitigate negative impacts and ensure the continued growth of EDPR NA.

The Committee recognizes that operational success depends not only on well-defined strategies, but also on the ability to attract, retain and develop talent in order to have an adequate, motivated, and efficient team implementing them. In this context, it is important to highlight the visit made by the Committee to EDPR NA's facilities in Houston during the new mandate. The direct interaction with the technical and management teams allowed the Committee to gain a deeper insight into local operations, reinforcing confidence in the team's ability to address operational challenges and ensure project delivery.

In summary, 2024 was a year of recovery and growth for EDPR NA, marked by installed capacity records and significant advances in technologies such as energy storage. This performance reinforces EDP's position as a global leader in the renewables sector and demonstrates the organization's resilience and ability to adapt to complex challenges.

## Policy and Regulation – Operating in a dynamic and challenging environment

The political and regulatory landscape of the United States plays a crucial role in the development of EDPR NA's business, directly influencing the company's investment decisions, execution of the Business Plan and growth strategy. Recognizing the importance of this topic, the Committee has paid special attention to the evolution and implementation of public and regulatory policies, with the concern that EDPR NA is always aligned with best practices and prepared to respond to market challenges and opportunities.

The Inflation Reduction Act (IRA) remained one of the most impactful regulatory milestones of 2024, cementing itself as a vital boost for the renewable energy sector in the USA. The IRA has offered stability and visibility to investments, as well as facilitating the financing of clean energy projects. However, other trade policy proposals, such as the extension of

retroactive anti-circumvention tariffs, restrictions on the import of solar panels, and the implementation of the Uyghur Forced Labor Prevention Act, which required stricter documentation in the supply chain, added complexity to the sourcing process, creating obstacles to project development.

Given the diversity and dynamism of political and regulatory developments over the past year, especially in an election year marked by the November 2024 presidential election, the United States of America Business Affairs Monitoring Committee considered it essential to hold an exclusive meeting to delve into the main regulatory and commercial policy topics relevant to EDPR NA's business in the USA and other geographies where the Company is present. At the meeting, the current situation and expectations for the evolution of the main policies were analyzed, considering their potential impacts on the business, and the corresponding actions to be taken were discussed. Among the topics analyzed are the implementation of the IRA, international trade and tariff policies, such as the anti-dumping/countervailing duties process and Section 201 tariffs, licensing reform bills presented in the United States Congress, the possible impacts of the potential results of the November 2024 elections in the US and the evolution of the process of amending the Electricity Market Law in Mexico.

The Committee recognizes that the success of projects depends not only on technical and financial factors, nor on policies at the federal and state levels, but also on local politics, the support and acceptance of local communities, and the ability to establish constructive partnerships with them. The constant attention of the Executive Board of Directors to the relationship with local communities was carefully monitored by the Committee, especially in the meetings dedicated to the analysis of the sustainability strategy and stakeholder management. The Committee reviewed initiatives aimed at strengthening engagement and cooperation with communities, ensuring mutual benefits. This approach underlines the company's ongoing commitment to establishing constructive and sustainable partnerships, ensuring transparent communication, building strong relationships, and ensuring that EDP NA's projects have a positive impact on local communities.

For the company to always be prepared to face challenges and seize opportunities, it is crucial that the policy and regulation aspect is present in the risk analysis activity, adopting a proactive and adaptable approach.

To this end, in 2024, the Committee held a meeting dedicated to monitoring risk management at EDPR NA, where topics such as the risks of energy markets in the US, the impacts



of regulatory risks on supply costs, external and internal competition, and relations with suppliers and counterparties were analyzed.

The Committee also paid special attention to the most relevant political and regulatory developments in 2024, both in investment decisions, with a focus on solar, wind and battery farms, as well as in the monitoring of the execution of the Business Plan, in the evaluation of EDPR NA's budget for 2025 and in the process of reflection and preparation of the new Strategic Plan.

President Trump's victory in the November 2024 presidential election indicates a shift in the USA political landscape, particularly in energy policy. During the electoral process, President Trump adopted a markedly critical position in relation to energy transition policies, advocating a greater emphasis on the development of traditional energy sources, such as coal and oil, betting on the diversification of the energy matrix and the maintenance of established energy sectors. He also questioned the benefits of the Inflation Reduction Act and expressed the intention to review policies to support clean energy, suggesting a possible reduction or reorientation of tax and regulatory incentives that have been a key pillar for the growth of renewables in recent years.

Faced with this possible change in the political and energy landscape, the Committee took a proactive approach throughout the year, closely monitoring the electoral process and analyzing the potential implications of different electoral scenarios. In addition, it also closely followed the work carried out by the Executive Board of Directors (EBD) and EDPR NA in the preparation of action plans to ensure that the company was properly prepared to face any change in the regulatory environment.

## Offshore Wind – Resilience in a changing landscape

The outcome of the 2024 USA presidential election has brought an additional impact to the offshore wind energy sector. The new president has had a publicly announced position of opposition to this technology, including proposals that introduce limitations on the development of offshore projects in the USA. This scenario has generated uncertainty in the market, with investors and developers adopting a more cautious stance on the future of offshore wind in the US.

Despite this challenging context, EDPR maintains a strategic position in the USA offshore wind sector through its joint venture with ENGIE, Ocean Winds (OW). OW has a robust portfolio of projects under development, including South Coast Wind, which is expected to

enter commercial operation from 2030. The company has demonstrated resilience in the face of supply chain challenges and political risks, maintaining a focus on the quality, execution, and delivery of projects. The evolution of turbine technology and the trend of stabilization or reduction of capital costs and Capex have been positive factors, allowing OW to continue to move forward with its expansion plans, even in an environment of uncertainty.

In 2024, the United States of America Business Affairs Monitoring Committee devoted special attention to offshore wind activity in the USA, holding two specific meetings where it analyzed the status of ongoing projects, the challenges of the sector and the potential impacts of the policies announced by the new USA administration. In these meetings, the progress of OW's projects, the risks associated with policy changes and strategies to mitigate the company's exposure to possible negative impacts were discussed.

The Committee recognizes that, in a changing political landscape, it is crucial to maintain an active vigilance on public and regulatory policies affecting the renewables sector, and in particular offshore wind. The Committee will continue to play a crucial role in monitoring this issue, ensuring that EDP is prepared to face the challenges and seize the opportunities that arise in the North American market. This approach is essential to ensure business resilience and continued investments in a sector that, despite uncertainties, continues to offer significant potential for renewable energy growth.

The Committee stresses the importance of close collaboration with the Executive Board, ensuring that the company maintains an adaptive and innovative stance. Given the prospects for transformation in the USA energy sector and the ambition of the new Business Plan, the Committee highlights the importance of maintaining active monitoring of public policies in 2025, especially in a year of clarification and implementation of the energy policy measures of the new presidency and in an environment that is expected to continue to be marked by some geopolitical turbulence.



### 3. Formal aspects of the functioning of the General and Supervisory Board

This section focuses on the formal aspects of the GSB members' actions, given their relevance to the best governance practices.

Firstly, it should be noted that this Board not only carried out its activity in strict compliance with the law, the EDP Articles of Association, the resolutions of the General Meeting and its Internal Regulations, but also complied with recommendations on corporate governance, namely those contained in the IPCG's Corporate Governance Code.

The Chair of the General and Supervisory Board and the Chair of the Executive Board of Directors work together on a weekly basis, with the GSB receiving all relevant information for the exercise of its functions, developing a proactive relationship of transparency and trust between the two Boards. In fact, the GSB followed up, monitored and gave several opinions on the most important issues dealt with by the EBD, closely monitoring its performance through 10 plenary meetings and 32 meetings of its Committees.

The General and Supervisory Board has an annual budget to manage its costs, which include the remuneration of its members and its support office, travel, accommodation, and consulting services. During 2024, this Body managed its costs efficiently in a scenario of full reestablishment of in-person activities after the pandemic, with the normalization of travel, accommodation and complementary services normally used by the Board members to physically participate in plenary meetings and the respective Specialized Committees. This year, in addition to the meetings that took place at EDP's headquarters in Lisbon, the members met in Oporto and Houston, USA, with the aim of bringing together and making known to this body the places where the Group does business. Thus, the total costs of the General and Supervisory Board were EUR 4.9 million, a deviation of 12% from the budget. In terms of structure, staff costs relating to members and support office staff represent around 80% of the total expenditure of this body, with the remainder attributed to external supplies and services.

Additionally, all relevant transactions between EDP and Related Parties were analyzed by the Financial Matters Committee and there were no relevant transactions to report under the terms of the Corporate Governance Code regarding this matter.

Finally, in accordance with the internal GSB regulations and the external commitments of EDP Group, the GSB maintained the information barriers established in the past year to address circumstances in which conflict of interest could affect its members. The General and Supervisory Board did not register any conflicts between the duties of its members towards EDP and their other responsibilities outside EDP and verified that its independent members are, indeed, independent.



# PART II



Solar DG

Mohave Desert | USA



## PART II



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Hybrid Technology

Monte de Vez Hybrid Park | Portugal



# 1. General and Supervisory Board

## 1.1. Annual Activity Report

### Main highlights

- **Meetings and participants** – the GSB met 10 times throughout the year, with an average total attendance of 100%
- **Activities carried out** – the meetings held in plenary were organized around the following structural themes: (a) Transversal knowledge of the Group's business; b) Approval of quarterly and annual accounts; (c) Update of the Business Plan; (d) Approval of the Budget for 2025; (e) Monitoring of the Group's investments and divestments; (f) Deep-dive in strategic topics
- **Self-assessment of the activity carried out by the Board and its Members** – the members once again carried out a self-assessment exercise, through interviews conducted by an external entity, Mercer, whose results were certified by this entity and are included in item 5 of the Annex 1 of the 2024 General and Supervisory Board's Annual Report

### Responsibilities and Duties

The EDP General and Supervisory Board is the body that permanently monitors and supervises the activity of the company's management, liaising with the Executive Board of Directors and the other corporate bodies in pursuit of the company's interests, under the terms of the Portuguese Companies Code and the Articles of Association, and is elected by the shareholders at the General Meeting.

Without prejudice to maintaining responsibility for the exercise of its powers as a corporate body, under the terms of the law and the Articles of Association, and as explained above, the General and Supervisory Board creates Specialized Committees composed of some of its members, delegating the exercise of certain specific functions to these Committees.

For more details on the functioning, competences and responsibilities of this Body, please consult its Internal Regulations, the latest version of which, approved on 19 December 2024, can be consulted [here](#) on EDP's official website.



Meetings and Participants

The year 2024 was a year involving the election of new corporate bodies for a new term. Up to 10 April the GSB had the following composition and participation:

		25-01	29-02	%
NAME				
CHAIR	JOÃO TALONE <sup>1</sup>	P	P	100%
	Dingming Zhang <sup>2</sup>	R	R	100%
	Esmeralda Dourado <sup>1</sup>	R	P	100%
	Felipe Fernández Fernández <sup>2</sup>	P	R	100%
	Fernando Masaveu <sup>2</sup>	R	R	100%
	Hui Zhang <sup>2</sup>	P	P	100%
	Ignacio Herrero <sup>2</sup>	P	P	100%
	João Carvalho das Neves <sup>1</sup>	P	P	100%
	Laurie Fitch <sup>1</sup>	P	P	100%
	Luís Palha da Silva <sup>1</sup>	P	P	100%
	María del Carmen Rozado <sup>1</sup>	P	P	100%
	Miguel Pereira Leite <sup>2</sup>	P	P	100%
	Sandrine Dixson-Declève <sup>1</sup>	P	P	100%
	Shengliang Wu <sup>2</sup>	P	P	100%
	Sofia Salgado Pinto <sup>1</sup>	P	P	100%
	Zili Shao <sup>1</sup>	P	P	100%

1= Independent; 2 = Not independent; P = Present; A = Absent; R = Represented  
Average Participation: 100% (includes present and represented) The average total participation in 2024 is 100%, with some members participating remotely.

On 10 April the GSB had a new composition and met 8 times during 2024:

		10-04	09-05	08-07	30-07	03-10	07-11	28-11	19-12	%
NAME										
CHAIR	ANTÓNIO LOBO XAVIER <sup>1</sup>	P	P	P	P	P	P	P	P	100%
	Alicia Reyes Revuelta <sup>1</sup>	P	P	P	R	P	P	P	P	100%
	Fernando Masaveu <sup>2</sup>	P	P	P	P	P	P	P	P	100%
	Gonçalo Moura Martins <sup>1</sup>	P	P	P	P	P	P	P	P	100%
	Hui Zhang <sup>2</sup>	P	P	P	P	P	R	R	P	100%
	Ignacio Herrero <sup>2</sup>	P	P	P	P	P	P	P	P	100%
	Lisa Frantzis <sup>1</sup>	P	P	P	P	P	P	P	P	100%
	Maria José Garcia Beato <sup>1</sup>	P	P	P	P	P	P	P	P	100%
	Miguel Pereira Leite <sup>2</sup>	P	P	P	P	P	P	P	P	100%
	Qin Guobin <sup>2</sup>	P	P	P	P	P	P	P	P	100%
	Sandra Maria Santos <sup>1</sup>	P	P	R	P	P	P	P	P	100%
	Sofia Salgado Pinto <sup>1</sup>	P	R	P	P	P	P	P	P	100%
	Stephen Vaughan <sup>1</sup>	P	P	P	P	P	P	P	P	100%
	Shengliang Wu <sup>2</sup>	P	P	R	P	R	P	R	P	100%
	Victor Roza Fresno <sup>2</sup>	P	P	P	P	P	P	P	P	100%
	Zili Shao <sup>1</sup>	P	P	P	P	P	P	P	P	100%

1= Independent; 2= Non independent; (\*) = New Member; P = Present; A = Absent; R = Represented  
Average Participation: 100% (includes present and represented)

The average total participation in 2024 is 100%, with some members participating remotely.



Activities Carried Out

Main highlights

- **Transversal knowledge of the Group’s business** – monitoring EDP’s global business
- **Quarterly and annual accounts** – assessment and approval of EDP Group’s quarterly and annual accounts
- **Update of the Business Plan**– coordination with the Executive Board of Directors in updating the Business Plan and beginning to structure the vision for the 2030 horizon
- **Budget for 2025** – assessment and approval of EDP Group’s Budget for 2025
- **Investments and divestments of the Group** – approval and monitoring of EDP Group’s main investments and divestments
- **Deep dive in strategic topics** – monitoring of strategic topics like supply chain management, innovation and energy management

The General and Supervisory Board (GSB) began 2024 with a review of the execution of EDP’s Business Plan in the years 2021 to 2023. The GSB was actively engaged with the Executive Board of Directors (EBD) in steering the company through significant challenges and opportunities over the past three years. The beginning of the mandate was influenced by pandemic restrictions. Despite these challenges, the two Boards successfully navigated the company through the pandemic, and the GSB held a first important offsite meeting in Oviedo. The GSB oversaw the EBD's efforts of implementing the Business Plan, which emphasized the urgent need for energy transition, doubling growth in renewable energies, and maintaining a strong balance sheet. Key achievements included capital increases at EDP and EDP Renováveis level and strategic acquisitions such as Sunseap and Kronos, which expanded EDP's global presence and diversified its renewable energy portfolio.

During the 2021–2023 period, EDP faced a challenging market environment characterized by the Covid-19 pandemic, supply chain disruptions, rising inflation, and geopolitical conflicts. Despite these hurdles, the company accelerated its renewable energy additions, invested significant CAPEX, and secured a substantial portion of its planned capacity additions for the 2023–2026 Business Plan. The GSB also focused its activity on strategic acquisitions, the successful integration of Viesgo, and the issuance of green bonds to strengthen the company's financial position. EDP's commitment to excellence in ESG was demonstrated by phasing out coal and being recognized as a leader in sustainability. The company's efforts resulted in resilient share price performance during the 2021 to 2023 period and a strong global reputation, positioning EDP as a leading company in the energy transition.

In the first quarter of 2024, the GSB approved the 2023 Annual Accounts. They are the result of a reinforcement of the company's commitment to the energy transition, allocating 96% of total investment to renewable energy projects, and developing electricity networks in Portugal, Spain, and Brazil. Key highlights include a significant increase in recurrent EBITDA by 11% to €5 billion, driven by the normalization of hydro production and electricity and gas supply costs. Despite challenges such as below-average wind resources and delays in installing additional capacity, EDP achieved a 48% increase in recurring net profit to close to €1.3 billion, supported by gains from renewable asset rotation and the recovery of hydroelectric production in Portugal.

The 2023 Annual Accounts also reflect the strategic management actions pursued in 2023, including the sale of 80% of the Pecém coal plant in Brazil and the request for authorization to close coal-fired power stations in Spain. EDP's net investment fell by €600 million to €4.1 billion, with an increase in net debt to €15.3 billion due to accelerated investment in renewables and electricity grids. The GSB highlighted the importance of diversification, enabling EDP to deliver positive results despite sector constraints.

The 2021–2023 mandate of the ended at the General Shareholders Meeting (GSM) held on April 10, 2024. In the final meeting of that mandate, Chair João Talone expressed gratitude to all members for their participation and adaptability over the three previous years. He emphasized the constructive challenges posed by the GSB members and thanked them for their cooperation. Several members, expressed their appreciation for the Chair’s leadership and support, acknowledging his exemplary behavior and the positive impact he had on the Board's functioning. The GSB approved vote of appreciation and praise for João Talone, seconded by all those present.



At the GSM of April 10, 2024, a new composition of the GSB was elected for the 2024–2026 mandate. The new Chair, António Lobo Xavier, began the first meeting of the mandate by thanking the shareholders for their trust and emphasizing his commitment to defending EDP and balancing various interests. The Chair provided his views on the mechanisms he considered appropriate for the Board's functioning, highlighting the importance of healthy debates for building a solid and thoughtful consensus. The new Board emphasized that the GSB is responsible for cooperating with the EBD in supervising and assessing the company's risks in the spirit of utmost collaboration.

In mid-year, EDP presented market update with its strategic priorities and actions in response to significant market changes expected for 2025–2026. The GSB cooperated with the EBD in the process, always highlighting the need to recalibrate growth plans due to falling energy prices and high interest rates. With this update, EDP aims to prioritize balance sheet strength and dividend sustainability, updating its market guidance with a focus on value creation and efficiency. Key actions include reducing OPEX, optimizing revenue and cost structures, and prioritizing high-return CAPEX. This exercise was also aligned with the market's expectation for EDP to present this update to build further confidence among stakeholders. In the second half of the year, the GSB also focused its attention on EDP's activities in innovation and development, specifically regarding the energy transition, hydrogen, and battery energy storage systems. The discussions held at the Board highlighted the increased uncertainty in the energy sector due to paradigm shifts, emphasizing the need for renewables, electrification, and efficiency to accelerate the energy transition. Various low-carbon solutions are emerging, but most are still in early stages. Grids are a major bottleneck, with advanced grid solutions needed to simplify implementation and enhance system automation.

A global vision for hydrogen was also discussed, noting the expected growth by 2030 and the challenges in market development due to slow public policy implementation and unclear regulations. Regarding energy storage and its importance in the future energy system, the discussions were held around EDP's efforts to develop internal capabilities and the potential for growth in the storage sector. The GSB agreed that these insights into the future should be continuously discussed at Board level, given the complexity of the underlying business models. A central and continuous focus of the GSB is the analysis of EDP's investments. An in-depth analysis covering projects commissioned since 2020 was made, reviewing their implementation progress, actual performance up to 2023, and future projections from 2023 impairment tests. Generically, the profitability of approved projects

increased, with deviations in CAPEX and performance influenced by the Covid-19 pandemic. Some projects faced challenges mainly due to public licensing.

The investment analysis also highlighted the importance of understanding the profitability of projects integrated into asset rotation processes, the circumstances associated with various investment decisions, and the diversification of the portfolio according to the risk of the geographies in which EDP invests. The analysis emphasized the need to accelerate value creation and reinvestment.

Still regarding major investments, at the end of the year, the GSB discussed the EBD's proposal to exit the Colombian market. This triggered a sizeable impairment related to a large wind project that had been developed there. The GSB approved the exit from this market but stressed the need to improve the control of such projects within EDP so that negative impacts on the company are mitigated at a much earlier stage.

EDP's supply chain management strategies and challenges were also addressed by the GSB, particularly in relation to solar photovoltaic equipment, wind turbines, and battery energy storage systems. The main developments in EDP Group's procurement activity were analyzed, noting the evolution toward framework purchasing agreements for solar photovoltaic equipment. This transition has improved transaction speed, project flexibility, and maintained competitive prices while ensuring high ESG standards. For wind turbines, procurement for the next projects continues to be successfully secured. The battery energy storage system market is driven by a more heterogeneous supplier base, with new opportunities emerging in many regions where EDP operates. The analysis of the supply chain also emphasized the impact of ESG regulations on EDP's supply chain management.

Given that energy management remains a core activity for EDP, the GSB asked for a presentation of the Global Energy Management (GEM) platform, where its role as an interface between Business Units and the markets was highlighted. GEM manages EDP's wholesale merchant exposure and optimizes risk-return profiles. GEM's operations vary by geography and involve managing electricity, fuels, and other trading products across markets. Current priorities include integrating North American activities, developing new businesses, digitalizing operations, enhancing performance and risk management, improving efficiency, ensuring compliance and preparing the organization for the future.

In December, as is the rule at EDP, GSB analyzed and approved EDP Group's Budget for 2025. Based on a consolidated view of the assumptions for the Budget and analyzing the



proposals for action in 2025, the General and Supervisory Board considered that the Budget was aligned with the Group's strategy reflected in its Business Plan.

As a continuous process, throughout the year, topics like risk and regulatory management were analyzed by the GSB in close collaboration with the EBD.

**Self-assessment of the Activity carried out by the Committee and its Members**

As part of its regulatory obligations, the General and Supervisory Board must carry out an annual self-assessment of its activity. In this sense, through interviews conducted by an external entity, Mercer, GSB members once again carried out a self-assessment exercise, the results of which were certified by this entity. The self-assessment is based on two essential objectives: (i) provide each GSB member and the GSB as a whole with a space to reflect on their performance, namely regarding the way they have addressed the topics that comprise its Annual Plan of Activities, as well as the functions they are responsible for performing, and (ii) allow the GSB to adopt measures to improve its procedures and means of action, with a view to making it more efficient in the future.

The results of this collective assessment process are included in item 5 of Annex 1 of the Annual Report of the General and Supervisory Board.

**Lisbon, 26 February 2025**

**The General and Supervisory Board:**

António Lobo Xavier (Chair)	Miguel Pereira Leite
Alicia Reyes Revuelta	Qin Guobin
Fernando Masaveu	Sandra Maria Santos
Gonçalo Moura Martins	Sofia Salgado Pinto
Hui Zhang	Stephen Vaughan
Ignacio Herrero	Shengliang Wu
Lisa Frantzis	Victor Roza Fresno
Maria José Garcia Beato	Zili Shao



## 1.2. Opinion on the Annual Report & Accounts

**Taking into consideration:**

- a. The legal and regulatory obligations concerning the elaboration, assessment and publication of 2024 EDP’s Integrated Annual Report, notably resulting from the Companies Code, the Portuguese Securities Code, the CMVM Regulation no. 1/2023 and Regulation (EC) no. 1606/2002 of the European Parliament and of the Council, of 19 July;
- b. The activity developed by the General and Supervisory Board (GSB) and its Specialized Committees during 2024 as recorded in the Annual Report in terms of monitoring, supervision and advise of the management of the Company and its subsidiaries;
- c. The documentation made available by the Executive Board of Directors (EBD) on the EDP’s 2024 Annual Report (enclosed):
  - i. “2024 Results Presentation”;
  - ii. “Financial Statements – December 2024”;
  - iii. “EDP Monthly Flash KPI – December 2024”;
  - iv. EDP’s 2024 Integrated Annual Report.
- d. The information presented by the Financial Matters Committee (FMC) related to operations reported by the EBD within the scope of “Transactions with Related Parties Policy”, regarding 2024 (which copies are herewith attached);
- e. The Legal Certification Accounts and the Audit Report made available by the Statutory Auditor on the 2024 consolidated financial information (in attachment);
- f. The FMC report and opinion on EDP’s 2024 Integrated Annual Report (in attachment);
- g. The detailed presentation on the EDP’s 2024 Integrated Annual Report, highlighting the main financial indicators of EDP and EDP Group as follow:

INDICATORS (€M)	EDP SA	EDP GROUP
Group Profit	297.5	6,873.5
Operating Costs	-294.5	-1,949.5
Other Income/(Expenses)	21.0	-88.0
Joint Ventures & Associates	0.0	-34.9
EBITDA	24.0	4,801.1
EBIT	-17.8	2,262.0
Financial Results	796.7	-882.5
Net Profit*	817.4	801.0
Net Profit – Recurring*	817.4	1,393.3
Net Investments (€ B)	0.050	3.833
Net Debt (€ B)	4.8	15.6

\*NP attributable to equity holders of EDP



In the February 26, 2025, meeting, the GSB:

**Has registered:**

- a. The presentation made by the EBD on EDP's 2024 Integrated Annual Report;
- b. The Legal Certification Accounts and the Audit Report conclusions, based on work performed, stating that:
  - i. The consolidated and the individual financial statements present fairly, in all material aspects, the financial position of EDP, as of the 31st of December 2024 and its financial performance and cash flows, regarding the year ended on that date, in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union.
  - ii. The management report was prepared in accordance with the applicable legal and regulatory requirements in force, the information of the same is consistent with the audited financial statements and, considering the knowledge and appreciation of the Group, no material inaccuracies were identified.
  - iii. The corporate governance report includes the elements demanded under article 29-H of the Portuguese Securities Code (CVM), and it were not identified material inaccuracies on the information disclosed in it, complying with the contents of paragraph c), d), f), h), i) and l) of the said article.
- c. The conclusions of PricewaterhouseCoopers & Associados – Sociedade de Revisores Oficiais de Contas, Lda. (PwC) Independent Report on the Evaluation of the Financial Information Report Control System of EDP Group, stating that the Group maintained, in all relevant aspects, a system of internal control over the financial report appropriate and efficient with reference to 31<sup>st</sup> December 2024, in accordance with the criteria set out by the rule framework of internal control issued by Committee of Sponsoring Organizations of the Treadway Commission (COSO 2013) regarding the business processes and global controls and by Control Objectives for Information and Related Technologies (COBIT) referent to general control of information technologies.
- d. The Independent Assurance Report issued by PwC conducted in accordance with the International Standard on Assurance Engagements Other than Audits or Reviews of Historical Financial Information (ISAE) 3000 (Revised), issued by the International Auditing and Assurance Standards Board of International Federation of Accountants and in accordance with other standards and technical guidelines of the Association of External Auditors (OROC – Ordem dos Revisores Oficiais de Contas).

- e. The Independent Assurance Report, issued by PwC, on the Consolidated Sustainability Report produced in accordance with the European Sustainability Reporting Standards ("ESRS"), as defined in the Delegated Regulation (EU) 2023/2772 of the European Commission of July 31, 2023 and Article 8 of Regulation (EU) 2020/852 of the European Parliament and of the Council of June 18, 2020 ("EU Taxonomy") for the exercise ended 31<sup>st</sup> December, 2024.
- f. The FMC's opinion on the Accounts, which states that the FMC appreciates favorably the Management Report and the individual and consolidated IFRS accounts and Sustainability Information of Group EDP for the exercise ended 31<sup>st</sup> December 2024.

**Has resolved:**

- a. To issue a favorable opinion and to express its agreement in relation to the EDP's Integrated Annual Report 2024.
- b. To declare, under terms of article 29-G, no. 1, section c) of the Portuguese Securities Code (CVM), that to its best knowledge the information referred to 31<sup>st</sup> December 2024 and foreseen in article 29-G, no.1 section a) of such code (annual report and accounts, legal certification of the accounts and all other financial documents) has been prepared in accordance with the applicable accounting rules, giving a true and appropriate image of assets and liabilities, financial situation and financial results of EDP and of companies in control or group relationship with EDP, and that the 2024 annual report presents fairly the business evolution, the position and the performance of EDP and of companies in control or group relationship with EDP, and describes the main risks and uncertainties faced.
- c. To confirm that the report on EDP corporate governance includes the elements required by article 29-H of the CVM and CMVM Regulation No. 4/2013.
- d. To declare that given the information provided by the EBD in the course of 2024 there were no:
  - i. Transactions between related parties that have affected significantly EDP's financial situation or performance.
  - ii. Transactions between EDP and related parties that must be communicated in the management report, due to its material relevance or because they were concluded outside normal market conditions.



- iii. Evidence that all the potential conflicts of interest derived from operations identified by the EBD, have been resolved in ways contrary to the company's interests.
- e. To express its agreement to the FMC's opinion on the Statutory Auditor performance and independence, according to which the FMC has assessed positively the work done by PwC, considering that it has carried out its professional duties with quality, competence, accuracy, impartiality and with a degree of reasonable independence.
- f. To recommend to the EDP Annual General Shareholders' Meeting the approval of the 2024 individual and consolidated accounts, as well as the EBD' proposal for results allocation.



**António Lobo Xavier**

The Chair of the General and Supervisory Board

Lisbon, February 26, 2025



1.3. Statement on the Annual Report & Accounts



STATEMENT

Pursuant article 29-G, (1), paragraph c) of the Portuguese Securities Code (CVM), to the best knowledge of each of the signatories, as Members of the General and Supervisory Board of EDP, S.A. (EDP), the information referred in article 29-G (1), paragraph a) of CVM (annual management report, annual accounts, legal certification of the accounts and remaining account documents), regarding 2024 exercise, has been prepared in accordance with the accounting standards applicable, gives a true and fair view of the assets and liabilities, financial position and results of EDP and subsidiaries included in the consolidation perimeter, and that the 2024 annual management report faithfully states the trend of the business, the performance and position of EDP and subsidiaries included in the consolidation perimeter, and contains a description of the principal risks and uncertainties faced.

Lisbon, 26 February 2025


  
António Bernardo Aranha da Gama Lobo Xavier -  
Chairman

  
Hui Zhang (as representative of China Three Gorges  
Brasil Energia S.A.)

  
Helena Sofia Silva Borges Salgado Fonseca  
Cerveira Pinto


  
Maria José Garcia Beato

  
Shengliang Wu (as representative of China Three  
Gorges Corporation)

  
Miguel Espregueira Mendes Pereira Leite (as  
representative of China Three Gorges (Portugal),  
Sociedade Unipessoal, Lda.)

  
Zili Stephen Shao

  
Sandra Maria Soares Santos

  
Guobin Qin (as representative of China Three  
Gorges International Limited)

  
Victor Roza Fresno (as representative of DRAURSA,  
S.A.)

  
Alicia Reyes Revuelta

  
Stephen Paul Vaughan

  
Ignacio Herrera Ruiz (as representative of China  
Three Gorges (Europe), S.A.)

  
Fernando Maria Masaveu Herrero

  
Gonçalo Nuno Gomes de Andrade Moura Martins

  
Lisa Frantzis



## 1.4. Assessment of the Executive Board of Directors

As part of the exercise of its powers and without prejudice to the principle of institutional cooperation that guides the relationship with the Executive Board of Directors in pursuit of EDP's interests, the General and Supervisory Board has put into practice a principle of great demand and responsibility, which has special significance in terms of the evaluation the activity and performance of the Executive Board of Directors.

EDP voluntarily established a formal and objective process for assessing the activity of the Executive Board of Directors. This year, the GSB decided once again to optimize the assessment process regarding the activities carried out in 2024, to gather robust and detailed information on the different topics under analysis and obtain, from the members, their comments, and suggestions for improvement. This year's process had a greater focus on the most relevant topics of EBD's activity on which the GSB has more robust information to assess.

The EBD's assessment process for the 2024 financial year began at the end of December 2024, in conjunction with the self-assessment process of the Board and its Specialized Committees, through a set of individual face-to-face/online interviews conducted with members by Mercer consultants, for the guided completion of an assessment questionnaire and quantitative and qualitative analysis of the different topics addressed. Each interview sought to gauge each GSB members' personal perceptions of the EBD's activity and performance, namely in terms of its composition and functioning, relationship with the GSB and other interlocutors. After the interview phase, Mercer carried out the statistical and qualitative analysis of the data received, and finally certified the entire assessment process, as documented in the annex to this report.

As part of this assessment process, thirteen individual interviews were conducted with GSB members, with three Members choosing to respond in writing to the assessment questionnaire.

Finally, the Chair of the General and Supervisory Board decided to share the full conclusions drafted by Mercer with the Members, for the sake of transparency and so that each member could make his or her own judgement of the aggregate conclusions of the EBD's assessment.

The EBD's assessment focused on key topics such as strategic orientation, efficient execution, institutional image, quality of leadership, overall results, transparency, cooperation with the GSB, quality of information and timing, number of members and experience and ability to deal with change. An overall assessment of the EBD's performance was also made.

GSB members rated most topics as either "As expected" or "Higher than expected". The following topics stand out with the highest scores: "Knowledge and experience ", "Institutional Image" and "Cooperation with Specialized Committees ". Overall, the EBD is seen as a coherent and diverse team in terms of knowledge and experience. The main concern of GSB members is that the number of EBD members may become too small for the complexity and diversity of EDP's business, and that information should flow more quickly to the GSB.

The overall performance of the EBD for 2024 was deemed "As Expected" by the GSB.





DECLARATION\*

INTERNAL EVALUATION PROCESS OF EDP’S EXECUTIVE BOARD OF DIRECTORS

In light of the best practices of corporate governance, and aiming the continuous improvement of the internal evaluation process applied voluntarily in EDP to its Executive Board of Directors (EBD) by the General and Supervisory Board (GSB), Mercer proceeded to analyze the current evaluation process.

At the beginning of 2025, each GSB member was interviewed by a team of specialized senior consultants from Mercer, with the purpose of completing an assessment questionnaire where two types of approach were analyzed: qualitative and quantitative, with the purpose of assessing their personal perception on the performance of the EBD and its Members. The questionnaire covers the assessment of a diversified set of analysis dimensions (as presented in the table below), on a quantitative scale - 1 (Lower than expected) to 5 (Way above the expectations), with the qualitative analysis resulting from the individual interview, being poured into a Qualitative Report.

Detail on the dimensions analyzed

QUESTIONNAIRE	DIMENSIONS ANALYZED
EBD’s Evaluation	Strategic Orientation, Adaptation Capacity, Results and Execution Alignment and Cooperation Leadership and Institutional Image Transparency and Cooperation with other General and Supervisory Board Quality of Information and Timing Number of Members, Knowledge and Experience Execution Efficiency and Overall Results

From the analysis of the results of the questionnaires of the GSB evaluation of the EBD, most of the dimensions evaluated obtained an average evaluation of "As Expected", resulting in an overall assessment of the EBD that was also "As Expected".

Mercer considers that the GSB's evaluation process on EBD performance adopted by EDP, is a good practice of corporate governance principles.

February 17th, 2025

Mercer (Portugal) Lda

Represented by:

Rodrigo Simões de Almeida

Mercer (Portugal) Lda.  
Soc. Comercial por Quotas - Matricula na Cons. Reg. Com. de Lisboa e NIPC 501 192 115  
Capital Social: 187.050,00€



## 1.5. Self-assessment of the General and Supervisory Board and Specialized Committees

EDP is distinguished by being one of the few listed companies at national and international level that voluntarily institutes a formal and objective process to assess the activity of the General and Supervisory Board and its Specialized Committees. Given this internal EDP obligation, the Board decided this year to optimize the self-assessment process for the activities carried out in 2024, to gather robust and detailed information on the different topics under analysis and obtain from the members their comments and suggestions for improvement, in order continuously to improve its performance.

The self-assessment process for the 2024 financial year began at the end of December 2024, through a set of individual face-to-face/online interviews held with GSB members by Mercer consultants, for the guided completion of an assessment questionnaire and qualitative analysis of the different topics addressed. Each interview sought to gauge the GSB members' personal perceptions of the Board itself, namely in terms of its composition, organization, and functioning; efficiency of its activity; relationship with the Specialized Committees and relationship with other EDP's corporate bodies. In this process, the perception of evolution of each topic evaluated compared to the previous year was maintained. After the interview phase, Mercer conducted a statistical and qualitative analysis of the data received and finally issued a certificate on the entire assessment process, which is included in this report.

As part of this assessment process, thirteen individual interviews were conducted with GSB members. They saw the interviews as an opportunity to reflect on the activities undertaken so far, identify strengths and needs for improvement and reflect on priorities and opportunities for development. There were also three members who responded in writing to the assessment questionnaires.

Finally, the General and Supervisory Board's Chair decided to share the full conclusions drafted by Mercer with the members, for the sake of transparency and so that each member can make his or her own judgement of the aggregate conclusions of the self-assessment. The following are the summary conclusions of the assessment of the General and Supervisory Board and its Specialized Committees.

### General and Supervisory Board

The GSB's overall self-assessment of its performance was deemed as "Higher than expected". The quality of leadership, supported by the capability of the Board to adapt to emerging issues, was highlighted. Overall, GSB members considered that the Board was able to deal effectively with the volatility of the external context that occurred throughout the year. The Board's focus on key and substantial issues was also highlighted. GSB members considered that the Board was effective in its role of supervision, challenge, and interaction with the EBD, having always underpinned a critical spirit and strategic orientation.

Members rated its performance in most of the topics "As expected". The following topics stand out with the highest scores: "Quality of leadership", "Adaptation to emerging issues" and "Focus on key issues".

From a perspective of continuous improvement, the topics which can be improved were "Follow up on the activities of the Subsidiary Companies", "Monitoring and evaluation of internal procedures relating to accounting and auditing" and "Follow up on the activities of the Specialized Committees".

### Financial Matters Committee

The FMC's overall self-assessment of its performance was deemed as "Higher than expected ". FMC members rated the majority of the individual topics as "Higher than expected ", with this assessment occurring in eighteen of the twenty topics that comprised the questionnaire.

The following topics stood out with the highest scores: "Quality of leadership"; "Relationship and cooperation of the Committee with the CEO and CFO"; "Monitoring of the accounting policies and procedures and internal audit matters" and "Monitoring of the internal control systems on financial reporting, risk management and compliance management".

From a perspective of continuous improvement, the two topics assessed as "As expected " were "Substance/bureaucracy ratio" and "Number of meetings".



### Remuneration Committee

The REMC's overall self-assessment of its performance was deemed as "As expected ". The REMC members evaluated most of the topics as "As expected", with this assessment occurring in fourteen of the fifteen topics that comprised the questionnaire.

The following topics stood out with the highest scores: "Alignment and commitment with the mission and responsibilities"; "Overall quality of meetings", and "Proactive action".

From a perspective of continuous improvement, the topic regarding "Engagement with the EBD" stood out as needing more improvement.

### Corporate Governance and Sustainability Committee

The CGSC's overall self-assessment of its performance was deemed as "As expected ". The CGSC members assessed most individual topics as "As expected ", with such assessment occurring in twelve of the seventeen topics that comprised the questionnaire.

The following topics stood out with the highest scores: " Quality of Leadership". "Company's ESG policies and strategies and their implementation", "Alignment and commitment with the mission and responsibilities" and "Compliance with good governance practices ".

From a perspective of continuous improvement, a set of topics with lower classifications stand out, but are still evaluated as "As expected"; "Talent management & succession plans for EDP's top management"; "Adequacy of the Activity Plan" and "Adaptation to emerging issues".

### USA Business Affairs Monitoring Committee

USA BAMC's overall self-assessment of its performance was deemed "Higher than expected ". USA BAMC members rated most of the individual topics as "Higher than expected ", with this assessment occurring for twelve of the eighteen topics in the questionnaire.

The following topics stood out with the highest scores: "Alignment and commitment with the mission and responsibilities", "Focus on key issues", "Substance/bureaucracy ratio" and "Proactive action ".

From a perspective of continuous improvement, a set of topics with slightly lower scores still assessed as "As expected " stand out: "Number of meetings", "Monitoring of strategic alliances/partnerships" and "Monitoring and strategic guidance in investment, disinvestment, merger & acquisition and restructuring projects of significant value".



DECLARATION\*

INTERNAL EVALUATION PROCESS OF EDP'S GENERAL AND SUPERVISORY BOARD (GSB) AND SPECIALIZED COMMITTEE'S

In light of the best practices of corporate governance and aiming the continuous improvement of the internal evaluation process applied voluntarily by EDP to its General and Supervisory Board (GSB) and the different Specialized Committee's, Mercer prepared and proceeded with to analyze the current evaluation process.

At the beginning of 2025, each GSB member was interviewed by a team of specialized senior consultants from Mercer, in order to complete an assessment questionnaire where two types of approach were analyzed: qualitative and quantitative, with the purpose of assessing their personal perception on the performance of the GSB and its Specialized Committees. The questionnaire covers the assessment of a diversified set of analysis dimensions (as presented in the table below), on a quantitative scale - 1 (Lower than expected) to 5 (Way above the expectations), with the qualitative analysis resulting from the individual interview, being poured into a Qualitative Report.

Detail on the dimensions analyzed in each questionnaire

QUESTIONNAIRE	DIMENSIONS
GSB Evaluation	Strategic Orientation, Adaptation Capacity, Results and Execution
FMC Evaluation	Leadership and Institutional Image
REMC Evaluation	Transparency and engagement between the EBD and the Committee's
CGSC Evaluation	Quality of Meetings, Information and Timing
BAMC Evaluation	Adherence to Internal Regulations
	Adequacy of the Activity Plan

GSB: General and Supervisory Board | FMC: Financial Matters Committee/Audit Committee | REMC: Remuneration Committee | CGSC: Corporate Governance and Sustainability Committee | BAMC: United States Business Affairs Monitoring Committee

From the analysis of the results of the GSB evaluation questionnaires, all dimensions evaluated obtained an evaluation between "As expected" and "Higher than expected", resulting in an overall assessment of the GSB of "Higher than expected".

Mercer considers that the evaluation process of the GSB and each Specialized Committee adopted by EDP, is a good practice of corporate governance principles.

February 17<sup>th</sup>, 2024

Mercer (Portugal) Lda  
Represented by:

Rodrigo Simões de Almeida

Mercer (Portugal) Lda.  
Soc. Comercial por Quotas - Matricula na Cons. Reg. Com. de Lisboa e NIPC 501 192 115  
Capital Social: 187.050,00€





## 2. Financial Matters Committee

### 2.1. Annual Activity Report

#### Main highlights

- **Meetings and participants** – in the year 2024 the Committee formally met fifteen times and its Members had an average attendance of 96%
- **Activities carried out** – the meetings held covered the topics set out in the Activity Plan for 2024, highlighting the following: (a) the supervision of accounting, financial and tax information; (b) the supervision of sustainability information in accordance with the requirements defined in the Corporate Sustainability Reporting Directive (or “CSRD”); (c) monitoring internal audit activities, the internal control system for financial reporting, compliance, risk management, governance of information and communication technologies and digitalization, ongoing litigation, ongoing investments and transactions with related parties and potential conflicts of interest; (d) issue of opinions on the calculation of the Key Performance Indicators (“KPIs”) for the annual and pluriannual variable remuneration of EBD Members, the interim information and the financial year management and sustainability reports and accounts; (e) relationship and coordination with the Audit Committees of subsidiaries; (f) supervision of the contractual relationship and the activity and independence of the Statutory Auditor and (g) participation in the Executive Board of Directors’ meetings to assess interim and annual accounts.
- **Process of evaluation of the activity and independence of the Statutory Auditor (or “SA”)** – the analysis of the information collected and treated by FMC, in this regard, did not indicate the existence of conflicts of interest or situations that objectively affect the independence of the Statutory Auditor.
- **Conditions in which the Committee performs its functions** – there have been no circumstances that have affected or restricted the Committee’s freedom of analysis, judgment, enquiry and investigation or its freedom to dialogue and inquire, at all levels, into the matters that it felt deserved its best attention.

#### Introduction

Within the scope of the powers delegated by the General and Supervisory Board (or “GSB”), the Financial Matters Committee (or “FMC” or “Committee”) has the mission to permanently monitor and supervise:

- Financial matters and accounting practices;
- Sustainability policies, procedures, and practices, especially those that have an impact on reporting;
- Internal audit practices and procedures;
- The internal mechanisms and procedures of the Internal Control System for Financial Reporting (ICSFR) and the Sustainability Reporting Internal Control System (SRICS);
- Matters relating to risk management and control system;
- The activities and mechanisms of the compliance management system;
- The activity, including the provision of non-audit services, and independence of the Statutory Auditor (SA)/ Society of Chartered Accountants (SROC) of the Company;
- The systems for assessing and resolving conflicts of interest, particularly with regard to the Company's relations with shareholders.

The Committee should also monitor the execution of ongoing investment projects.

The competences, as well as the mission and attributions of this Specialized Committee are set out in its Internal Regulations, the latest version of which was approved by the GSB October 3, 2024, available [here](#), on EDP's official website.

Meetings and participants

The FMC has a new constitution by resolution of the GSB on April 10, 2024, and is currently composed of four members, three of which are independent. During calendar year 2024, the Committee formally met fifteen times, in person and/or by videoconference, on the dates indicated below:

Until April 9, 2024, the FMC had the following composition and met four times, with the participation of all its members in all meetings:

NAME		30-01	22-02	29-02	02-04	%
CHAIR	JOÃO CARVALHO DAS NEVES <sup>1</sup>	P	P	P	P	100%
	Maria del Carmen Rozado <sup>1</sup>	P	P	P	P	100%
	Sofia Salgado Pinto <sup>1</sup>	P	P	P	P	100%

1= Independent; P = Present; A = Absent and R = Represented.  
Average Participation: 96%

On April 10, 2024, the Committee had the following composition and met four times, with the attendance of its members at the meetings as indicated below.

NAME		24-04	02-05	09-05	18-06	25-07	30-07	08-10	31-10	07-11	25-11	18-12	%
CHAIR	GONÇALO MOURA MARTINS <sup>1</sup>	P	P	P	P	P	P	P	P	P	P	P	100%
	Maria José Garcia Beato <sup>1</sup>	P	P	P	P	P	P	P	P	P	P	P	100%
	Sofia Salgado Pinto <sup>1</sup>	P	P	R	P	P	P	P	P	P	P	P	100%
	Victor Roza Fresno <sup>2</sup>	P	P	P	A	P	P	P	P	P	A	P	82%

1= Independent; P = Present; A = Absent and R = Represented.  
Average Participation: 100%

In addition to these fifteen ordinary meetings, the Committee members held, as usual, frequent informal working meetings and exchanged information on the most relevant or urgent matters.



## Activities Carried Out

The meetings framed the topics set out in the FMC Activity Plan for the calendar year 2024, and their main objective was to obtain information and the analysis and supervision of EDP's most relevant matters, relating to the activity carried out in the current context of war and geopolitical instability, highlighting the following:

- a. **Supervision of the financial and business information for the year ended 31 December 2023 and for the 1st and 3rd quarters and 1st half of 2024** – monitoring the process of preparing and disclosing the financial report by EDP's Accounting, Consolidation and Tax, (or "AC&T") corporate services, including supervision of adopted accounting and tax policies and criteria, individual and consolidated financial statements, changes in the consolidation perimeter, unusual or significant transactions, situation of the Pension Fund, subsequent events and other matters deemed relevant to the FMC.

As part of the supervision of EDP Group's financial and tax information, the Committee monitored (i) the reorganization of the financial function, including the review of the Governance model for financial and tax areas and the Tax and Transfer Pricing Policies and (ii) the main conclusions of the impairment tests of EDP Group's main assets;

- b. **Supervision of sustainability information in accordance with the requirements defined in the Directive for Corporate Sustainability Reporting (or "CSRD")** – monitoring the process of developing and preparing information, including checking its alignment with the company's strategy, and implementation of the Internal Control for sustainability Reporting System (or "ICSR"), based on the survey of processes, risk and controls, which is in progress, to calculate the mandatory KPIs;
- c. **Monitoring the Internal Audit (or "IA") activity** – approval of the IA Activities Plan proposal for 2024; supervision of the activity developed by the Internal Audit corporate services during the year, through periodic monitoring of the execution of the respective activities plan, the audit work performed and information on the implementation of the recommendations issued as a result of the internal audit actions carried out, in particular those related to high risk and with greater seniority. The FMC monitored, also, the process of implementing the Global Internal Audit Standards 2024 and carried out the assessment of the activity and performance of the Internal Audit function in EDP Group for the calendar year 2023;
- d. **Monitoring the operation of the Internal Control System for Financial Reporting (or "ICSFR")** – supervision of the management of the ICSFR 2024 cycle and compliance

with the respective activities and regulations, both by analyzing the periodic report on the work carried out by the area and on the basis of the reports issued by the Statutory Auditor, within the scope of the provision of consultancy services contracted specifically for this purpose; monitoring the resolution of Non-Compliances and the implementation of the Opportunities for Improvement identified, the recommendations arising from the review of the ICSFR Project by an external organization and the measures to be adopted in situations of significant non-compliance and approval of the proposed ICSFR Activity Plan for 2024;

- e. **Monitoring of Compliance activity** – supervision of the execution of compliance work provided for in the activity plan, in alignment with the company's strategic policies and procedures, with special emphasis on integrity/anti-corruption programs, prevention of money laundering and combating financing terrorism, competition, separation of activities and protection of personal data, monitoring the resolution of Non-Compliances and the implementation of identified Opportunities for Improvement and recommendations of internal audit and certification processes on the measures to be adopted in situations of significant default. The FMC also approved the proposed Compliance Management System (or "CMS") Activity Plan for 2025.

At the beginning of 2024, the FMC also assessed the activity and performance of the Ethics & Compliance function, for the calendar year 2023;

- f. **Monitoring Risk Management activity (or "Risk")** supervision of relevant risk projects, key risk indicators ("KRI") and control mechanisms for the risk management measures adopted and their effectiveness, monitoring the risk map, the risk appetite framework, the implementation of the counterparty risk management integration process and the ESG risk framework, which increasingly occupies an important place in EDP Group's concerns, as well as the relationship methodology with the corporate areas and the risk areas of the main subsidiaries.

As part of the FMC's greater interaction with EDP Group's risk management area, the Committee Chair took part in meetings of EDP's Risk Committee, which also brought together the risk areas of EDP's relevant subsidiaries, whose topics were analyzed and discussed at a high technical level, namely the work in progress on strategic, financial, operational, climate and ESG risks. As part of its supervisory role, the Committee was also responsible for monitoring compliance with the risk management policies established by the EBD;

- g. **Monitoring the activity of the Digital Global Unit (or "DGU")** – supervising the information and communication technology (or "ICT") governance model, ICT policies

and standards and information security and control mechanisms (Cybersecurity and technological risks), with a view to assessing the effectiveness of plans to mitigate the main risks, especially those related to the attacks that have occurred on EDP's information and communication systems. The Committee also took note of the definition of the main themes planned for 2025, in which the focus will be on consolidating the IT and OT Road Maps and solidifying the global organizational model and consolidating the DGU team, with the aim of reducing vulnerabilities and strengthening EDP Group's defenses;

- h. **Monitoring of the "Litigation in progress" process** – Monitoring of information and documentation on litigation and other contingencies in progress, with reference to 31 December 2023 and the 1st half of 2024. The FMC paid special attention to the classification of litigation and other materially relevant contingencies, taking into account the risk assessment carried out under the terms of International Accounting Standard 37 – Provisions, Contingent Liabilities and Contingent Assets;
- i. **Monitoring ongoing investments** – supervision of the execution of ongoing investment projects and major divestments, with special focus on the analysis of deviations from what was planned (completion dates and entry into operation and total cost predicted and realized). In this context, the alpha and beta projects under development in Colombia deserved special attention;
- j. **Monitoring transactions with related parties and potential conflicts on interest** – supervising and issuing Opinions on the information and documentation reported by the EBD regarding relevant transactions between Related Parties, with reference to the 4th quarter of 2023 and the 1st, 2nd, and 3rd quarters of 2024. In compliance with the related party transactions Policy issued by the EBD;
- k. **Issuance of an opinion on the calculations of the Key Performance Indicators ("KPI")** for the annual and pluriannual variable remuneration defined in the Remuneration Policy for Members of the Executive Board of Directors, at the request of the GSB Remuneration Committee (or "REMC"), for the 2023 financial year;
- l. **Relationship with the Audit Committees of subsidiaries** – monitoring of the activity, agendas and minutes of meetings and reports/opinions issued by the audit committees of EDP Renewables and EDP Energias do Brasil, on the Accounts for the year ended 31 December 2023 and the interim Financial Statements for the 1st and 3rd quarters and 1st half of 2024.

As part of this relationship and coordination,, the FMC held the 11th Meeting of EDP Group's Audit Committees on 9 and 10 of September, 2024 in Madrid, which was

attended by, in addition to EDP's and EDP Renováveis' Audit Committees' Members, EDP's General and Supervisory Board's Chair, EDP's CEO and CFO, EDP Renewables' Board of Directors Chair, other EDP Group's internal directors (Internal Audit, Ethics & Compliance, Risk, Sustainability and Accounting, Consolidation and Tax), and representatives of two external guests (PwC and Lucas Iturmendi), who presented to the Committees, respectively, (i) the Framework of the new Sustainability regulations and the challenges and opportunities required by the new CSRD (Corporate Sustainability Reporting Directive),, which establishes an European legal framework aligned with ICFRs standards and the EU Taxonomy Regulation, and (ii) Recommendations and good practices for Audit Committees. These presentations allowed for a wide-ranging exchange of views on the most relevant topics and on the need to make efforts to (i) implement sustainability reporting that considers the new requirements, (ii) strengthen the quality and consistency of information on ESG risks and (iii) review the governance model for these issues.

The meeting also placed great emphasis on the need to provide both the internal control areas and the Audit Committees with increasingly robust technical knowledge in non-financial matters (ESG and Sustainability), with a view to improving the quality of the performance of management and supervisory bodies.

- m. **Supervision of the contractual relationship and the activity and independence of the Statutory Auditor/Society of Chartered Accountants (or "PwC")** – (i) discussion and supervision of the reports of conclusions and Legal Certifications of Accounts and Audit Reports drawn up by PwC on the report and accounts of EDP, and EDP Finance BV and EDP Servicios Financieros España, SA and of the opinion on the operability of EDP Group's Internal Financial Reporting Control System (ICFR), for the year ending December 31, 2023, (ii) assessment and discussion of the methodology and approach of the external audit process at EDP for the 2024 financial year, (iii) assessment and approval of proposals for the provision of audit services and legal review of accounts and other non-audit services (interim reviews of accounts, ICFR, sustainability, regulated accounts and others permitted by law) for the financial year 2024; (iv) discussion of the conclusion reports and opinions on EDP's interim information, reported to the 1st and 3rd quarters and 1st half of 2024, and (v) supervision of the activity and independence of the SA/SAC, on an ongoing basis, in the calendar year 2024. It is worth noting that PricewaterhouseCoopers & Associados – Sociedade de Revisores Oficiais de Contas, Lda. (or "SA" or "SAC" or "PwC") was re-elected for a third term (2024 – 2026), at the General Assembly of EDP, SA, on April 10, 2024;



- n. **Participation in Executive Board of Directors' meetings** – the Committee took part in EBD meetings in which the preliminary accounts for 2023 and the interim financial statements for the 1st and 3rd quarters and 1st half of 2024 were assessed and discussed.

As part of its activities, the FMC has always endeavored to strengthen its knowledge of the mechanisms and procedures put in place to prevent or detect the occurrence of situations that may affect EDP Group's ability to act, in order to: (i) producing, analyzing and disseminating information that adequately and faithfully represents EDP's economic and financial situation and (ii) minimizing the risks of intentional or unintentional errors in financial information and misappropriation or misuse of the company's own resources.

Considering the compliance with the defined statutory and regulatory rights and duties, the Committee invited the EBD and controlled companies Directors and other management personnel, with duties and responsibilities at a higher level of seniority, and the representatives of EDP Group's Statutory Auditor.

It should also be noted that at the end of 2024, the FMC approved the Activity Plan for 2025, a working instrument that contains the main actions to be carried out by this specialized Committee in each meeting of that calendar year. This document not only contributes to greater effectiveness and efficiency in the Committee's functioning but also places its actions in line with the best current and internationally accepted corporate governance practices.

#### **Process of assessment of the activity and independence of the Statutory Auditor**

The Committee paid special attention to the nature and scope of the services provided by PwC, the company that provides the Audit/Legal Review of Accounts and Other Services to EDP Group, to assess compliance with the laws, principles and good practices that govern its actions and those of its representatives at EDP, as well as an objective assessment of its activity and independence.

The analysis of the information collected and processed by the FMC, in this regard, did not indicate the existence of conflicts of interest or situations that objectively affect the independence of the Statutory Auditor in the provision of professional services (audit and permitted non-audit) to EDP Group.

It should also be noted that the assessment of the SA on its activity and independence, with reference to the year 2024, will be the object of an autonomous report and opinion by the FMC, which is included in the GSB Annual Report.

#### **Conditions under which the Committee carries out its duties**

The conclusions drawn from the activities and duties performed allowed the FMC to support adequately the issue of opinions on the report and accounts of EDP, EDP Finance BV and EDP Servicios Financieros España, SA, for the financial year 2023, EDP's interim information, with reference to the 1<sup>st</sup> and 3<sup>rd</sup> quarters and 1<sup>st</sup> half of 2024, the assessment report on the activity and independence of the SA, for the financial year 2023, and other relevant information for the GSB and EBD, namely the reports on transactions with related parties and conflicts of interest and other reports and/or information produced based on the provisions contained in the Committee's Internal Regulations.

There were no circumstances that affected or restricted the FMC's freedom of analysis, judgement, fact-finding and investigation or its freedom to engage in dialogue and inquiry at all levels on matters that it felt deserved its full attention.

Likewise, no circumstances conditioned the independence or freedom of action of the Committee members.

It should also be noted that the FMC's Chair, periodically informed the General and Supervisory Board members about the content and main opinions issued at this Committee's meetings, through presentations in plenary.

#### **Self-assessment of the activity carried out by the Committee and its Members**

As part of the collective assessment of the GSB and its specialized committees, carried out by an independent external entity, the FMC's members once again carried out their self-assessment exercise for the year 2024, based on two essential objectives: (i) to provide each member and the Committee as a whole with a space to reflect on its performance, particularly regarding the way in which it has addressed the topics that make up its Annual Activities Plan, as well the duties it is required to perform, by law, the Company's Articles of Association, the Regulations on its functioning and other internal instruments of EDP which provide for the matters to which the FMC should pay attention and (ii) to allow the Committee to adopt, where appropriate, measures to improve its procedures and forms of action, with the aim of making it more efficient in the future.

The main conclusions of this assessment process are included in the Annual Report of the General and Supervisory Board 2024, certified by the independent external entity that accompanied the process, conducted the interviews, and produced the reports with the results of the assessment questionnaires.

Without prejudice to the assessment obtained, it is FMC's intention to continue to introduce continuous improvements in its performance, taking into consideration the knowledge of generally accepted best practices. The Committee also believes that its guiding standards of conduct are high and that it remains committed to acting with rigor, transparency, and independence, at the service of stakeholders in creating value for the company.

### **Acknowledgements**

In concluding this activities report, the FMC expresses its satisfaction with the way in which the work was carried out during the calendar year 2024 and thanks the General and Supervisory Board (GSB) and the Executive Board of Directors (EBD), for their constant availability to this Committee, the corporate officers and other managers of EDP Group's companies, with whom the Committee has worked throughout this period; to the Audit Committees of the subsidiaries, with whom fruitful institutional relationships were established; to the Statutory Auditor, for the availability always shown and for the work developed; and, finally, to the GSB Support Office's employees, for the professional manner in which they have contributed to the good functioning and performance of this Committee.

### **The Financial Matters Committee:**

Gonçalo Moura Martins (Chair)  
 Maria José Garcia Beato  
 Sofia Salgado Pinto  
 Victor Roza Fresno



## 2.2. Opinion on the Annual Report & Accounts

Under the terms of the legal, statutory and regulatory requirements, specifically as set forth in the Articles of Association and internal terms of reference, the Financial Matters Committee (or “FMC” or “Committee”) prepared this Report and Opinion based on its understanding of the company’s activities and business performance, as well as the conclusions drawn from its analysis and supervision of the information and supporting financial and sustainability documentation received from the Executive Board of Directors (or “EBD”) and Corporate Directors, the Audit, Control and Related Parties Committee (or “ACRPC”) of EDP Renováveis (or “EDPR”) and form PricewaterhouseCoopers & Associados – Sociedade de Revisores Oficiais de Contas, Lda (or “PwC” or “PwC-SROC” or “SA”) of EDP Group (or “EDP”), with reference to the financial year ended December 31, 2024.

During this period, the Committee regularly met with:

- a. The Executive Board of Directors, to monitor the interim and financial information for the period (IFRS financial statements, monthly flash KPI, results and interim and integrated annual reports of EDP), as well as other relevant information to the Committee;
- b. The corporate heads of Accounting, Consolidation and Tax (or “AC&T”) and Corporate Finance (or “CF”) corporate services, to supervise the integrity of the financial information preparation and disclosure process and compliance with accounting and tax principles, policies and practices, including unusual or significant transactions, subsequent events and changes within the consolidation perimeter;
- c. The corporate heads of the Internal Audit services (or “IA”), to monitor and supervise the main conclusions of the internal audit work carried out, as well as the evolution and effectiveness of the issued and implemented recommendations, namely those at higher risk and greater antiquity;
- d. The corporate heads of the Ethics & Compliance (or “E&C”), to monitor and supervise the conclusions of the work on the Compliance Management System (or “CMS”) and the tests carried out on the controls of Internal Control System for Financial Reporting (or “ICSFR”), as well as the monitoring and resolution of the recommendations, observations, non-compliance and opportunities for improvement identified;
- e. The corporate heads of the Investor Relations & ESG (or “IR&ESG”), to monitor the main conclusions on the sustainability information included in EDP Group's management

report, in accordance with the requirements of current legislation and regulations that define the binding duties and applicable reporting criteria, namely, (i) Corporate Sustainability Reporting Directive (CSRD), (ii) European Sustainability Reporting Standards (ESRS) and (iii) EU Taxonomy Regulation;

- f. The corporate heads of the corporate Risk services (or “Risk”), to monitor the company's governance and risk management policy and supervise the effectiveness of the internal risk management systems, with a view to anticipating and minimizing the risks inherent to the activity carried out, including regulatory issues, climate change and ESG matters;
- g. The corporate heads of other corporate services, to monitor the most relevant conclusions: (i) the “litigation” process, with regard to the main litigations and other contingencies in progress and the provisions made, taking into account the risk assessment carried out in accordance under International Accounting Standard 37 – Provisions, Contingent Liabilities and Contingent Assets; (ii) the transactions with related parties, taking into account the supervision of potential conflicts of interest in view of the requirements and obligations laid down in IAS 24 – Related Party Disclosures and ISA 550 – Related Parties; (iii) the information and performance of the Pension Funds in the different geographies, (iv) information on the execution and entry into operation of the main investment projects underway and divestments and (v) the functioning and robustness of the information control and security systems, in order to prevent, in particular, technological and cybersecurity risks.

Also, with reference to the period ended December 31, 2024, the FMC met periodically with the members of the Audit, Control and Related Parties Committee of EDP Renováveis, to monitor the issues of this company, with the greatest impact on the consolidation financial statements of EDP Group, having received from it the information and supporting documentation for the opinion issued on the approval of the interim and management reports, and consolidated accounts and corporate governance report to the 2024 financial year.

Also, during the 2024 financial year, the FMC met periodically with PwC – SROC, to monitor and discuss:

- a. The conclusions of the audit work carried out on the interim and annual financial statements of the main companies included in the consolidation;

- b. The conclusions of the limited review reports of the interim financial statements (individual and consolidated) issued in accordance with International Accounting Standard 34 – Interim Financial Reporting as adopted in the European Union;
- c. The conclusions of the audit work on impairment tests of goodwill, concession rights and other tangible fixed assets in accordance with International Accounting Standard 36 – Impairment of Assets;
- d. The topics, matters and information presented in the Additional Report to the Financial Matters Committee in compliance with the provisions of article 11th of Regulation (EU) no. 537/2014 of the European Parliament and of the Council, of April 16, 2014, and subparagraphs a) and c) of number 2 of article 78th of the Statute of the Order of Statutory Auditors, approved by Law no. 140/2015, of September 7, in its current wording;
- e. The conclusions on the evaluation of the functioning of the Internal Control System for Financial Reporting (ICSFR) of the Company and its subsidiaries (“EDP Group”), in accordance with the criteria established by the regulatory framework for internal control issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO 2013) in relation to business processes and global controls and by the Control Objectives for Information and related Technologies (COBIT) in relation to information technology general controls;
- f. The conclusions on the evaluation of the consolidated sustainability statement, included in the management report, that is has not been prepared, in all material respects, in compliance with: (i) the European Sustainability Reporting Standards (ESRS), namely with the description set out in note “ESRS 2 General disclosures” and (ii) the disclosures provided for in article 8 of EU Regulation 2020/852;
- g. Conclusions on the relevant audit matters and the reporting on other legal and regulatory requirements, namely (i) the individual and consolidated management report; (ii) the corporate governance report; (iii) the European Single Electronic Format (ESEF) report; (iv) the non-financial statement (individual and consolidated); (v) the remuneration report and (vi) the additional elements provided for in article 10th of Regulation (EU) No. 537/2014;
- h. The Statutory Audit Report and Auditors’ Report on the individual and consolidated Financial Statements issued, without reservation or emphasis, for the financial year ended as of December 31, 2024.

Based on the monitoring of the main aspects of the activity and business and on the

analysis and supervision of the information and documents provided by the Executive Board of Directors and Heads of the Company’s corporate services, the Audit, Control and Related Parties Committee of EDP Renováveis and the Statutory Auditor, and not being aware of the existence of materially relevant issues or situations that could affect the accuracy and integrity of the financial and sustainability information prepared and disclosed by the Company, or the appraisal of the quality of the work or the independence of PwC-SROC, for the financial year ended December 31, 2024, the Financial Matters Committee issues a favorable opinion on the Management Report, the Sustainability Information, the Financial Statements and the Profit and Losses of EDP operations (individual and consolidated) on that date, of which stands out:

DESCRIPTION	EDP SA	EDP GROUP
Total Asset	24.183	56.431
Total Liabilities	14.258	40.226
Total Equity <sup>1</sup>	9.924	16.205
Net Income for the Period <sup>1</sup>	817	801
Sales and Service Provision	298	14.966

(Million Euros) <sup>1</sup>= Attributable to EDP shareholders

as it considers that they are in accordance with the applicable accounting standards and principles and with the legal and statutory provisions in force.

**Lisbon, 26 February 2025**

The Financial Matters Committee



(Gonçalo Moura Martins - Chairman) (Maria José Garcia) (Sofia Salgado Pinto) (Victor Roza Fresno)



## 2.3. Opinion on the Evaluation of the Activity and Independence of the Statutory Auditor

During the financial year 2024, the Financial Matters Committee (or "FMC" or "Committee") paid particular attention to the scope and quality of work in the provision of statutory audit services, and non-audit services by PricewaterhouseCoopers & Associados – Sociedade de Revisores Oficiais de Contas, Lda. (or "PwC-SROC", or "PwC" or "SA") to EDP Group (or "EDP"), to assess its activity and independence, in compliance with the legal, regulatory, and contractual provisions in force and the principles and best practices that governed the actions of PwC and its representatives with EDP.

The activity and independence evaluation process of the PwC – Statutory Auditor by the Committee, with reference to the 2024 financial year, was essentially based on the following:

- a. Monitoring the work developed and the relationship of PwC-SROC with FMC;
- b. Analysis of the execution of contracts for the provision of statutory audit services and non-audit services between the PwC network and the EDP Group;
- c. Analysis of the responses of the Committee Members to the Internal Questionnaire on the evaluation of the activity and independence of PwC-SROC;
- d. Analysis of the information received from PwC-SROC, taking into account the reporting requirements set out in the Legal Framework for Audit Supervision and the Internal Regulations of the Audit Committee, namely: (i) Legal and governance structure; (ii) Internal control system; (iii) Statement on independence practices and confirmation that an internal review of compliance with these practices has been carried out; (iv) Mechanisms used to assess whether any service provided to EDP constitutes a threat to its independence; (v) Description of services provided and amount of remuneration earned; (vi) PwC Portugal's annual revenues from the provision of audit and non-audit services; (vii) Confirmation of independence and statement on services potentially conflicting with independence and (viii) Expenses incurred by PwC-SROC employees, in the execution of the 2024 audit contract.

The conclusions of the analysis of the documentation and information referred to above do not indicate the existence of conflicts of interest or situations affecting PwC's independence in the provision of professional services to the EDP Group, with reference to the financial year ended 31 December 2024. As part of the evaluation process of activity and independence of the Statutory Auditor, it should be noted that:

- a. The overall fees earned by PwC's network, in the different geographies of the EDP Group, totaled 12,138 thousand euros. Of this amount, the statutory audit services (9,752 thousand euros) represent about 80%, quarterly reviews (644 thousand euros) represent 5% and the non-audit services (1,742 thousand euros), i.e. around 15% of the total;
- b. The fees owed by EDP SA and its subsidiaries in Portugal to PwC-SROC amount to 4,511 thousand euros, broken down into the provision of statutory audit services (3,077 thousand euros), quarterly reviews (201 thousand euros), and non-audit services not required by law (1,233 thousand euros), the latter two amounts 1,434 thousand euros, representing around 47% of statutory audit services;
- c. The fees earned by PwC (4,511 thousand euros) at EDP SA and its subsidiaries in Portugal represent around 3% of PwC Portugal's turnover (146,671 thousand euros), with reference to the previous year (in this geography, the amounts earned by PwC in 2024 were not yet available);
- d. PwC confirmed, in writing, the independence of the Statutory Auditors under the terms and in accordance with the independence rules of the Order of Chartered Accountants (Code of Ethics and Statute), the International Ethics Standards Board of Accountants ("IESBA") and the PwC network itself;
- e. EDP and PwC complied with paragraph 2 of Article 4 of Regulation (EU) No. 537/2014, of the European Parliament and the Council, and in the CMVM-FAQ on the Statute of the Order of Statutory Auditors and the Audit Supervisory Legal Regime, updated on 18 February 2022, regarding the limit of the audit services that the PwC may provide, this is, the fees due for the provision of permitted non-audit services not exceeding 70% of the average of the fees of the latter three consecutive years, for the provision of statutory audit services to the audited entity.

In view of the conclusions drawn from the Statutory Auditor evaluation process and a broad exchange of views between the Audit Committee Members, it notes with satisfaction that there has been a good relationship with PwC representatives, responding to a very intervening dynamic of the Committee, which has resulted in an improvement in the mechanisms and information flows and a more efficient way of working.

Furthermore, the interaction that FMC developed with the Statutory Auditor, throughout the 2024 financial year, both in work meetings and through the provision of the most varied contributions and clarifications, allowed the collection of information about its action, availability, and attitude.

Therefore, the Financial Matters Committee is of the opinion that EDP's Statutory Auditor has performed its functions with quality, competence, rigor, exemption and with an adequate degree of independence.

**Lisbon, 26 February 2025**

The Financial Matters Committee

(Gonçalo Moura Martins - Chairman) (Maria José Garcia) (Sofia Salgado Pinto) (Victor Roza Fresno)



### 3. Remunerations Committee

#### 3.1. Annual Activity Report

This document discloses the mission and main responsibilities of the Remuneration Committee (or “REMC”), reporting on the activities undertaken during the year 2024.

**Main highlights**

- **Meetings and participants** – the REMC met 5 times throughout the year, with an average total attendance of 100%.
- **Activities carried out** – the meetings held covered the topics set for 2024, with emphasis on the following: (a) proposal of a new remuneration policy for the Executive Board of Directors (EBD) for the 2024–2026 mandate, (b) results of the KPIs for calculating the variable annual and multiannual remuneration of the EBD, (c) hiring external consultants to calculate the EBD's variable remuneration, (d) approval of the REMC 2023 Activity Report and (e) Analysis of the Audit Committee Opinion on EBD quantitative KPIs.
- **Self-assessment of the activity carried out by the Committee and its Members** – the members carried out once again a self-assessment exercise, through interviews conducted by an external entity, Mercer, whose results were certified by this entity and are included in item 5 of Annex 1 to the Annual Report of the General and Supervisory Board 2024.

**Responsibilities and Duties**

The Remuneration Committee is a Specialized Committee of the General and Supervisory Board (or “GSB”). REMC’s responsibilities include proposing the policy and corporate objectives for setting the remuneration of the Chair of the Executive Board of Directors and that of its other Directors, as well as monitoring and evaluating their performance for the purpose of determining the variable remuneration. The Remuneration Committee of the General and Supervisory Board differs from the Remuneration Committee elected by the General Shareholders’ Meeting in that the latter is responsible for determining the remuneration policy for all the governing bodies, except for the Executive Board of Directors (or “EBD”). REMC’s competences, as well as its mission and duties, are set out in the Internal Regulations of this Committee, the latest version of which was approved on 4 November 2021, available [here](#) on EDP’s official website.

**Meetings and Participants**

The year 2024 was a transition year, with changes in the composition of the Committee. Until 10 April the REMC met three times, and had the following composition and participation:

NAME		27 - 02	06 - 03	09 - 04	%
CHAIR	MIGUELPEREIRA LEITE <sup>2</sup>	P	P	P	100%
	Esmeralda Dourado <sup>1</sup>	P	P	P	100%
	Felipe Fernández Fernández <sup>2</sup>	P	P	P	100%
	João Carvalho das Neves <sup>1</sup>	P	P	P	100%
	Zili Shao <sup>1</sup>	P	P	P	100%

1= Independent; 2= Not independent; P = Present; A = Absent; R = Represented

Average Participation: 100%

On 10 April, the Committee had a new composition and met two more times during 2024:

NAME		24 - 04	20 - 11	%
CHAIR	MIGUEL PEREIRA LEITE <sup>2</sup>	P	P	100%
	Fernando Masaveu <sup>2</sup>	P	R	100%
	Gonçalo Moura Martins <sup>1</sup>	P	P	100%
	Sandra Maria Santos <sup>1</sup>	P	P	100%
	Zili Shao <sup>1</sup>	P	P	100%

1= Independent; 2= Not independent; P = Present; A = Absent; R = Represented  
Average Participation: 100%

The average total attendance at Committee meetings in 2024 was 100%.

Access to Information and Reporting to the General and Supervisory Board

It should be noted that the REMC always obtained, in a timely manner, all the information requested for the performance of its duties, praising the availability and collaborative spirit of the entire structure of the company. It should also be noted that the Remuneration Committee Chair has always kept the General and Supervisory Board Chair informed of the Committee's activities and the content of its meetings.

Activities Carried Out

Pursuant to Law no. 50/2020, of 25 August, which transposed Directive (EU) No. 2017/828, of the European Parliament and of the Council of 17 May 2017, into Portuguese national law, and considering the IPCG corporate governance code adopted by EDP, the Remuneration Committee of the General and Supervisory Board (REMC) considered that the review of the EBD Remuneration Policy currently in force was opportune, submitting a new policy for approval of the EDP General Shareholders Meeting (GSM) on April 10, 2024. Having been approved by the GSM, the Policy will be implemented for the new EBD for the period of 2024–2026.

The new Policy considers the feedback received from analysts and investors about the EBD remuneration system. It was also based on a study carried out, at the request of the REMC,

by an independent Consultant, and on the advice obtained by the REMC, on matters of corporate governance, good international practices and, in general, in terms of remuneration policy as an instrument to promote EDP's corporate strategy and long-term interests and sustainability, carried out by an independent law firm. The work was also supported on a benchmark analysis of the remuneration model, qualitative and quantitative, of companies in the PSI 20 Index and comparable companies in the international electricity sector.

In the new EBD Remuneration Policy, due consideration was also given to the evolution of the remuneration system for executive directors and other EDP employees, and the reasonable expectations of EBD members regarding the remuneration model and its adequacy and competitiveness. This also contributed to the consideration of the current employment conditions and the remuneration model of EDP workers and the economic and financial situation that is being experienced, in the country and on a global scale. In fact, and for example, the consideration of these elements advised that, on this occasion, there should be a revision of the fixed and variable remuneration components of the EBD Chair and an update of the fixed remuneration component of the remaining members of the EBD.

Aspects related to share-based incentives have also been refined with the objective of clarifying the consequences of certain corporate events and aligning them more closely with the applicable regulatory regimes, namely with the possibility of converting a portion of this remuneration into cash, as needed to fulfil the tax obligations of the EBD member. Notably, consideration was given to the fact that this change does not have the effect of reducing exposure to the risks and benefits associated with holding EDP shares during the deferred remuneration payment period, should the EBD member opt to receive a portion of the multi-annual variable component in cash.

EDP, as a responsible multinational business group, has a solid culture that ensures the management, monitoring, control and supervision of the risks that the Group, its shareholders, employees, customers and, in general, all its stakeholders face, including those arising from the remuneration systems it adopts. EDP adopts remuneration practices transversal to the Group, consistent and based on common principles, which comply with the regulations applicable in the jurisdictions where it carries out its activity.

EDP's remuneration systems, including those of the EBD members, are defined to promote a culture of merit and high performance that ensures that people and teams are recognized, encouraged and rewarded according to the responsibility, availability, loyalty, and



competence placed at the service of EDP, ensuring a performance aligned with the long-term interests of the shareholders and the promotion of a sustainable performance of EDP.

The procedures for the departure and replacement of directors have been revised to enhance EDP's capability to attract talent, particularly in situations where directors are replaced during their term. Additionally, adjustments have been made to regulate REMC's powers in cases where directors are departing.

The new Remuneration Policy of the members of the EBD also aims at simplification, transparency, and clarity objectives, favoring a complete understanding of the framework of principles and rules that constitute it, and which will be applied by the REMC.

The fixed remuneration of EBD Members was set in alignment with the base remuneration practiced by a group of companies comparable with EDP, of the national market (PSI 20 Index) and of the international electricity sector, in terms of size, market capitalization, risk profile, relevance and geographic implantation, also considering, at all times, the complexity of the functions performed, the remuneration conditions of EDP workers and the *average remuneration gap* of the market between workers and managers. The annual fixed remuneration levels set in the new Policy were of €950,000 for the EBD Chair and €644,000 for each of the remaining EBD Members.

The annual variable remuneration has the nature of an incentive/performance bonus linked to short-term financial and non-financial objectives (linked to the annual budget), assessed annually, with a reflection on the year under evaluation and possible repercussions in the following years, being paid in cash. The annual variable remuneration accrues on 31 December of each year, and its value is determined within three months after the approval of EDP's accounts at the Annual General Shareholders Meeting each year, by reference to the previous annual performance exercise. The annual variable component is limited to 110%, in the case of the CEO and 80%, in the case of the other members of the EBD, of the base remuneration in force in the year to which the referred annual variable remuneration refers, being attributed according to a Key Performance Indicators (KPI) achievement curve defined in the new Policy. The payment of the annual performance bonus is made in the year following which the bonus refers to provided that the annual amount of the bonus is not higher than 25% of the relevant total annual remuneration, including the base remuneration and the variable annual and multi-annual remuneration. If the conditions for immediate payment are not met, and EDP, as determined by the REMC, does not determine that the annual variable remuneration is reasonably efficient, the bonus

shall be partially deferred in 50% for a period of three years, with one third of 50% being paid in each year.

The Key Performance Indicators for the annual variable remuneration were defined as follows:

- **Growth** – Earnings per share recurring (20%)
- **Shareholder remuneration** – Total Shareholder return vs Eurostoxx utilities (20%)
- **Balance sheet solidity** – Funds from Operations/Net Debit (10%)
- **Operational efficiency** – Recurring Cash OPEX (10%)
- **ESG indicators** – Dow Jones Sustainability Index Results, Performance in the employees' yearly climate study and Performance in the customer satisfaction index (20%)
- **Qualitative indicators** (20%)
  - i. Implementation of the Business Plan in the year (25% of qualitative)
  - ii. Team management (25% of qualitative)
  - iii. Teamwork (25% of qualitative)
  - iv. Stakeholder management (25% of qualitative)

The multi-annual variable remuneration will be measured according to the fulfilment of long-term financial and non-financial objectives, pursuant to the business plan approved by EDP, including EDP's sustainability metrics within the scope of ESG policies and objectives. The multiannual variable remuneration accrues at the end of the term, will be determined within 3 months after the approval of accounts for the last financial year of the three-year period to which it relates and will be paid in EDP Shares. The number of EDP Shares to be attributed to each member of the EBD will be the result of the quotient between the amount of remuneration determined as to be paid in EDP Shares after performance evaluation, divided by the price of attribution of EDP Shares corresponding to the volume weighted average price of EDP shares in the last 30 trading days of the last financial year prior to the approval of this Remuneration Policy. The payment of 50% of the multiannual variable remuneration payable in EDP Shares will be deferred and must be paid in three equal and successive annual instalments, being due, respectively, the first, one year, the second, two years and the third, three years after the annual General Shareholders Meeting in which the accounts are approved EDP corresponding to the last year of the term in

question. The payment of the multi-annual variable remuneration component in EDP Shares reinforces the focus on the capital market and the alignment of the interests of EBD members with shareholders. The maximum multiannual variable remuneration cannot be higher than 185%, in the case of the CEO, and 145%, in the case of the other EBD members, of the base remuneration earned during the three-year benchmark period, being attributed according to a KPI achievement curve defined in the new Policy.

The Key Performance Indicators for the multiannual variable remuneration were defined as follows:

- **Shareholder remuneration** – Total Shareholder return vs Eurostoxx utilities (40%)
- **Growth** – Earnings per share cumulative recurring (20%)
- **ESG indicators** – Increase of share of renewable energy production, Emissions reduction and Bloomberg Gender Equality Index Performance (20%)
- **Qualitative indicators** (20%)
  - i. Strategy and execution (25% of qualitative)
  - ii. Employee development (25% of qualitative)
  - iii. Teamwork and new forms of working (25% of qualitative)
  - iv. Stakeholder management (25% of qualitative)

**Implementation of the Remuneration Policy for the Executive Board of Directors**

The Remuneration Committee calculated the annual variable remuneration for 2023 in accordance with the Remuneration Policy of the Executive Board of Directors in effect for the 2021–2023 mandate. The validation of the achievement of the quantitative KPI relative to the annual and multiannual remuneration was previously made by the Financial Matters Committee.

The calculations of the annual variable remuneration were then certified by an independent external Consultant, in accordance with the provisions of item 1.18 of EDP's EBD Remuneration Policy, who certified that they were made in accordance with the provisions of EDP's new Remuneration Policy.

**Self-assessment of the Activity carried out by the Committee and its Members**

As part of its regulatory obligations, the Remuneration Committee must carry out an annual self-assessment of its activity. To this end, through interviews conducted by an external entity, Mercer, the Committee members once again carried out a self-assessment exercise, the results of which were certified by this entity. The self-assessment is based on two essential objectives: (i) to provide each member and the Committee as a whole with a space to reflect on their performance, particularly regarding the way they address the topics that make up its Annual Activity Plan, as well as the functions they are responsible for undertaking, and (ii) to enable the Committee to adopt measures to improve its procedures and means of action, with a view to making it more efficient in the future. The results of this collective assessment process are included in item 5 of Annex 1 of the Report of the General and Supervisory Board.

**Lisbon, 26 February 2025**

**The Remuneration Committee:**

Miguel Pereira Leite (Chair)  
Fernando Masaveu  
Gonçalo Moura Martins  
Sandra Maria Santos  
Zili Shao



## 4. Corporate Governance and Sustainability Committee

### 4.1. Annual Activity Report

#### Key highlights

- **Meetings and participants** – CGSS met 5 times throughout the year, with an average total attendance of 100%
- **Activities developed** – the meetings held framed the issues foreseen in the Activity Plan for 2024, highlighting the following thematic groups: (a) Leadership in Sustainability – EDP at the forefront of sustainable transformation; (b) People as a vector of success – the excellence of EDP employees as a driver of the future; (c) Strengthening governance structures – ensuring a sustainable future, where integrity and transparency are the pillars that underpin every decision and action
- **Self-assessment of the activity carried out by the Commission and its Members** – the members once again carried out a self-assessment exercise, through interviews carried out by an external entity, Mercer, the results of which were certified by this entity and are included in point 5 of Annex 1 of the Annual Report of the General and Supervisory Board 2024

#### Responsibilities and Duties

The Corporate Governance and Sustainability Committee ("CGSC") is a Specialized Committee of the General and Supervisory Board ("GSB"). Its mission is to permanently monitor and supervise matters relating to Corporate Governance, strategic Sustainability, internal Codes of Ethics and Conduct, and internal Procedures and the relationship between the Company and Controlled Companies or the Group and their employees, customers, suppliers and other stakeholders.

Taking into account the critical global issues resulting from climate change, loss of biodiversity and use of natural resources, as well as the social and cohesion challenges imposed by new technologies that profoundly affect all areas of sustainability, especially in the energy sector, EDP, as an entity with the know-how, the expertise and the tools needed to address these challenges, developed a comprehensive strategic plan that fully embraces this approach. Thus, the mission of this Commission is to substantiate a factor in boosting this internal posture, monitoring its progress and challenging the various internal interlocutors. It seeks to adopt a proactive attitude, with an ethical and supportive concern in the actions that the organization develops under the leadership of the Executive Board of Directors ("EBD").

For more details on the functioning, competences and functions of this Committee, please consult its Internal Regulations, the latest version of which was approved on October 3, 2024, available [here](#), on EDP's official website

Meetings and Participants

2024 was a year of mandate transition, with changes in the composition of the CGSC. Until 10 April, this Commission had the following composition and participation, in the only meeting held on 28 February:

NAME		28-02	%
CHAIR	JOÃO TALONE <sup>1</sup>	P	100%
	Fernando Masaveu Herrero <sup>2</sup>	R	100%
	Hui Zhang <sup>2</sup>	P	100%
	Ignácio Herrero <sup>2</sup>	P	100%
	Laurie Fitch <sup>1</sup>	R	100%
	María del Carmen Rozado <sup>1</sup>	P	100%
	Sandrine Dixson–Declève <sup>1</sup>	P	100%

1= Independent; 2= Not independent; P = Present; A = Absent; R = Represented  
Average Participation: 100% (includes present and represented)

On 10 April the Committee had a new composition and met 4 times during 2024:

NAME		08-05	29-07	02-10	18-12	%
CHAIR	ANTÓNIO LOBO XAVIER <sup>1</sup>	P	P	P	P	100%
	Fernando Masaveu Herrero <sup>2</sup>	R	P	P	P	100%
	Ignacio Herrero Ruiz <sup>2</sup>	P	P	P	P	100%
	Lisa Frantzis <sup>1</sup>	P	P	P	P	100%
	Maria José Garcia Beato <sup>1</sup>	P	P	P	P	100%
	Qin Guobin <sup>1</sup>	P	P	P	P	100%
	Stephen Vaughan <sup>1</sup>	P	P	P	P	100%

1= Independent; 2= Not independent; P = Present; A = Absent; R = Represented  
Average Participation: 100% (includes present and represented)

The average total participation in 2024 was 100%, with some members participating by telematic means.

Access to Information and Reporting to the General and Supervisory Board

The Corporate Governance and Sustainability Committee has always obtained, in a timely manner, all the required information, praising the availability and collaborative spirit of the entire structure of the company. It should also be noted that the members of the General and Supervisory Board were informed about the content and main decisions taken at each of the meetings of this Committee, through a short presentation in plenary.



Activities Carried Out

The following are the most significant topics addressed in the meetings of the Corporate Governance and Sustainability Committee during the year 2024:

- **Leadership in Sustainability – EDP at the forefront of sustainable transformation –** the Committee closely monitored the company's sustainability initiatives, with emphasis on the progress in decarbonization, where 97% of renewable energy production was reached in 2024. The Committee also monitored the company's adaptation to new sustainability reporting obligations, such as the Corporate Sustainability Reporting Directive (CSRD). In the Social axis, the Committee assessed the impact of EDP's social investments, which totaled around 35 million euros in 2024, and the strengthening of partnerships with local communities. It analyzed the relationship with suppliers, ensuring compliance with good social, ethical and environmental practices, in addition to promoting respect for human rights in the supply chain. It appreciated the 2023 Corporate Governance Report, analyzing feedback from investors and stakeholders, and identifying areas for improvement in the group's corporate governance model and composition.
- **People as a vector of success – the excellence of EDP's employees as a driver of the future** – EDP values its employees as fundamental foundations for a promising future, promoting a culture of Diversity & Inclusion. In 2024, the CGSC accompanied several initiatives, including a comprehensive gender equality plan, consisting of 10 strategic pillars and 38 measures. The company demonstrated significant progress in diversity, including more markets and nationalities, as well as greater female and millennial and Gen Z representation in leadership positions, with a variation of around 6% in the number of employees since 2020.
- **Strengthening governance structures – ensuring a sustainable future, where integrity and transparency are the pillars that underpin every decision and action** – in 2024, CGSC monitored the reinforcement of EDP's Corporate Governance policies through a matrix organizational restructuring, which includes Platforms, Regions, Business Enablement Functions (BEF) and Global Business Services (GBS) to improve efficiency and Transparency. In addition, it has united the Ethics and Compliance areas under a new global direction. The Ethics Committee continues to oversee the implementation of the ethical principles. These changes reflect EDP's commitment to promoting transparency, accountability and innovation, being recognized as one of the most ethical companies in the world by the Ethisphere Institute for 13 consecutive years.

- **Customer relationship** – in 2024, CGSC, as usual every year, received the Customer Ombudsman to discuss the challenges of customer management.

Self-assessment of the activity carried out by the Committee and its Members

Within the scope of its regulatory obligations, the Corporate Governance and Sustainability Committee must carry out an annual self-assessment of its activity. To this end, through interviews conducted by an external entity, Mercer, the Committee members once again carried out a self-assessment exercise, the results of which were certified by this entity. The self-assessment is based on two essential objectives: (i) to provide each member and the Committee as a whole with a space to reflect on their performance, particularly regarding the way they address the topics that make up its Annual Activity Plan, as well as the functions they are responsible for undertaking, and (ii) to enable the Committee to adopt measures to improve its procedures and means of action, with a view to making it more efficient in the future.

The results of this collective evaluation process are included in point 5 of Annex 1 of the Annual Report of the General and Supervisory Board.

Lisbon, February 25, 2024

The Corporate Governance and Sustainability Committee:

António Lobo Xavier (President)	Maria José Garcia Beato
Fernando Masaveu	Qin Guobin
Ignacio Herrero	Stephen Vaughan
Lisa Frantzis	

## 5. USA Business Affairs Monitoring Committee

### 5.1. Annual Activity Report

This document discloses the mission and main responsibilities of the USA Business Affairs Monitoring Committee ("USA BAMC"), reporting on the activities carried out during the year 2024.

#### Main highlights

- **Meetings and participants** – the USA BAMC met 7 times throughout the year, with an average total participation of 95%
- **Activities carried out**– the meetings held covered the topics set out in the Activity Plan for 2024, with emphasis on the following thematic groups: (a) strategic plan; (b) investments and divestments; (c) regulatory strategy; (d) risk management; (f) sustainability; (g) Stakeholders; (h) financial report.
- **Self-assessment of the activity carried out by the Committee and its Members** – the members once again carried out a self-assessment exercise, through interviews conducted by an external entity, Mercer, the results of which were certified by this entity and are included in item 5 of Annex 1 to the Annual Report of the General and Supervisory Board 2024

#### Responsibilities and Duties

The United States of America Business Affairs Monitoring Committee is a Specialized Committee of the General and Supervisory Board ("GSB"), with delegated powers, decided by the GSB, as a result of the compliance mechanisms adopted within the scope of EDP Group's activity in the United States of America (USA). Its mission is to monitor and autonomously adopt resolutions on matters relating to the activity carried out by companies wholly or majority held by and/or subsidiary of EDP Group in the USA, particularly with regard to strategic/business plans, assessing the different developing scenarios in which they rest and their implementation, including the resources required to its execution (human and financial), the annual budget, investment, divestment, merger, acquisition and business restructuring projects of significant value, financing operations, strategic alliances/partnerships entered into, the concrete actions resulting from them and the evolution of counterparty risks, the issuing of prior opinions, including in cases of urgency following requests submitted by the Executive Board of Directors ("EBD"), compliance with commitments assumed with regard to public safety and the performance, risk assessment, value at risk and its management. The Committee is further responsible for determining compliance procedures for the obligations assumed by EDP within the scope of the business development of companies wholly or majority held by and/or subsidiary of EDP Group in the USA with respect to the activity of the General and Supervisory Board.

For more details on the functioning, competences and responsibilities of this Specialized Committee, please consult its Internal Regulations, the latest version of which was approved on 16 December 2021, available [here](#) on EDP's official website.



Meetings and Participants

The year 2024 was a transition year, with changes in the composition of the Committee. By 10 April, date of the General Meeting, BAMC had had 2 meetings and had the following composition and participation:

NAME		16-01	28-02	%
CHAIR	JOÃO TALONE <sup>1</sup>	P	P	100%
	Esmeralda Dourado <sup>1</sup>	P	P	100%
	Felipe Fernández Fernández <sup>2</sup>	P	P	100%
	Laurie Fitch <sup>1</sup>	P	P	100%
	Sofia Salgado Pinto <sup>1</sup>	P	P	100%

1= Independent; 2= Not independent; P = Present; A = Absent; R = Represented  
Average Participation: 100%

On 10 April the Specialized Committee had a new composition and met 4 times during 2024:

NAME		08-05	29-07	25-09	07-11	19-12	%
CHAIR	ANTÓNIO LOBO XAVIER <sup>1</sup>	P	P	P	P	P	100%
	Alicia Reyes Revuelta <sup>1</sup>	P	P	P	P	P	100%
	Lisa Frantzis <sup>1</sup>	P	P	P	P	P	100%
	Sandra Maria Santos <sup>1</sup>	P	P	P	P	P	100%
	Stephen Vaughan <sup>1</sup>	P	P	P	P	P	100%
	Victor Roza Fresno <sup>2</sup>	P	P	A	A	P	60%

1= Independent; 2= Not independent; P = Present; A = Absent; R = Represented  
Average participation: 93%

The average total participation in 2024 was 95%, with some members participating by telematic means.

Access to Information and Reporting to the General and Supervisory Board

It is noted that the Committee always obtained, in a timely manner, all the information necessary to carry out its functions, praising the availability and collaborative spirit of the entire company structure. It should also be noted that the USA BAMC’s Chair always kept the General and Supervisory Board members informed about the Committee's activity at meetings, without prejudice to restrictions on access to information regarding members who find themselves in a conflict-of-interest situation, through a short presentation in the plenary session.

Activities Carried Out

The following are the most significant topics covered in the meetings of the United States of America Business Affairs Monitoring Committee during 2024:

- **Strategic Plan** – As part of its duties and responsibilities, the BAMC monitored the process of implementing the Business Plan 2023–2026, as well as the reflection and preparation of the new Business Plan, regarding the activity of the companies wholly or majority owned and/or participated by EDP Group in the United States of America.
- **Investments and divestments** – The BAMC monitored and adopted resolutions regarding investment projects, divestments, and strategic business partnerships of significant value, such as the investment in a 100 MW wind farm in Indiana, the investment in a 200 MW battery storage system in Arizona, the sale of 49% of the shareholding of a 300 MWac solar portfolio and a 90 MW battery storage system in the USA, among others. The Commission also monitored EDP Renewables' strategic partnership with Engie in the US offshore wind segment and the development of EDP Renewables North America's distributed generation platform.
- **Regulatory strategy** – The BAMC analyzed EDP Renewables North America's regulatory strategy and followed political, legislative and regulatory developments in the field of renewable energies, namely the implementation of the Inflation Reduction Act (IRA), trade and tariff policies such as the Uyghur Forced Labour Prevention Act or the anti-circumvention tariffs on imports of solar panels into the USA, the licensing reform bills tabled in the US Congress, the possible impact on climate policy and support for

renewables after the November 2024 elections in the USA and the process of amending the Electricity Market Law in Mexico.

- **Risk management** – The BAMC analyzed the risk profile of EDP Renewables North America’s business, the improvement actions underway, the strategy and risk management activity of this company, and its integration with the Group's global risk model. Project execution risk, energy market risk and EDP Renewables North America’s counterparty risk, among others, were monitored and analyzed.
- **Supply Chain** – The BAMC monitored the supply chain management strategy for EDP Group’s projects in the USA, analyzing the logistical constraints in the supply chain for operations in the USA and the strategy for mitigating their impact on EDP Renewables North America’s activity.
- **Sustainability** – The BAMC reviewed the sustainability strategy in the USA and its alignment with the ESG (Environment, Social and Governance) objectives of the 2023–2026 business plan. The analysis discussed the main challenges, and the action plan outlined for each area of intervention, namely local communities, the planet, partners, and the company’s ESG culture.
- **Stakeholders** – The BAMC monitored the stakeholder management strategy at EDP Renewables North America, analyzing projects developed in partnership with communities, customers, investors and suppliers, and the main activities and events held within the scope of stakeholder management.
- **Financial Report** – As part of its duties and responsibilities, the USA BAMC monitored and analyzed on a quarterly basis the financial information of the activity of the companies wholly or majority held by and/or subsidiary of EDP Group in the United States of America.
- **Budget** – As part of its duties and responsibilities, the USA BAMC monitored and analyzed the budget for the activity of companies wholly or majority owned and/or held by EDP Group in the United States of America for 2025.
- **Compliance** – The BAMC monitored the implementation of compliance measures and procedures for the obligations assumed by EDP in connection with the companies’ business development wholly or majority held by and/or subsidiary of EDP Group in the United States of America.
- **Internal procedures** – The Committee approved the activity plan for the following year and the activity report for the previous year.

In accordance with Article 10(1)(f) of the Internal Regulation of the United States of America Business Affairs Monitoring Committee, the Committee is responsible for issuing opinions on matters relating to the activity carried out by companies wholly or majority held by and/or subsidiary of EDP Group in the United States of America. In this context, it is worth noting that during 2024, the United States of America Business Affairs Monitoring Committee intervened in seven operations to issue a prior opinion at a meeting, all of which concerned investment and divestment projects, and all requests received a favorable opinion from the Committee. The expedited prior opinion issue mechanism was used by the Executive Board of Directors in an operation in relation to an investment project, with the Committee having granted the request after verifying the respective procedures.

#### **Self-assessment of the Activity undertaken by the Committee and its Members**

As part of its regulatory obligations, the Committee must annually carry out a self-assessment of its activity. In this sense, through interviews conducted by an external entity, Mercer, the Committee members once again carried out a self-assessment exercise, the results of which were certified by this entity. The self-assessment is based on two essential objectives: (i) to provide each member and the Committee as a whole a space for reflection on their performance, particularly regarding the way they address the topics that make up its Annual Activity Plan, as well as the functions they are responsible for undertaking, and (ii) to enable the Committee to adopt measures to improve its procedures and means of action, with a view to making that more efficient in the future. The results of this collective assessment process are included in item 5 of Annex 1 of the Annual Report of the General and Supervisory Board.

#### **Lisbon, 18 February 2025**

#### **The United States of America Business Affairs Monitoring Committee:**

António Lobo Xavier (Chair)  
 Alicia Reyes Revuelta  
 Lisa Frantzis  
 Sandra Maria Santos  
 Stephen Vaughan  
 Victor Roza Fresno



## List of Acronyms

For ease of explanation and without prejudice to the timely use of the designations and expressions that they are intended to replace, throughout this report, the following acronyms and abbreviations are used:

**EBD** – Executive Board of Directors

**USA BAMC** – United States of America Business Affairs Monitoring Committee

**GSB** – General and Supervisory Board

**CGSC** – Corporate Governance and Sustainability Committee

**FMC** – Financial Matters Committee

**RC** – Remuneration Committee (from GSB)

**CMVM** – Portuguese Securities Market Commission

**EDP** (or Company) – EDP – Energias de Portugal, S.A.

**EDP Energias do Brasil** – EDP Energias do Brasil, S.A.

**EDPR** (or EDP Renewables) – EDP Renewables, S.A.

**EDPR NA** – EDP Renewables North America, S.A.

**ESG** – Environmental, Social and Governance

**IRA** – Inflation Reduction Act

**SA** – Statutory Auditor

**Subsidiaries** – Companies in a control or group relationship with EDP under the terms of article 21 of the Securities Code

NOTE: The identification of corporate bodies, without any other mention, should be interpreted as referring to EDP's corporate bodies.



