

*edp*

# CHANGING TOMORROW NOW

INTERIM REPORT

1<sup>ST</sup> HALF 2021

ONE  
ROY



# CHANGING TOMORROW NOW

At EDP, we are in the business of innovating. Our 4 decade long track record has turned us into better energy providers and pioneers of the green evolution. Change has been our driver as we deliver an agile network with more efficient, smart and sustainable solutions. As leaders in the energy transition, we see investment in renewables as an active way to engage with future generations, promoting decarbonisation in energy production and consumption. We are playing our part for a more balanced and sustainable world, one that is inclusive, diverse and humane.

**We're changing tomorrow now.**

*edp*

**Changing tomorrow now.**

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Pioneering  
the new  
green normal

**Changing tomorrow now.**

# 01

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## EDP

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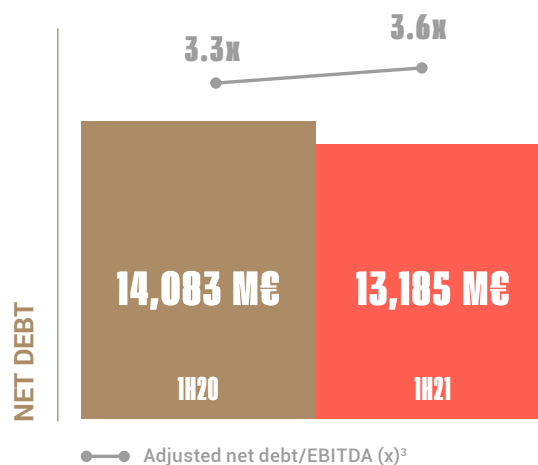
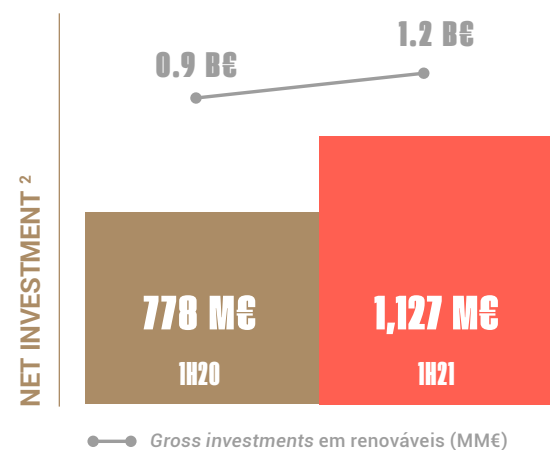
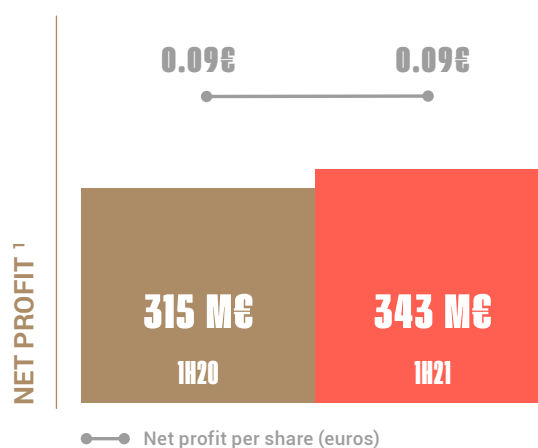
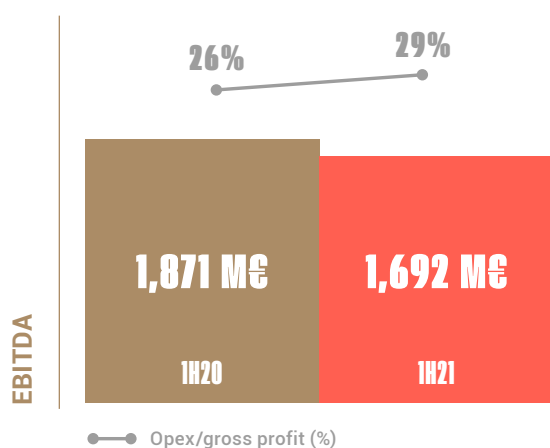
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## 1.1.1

# KEY METRICS

## Financial data



<sup>1</sup> – net profit attributable to EDP equity shareholders. <sup>2</sup> – considers CAPEX of EDP group, organic financial investment €230M (30 Jun 2020: €335M) and asset rotation -€496M (30 Jun 2020: -€477M). <sup>3</sup> - Adjusted net debt from regulatory assets and leasings

## Operational data



### GENERATION

23,904 MW

Installed capacity

-11% vs 1H20<sup>1</sup>

29,941 GWH

Produção Net generation

-6% VS 1H20

1,402 MW

Installed capacity - equity

+26% VS 1H20

2,616 MW

Capacity under construction

+31% VS 1H20



### TRANSMISSION

484 KM

Operating network (km)

+159% VS 1H20

1,010 KM

Under construction network (km)

-19% VS 1H20



### DISTRIBUTION

42,318 GWH

Electricity distributed

+14% VS 1H20

11,338 ('000)

Electricity supply points

+8% VS 1H20<sup>2</sup>

29,221 GWH

Electricity supplied

+45% VS 1H20

8,581 ('000)

Electricity customers

-12% VS 1H20<sup>3</sup>



### SUPPLY

7,396 GWH

Gas supplied

-21% VS 1H20

686 ('000)

Gas customers

-57% VS 1H20<sup>3</sup>

<sup>1</sup> – Considers the sale of 1,683MW to ENGIE, the sale of 843MW to TOTAL, and the decommissioning of 1,180MW occurred in December 2020 <sup>2</sup> – Considers the acquisition of 699 thousand supply points in Spain from Viesgo. <sup>3</sup> – Considers the sale of 1,14 million electricity customers and 898 thousand gas customers in December to TOTAL.

## 1.1.2

# RECOGNITION

**EDP Renewables awarded, for the third consecutive time, with the Top Employer Europe 2021 by the Top Employers Institute**

considering it as one of the best companies to work for in six of the countries where it operates

**EDP selected by Bloomberg to be part of the Bloomberg Gender Equality Index**

recognizing it as, from the listed companies, as one of the most committed to gender equality globally

**EDP Comercial distinguished by Consumer Choice with the Consumer Choice Award 2021**

in the category of Energy and Services – Domestic Use

**EDP distinguished by the Global Eventex Awards in the Employee Engagement Event category, with the Encontros 2020 project**

having been awarded the gold medal

**EDP Brasil recognized with the Women on Board Seal in the Gender Equity category**

which is an initiative that has the support of UN Women to encourage gender equality in leadership positions

**EDP Renewables awarded at the M&P Communication Awards with the OW Ocean Winds project in the video category**





## **EDP recognized with the National Sustainability Award in the Sustainable Finance category**

an initiative promoted by  
Jornal de Negócios and  
Deloitte, with the support of  
the Ministry of Environment  
and Energy Transition



## **EDP Brasil distinguished with the Consumidor Moderno award in the category of Best Energy and Utilities Company**

by the Consumidor  
Moderno magazine

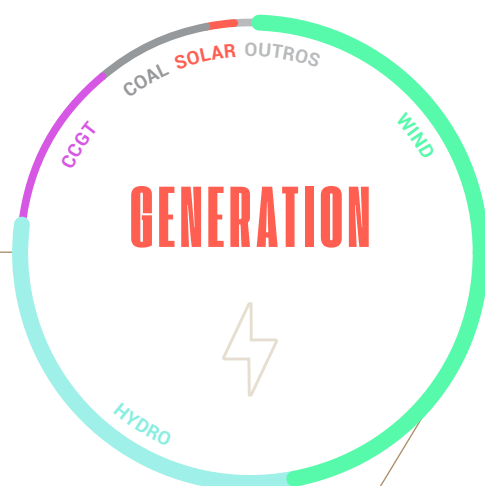


## 1.2. EDP group profile

### 1.2.1.

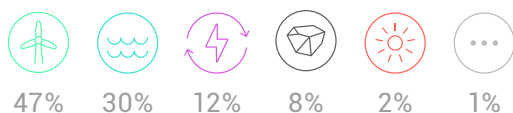
# WHO WE ARE

EDP is a multinational utility vertically integrated and present throughout the whole value chain of electricity and in the activity of gas supply. Over its more than 40 years of history, EDP has been cementing a relevant presence in the world energy panorama. Highlighting its renewable energy portfolio, it is well positioned for the challenges of the energy transition.



## 24 GW

Installed capacity



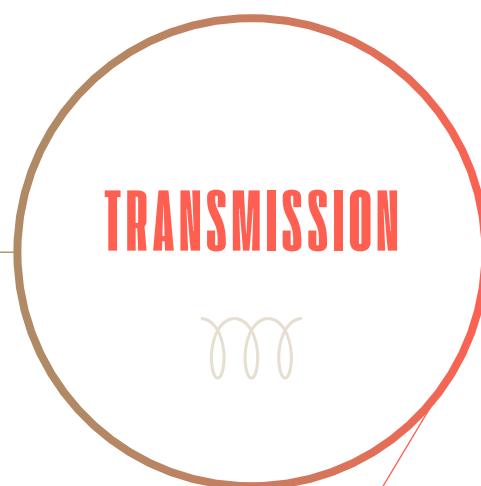
## 30 TWh

Net electricity generation

## 81%

Renewable sources

Generation is the first activity in the value chain of the electricity sector. Power plants transform the various energy sources into electricity. These energy sources may be of renewable origin (wind, water and sun) or non-renewable (natural gas, coal, nuclear and cogeneration).



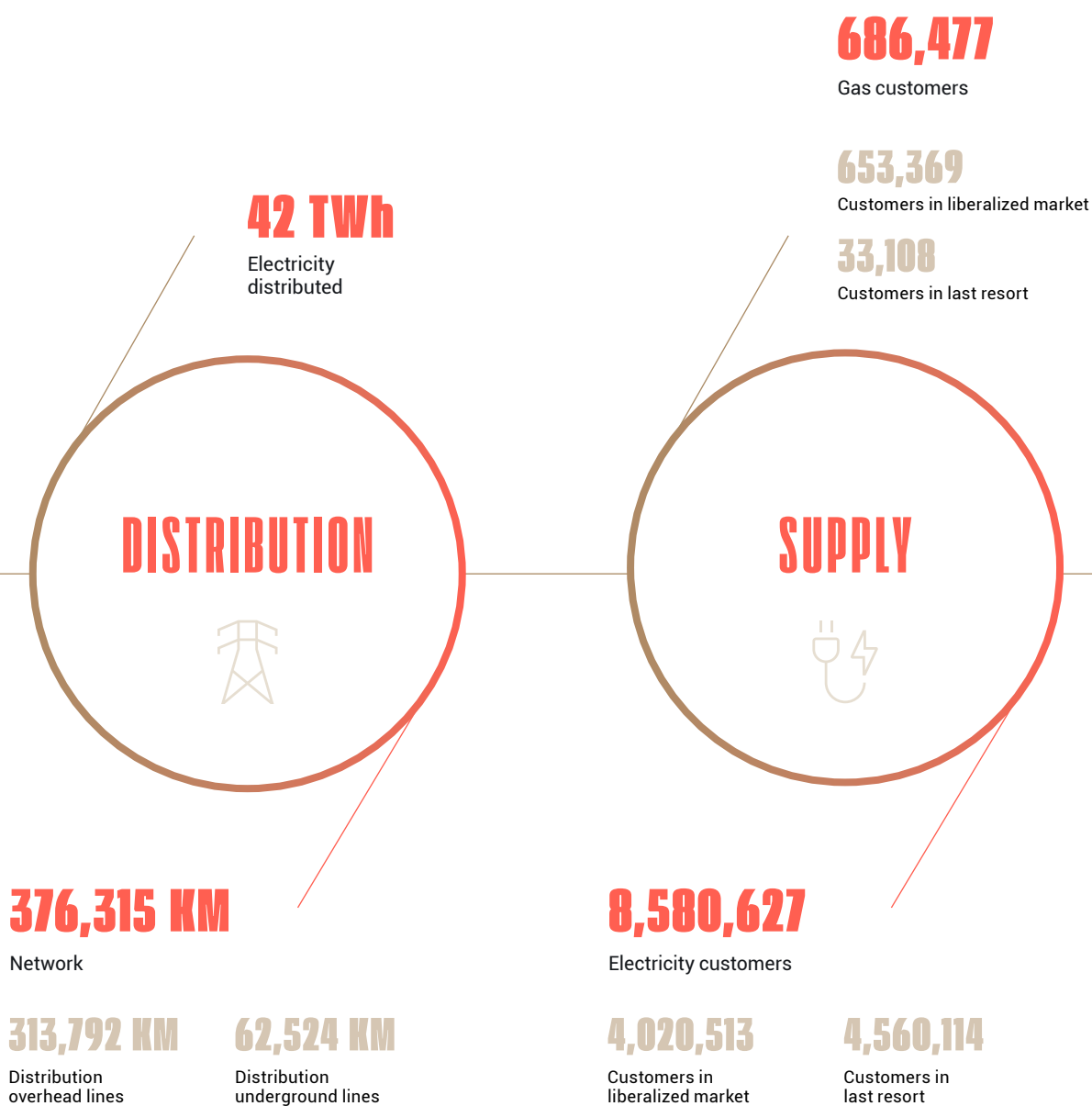
## 1,010 KM

Transmission network under construction

## 484 KM

Operating network

In transmission activity, the generated energy is delivered to the transport network, which is made of very high voltage lines and which then channels the energy to the distribution network. This is a new business segment being developed in Brazil.



In the distribution activity the transported energy is channeled to the distribution grid. The distribution network allows the flow of energy to the supply points. Electricity distribution networks are composed of high, medium and low voltage lines and cables. Substations, processing stations and public lighting installations as well as the necessary connections to consumer installations and power stations are also an integral part of the distribution networks.

In the supply activity the distributed energy arrives at the supply point and is sold by the supplier. Throughout the electricity and gas value chain, supply is the closest activity to the customer and responsible for the relationship with final consumers.

## 1.2.2

# WHERE WE ARE

EDP is present in 22 countries  
and 4 continents counting  
with 12,147 employees.

|                |                                                                                                                                                                         |                                                                                                                                                                                                                                                             |                                                                                           |
|----------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------|
| Portugal       |       |                                                                                           |  5,735   |
| Spain          |       |                                                                                           |  2,028   |
| Canada         |                                                                                       |                                                                                                                                                                                                                                                             |  6      |
| Colombia       |                                                                                      |                                                                                                                                                                                                                                                             |  24    |
| USA            |                                                                                      |                                                                                                                                                                                                                                                             |  809   |
| Mexico         |                                                                                      |                                                                                                                                                                                                                                                             |  15    |
| Brazil         |   |    |  3,207 |
| Peru           |                                                                                      |                                                                                                                                                                                                                                                             |  1     |
| China          |                                                                                                                                                                         |                                                                                                                                                                          |                                                                                           |
| Poland         |                                                                                      |                                                                                                                                                                                                                                                             |  67    |
| Romania        |                                                                                      |                                                                                                                                                                                                                                                             |  36    |
| Italy          |                                                                                      |                                                                                                                                                                                                                                                             |  74    |
| United Kingdom |                                                                                      |                                                                                                                                                                                                                                                             |  4     |
| Belgium        |                                                                                      |                                                                                                                                                                                                                                                             |  2     |
| France         |                                                                                      |                                                                                                                                                                                                                                                             |  101   |
| Greece         |                                                                                      |                                                                                                                                                                                                                                                             |  24    |
| Ireland        |                                                                                                                                                                         |                                                                                                                                                                          |                                                                                           |
| Mozambique     |                                                                                      |                                                                                                                                                                                                                                                             |                                                                                           |
| Nigeria        |                                                                                      |                                                                                                                                                                                                                                                             |                                                                                           |
| Vietnam        |                                                                                      |                                                                                                                                                                                                                                                             |  4     |
| Hungary        |                                                                                      |                                                                                                                                                                                                                                                             |  7     |
| Chile          |                                                                                      |                                                                                                                                                                                                                                                             |                                                                                           |

⚡ Conventional generation   ✈️ Renewable generation   🚚 Transport   🏠 Distribution  
🔌 Supply   📄 Offices   👤 Employees

## NORTH AMERICA

Canada  
USA  
Mexico

## SOUTH AMERICA

Brazil  
Colombia  
Peru  
Chile

## EUROPE

Portugal  
Spain  
France  
Belgium  
Ireland  
United Kingdom  
Italy  
Greece  
Poland  
Romania  
Hungary

## ASIA

China  
Vietnam

## AFRICA

Mozambique  
Nigeria

Employees

12,147

22

Countries  
we are in

## 1.2.3

# HOW WE ARE ORGANIZED

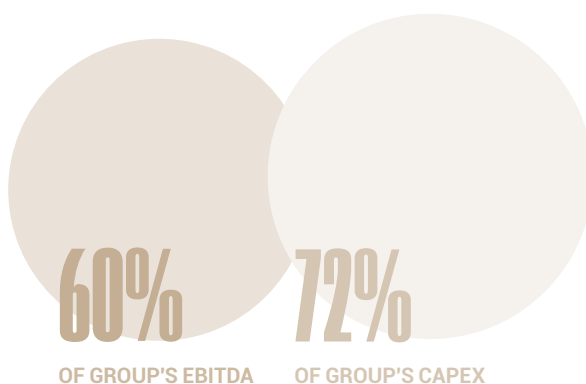
## Business areas

EDP operates in 3 business areas:



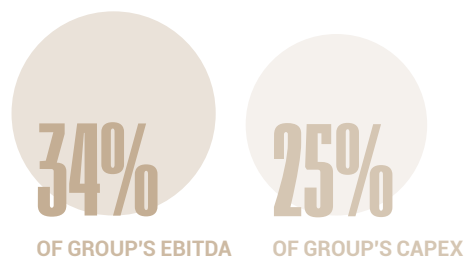
## RENEWABLES

Key growth platform



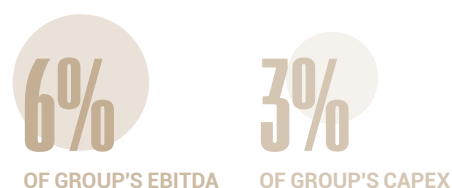
## NETWORKS

Portfolio stabilizer



## CLIENT SOLUTIONS & ENERGY MANAGEMENT

Hedging portfolio and growth in new downstream



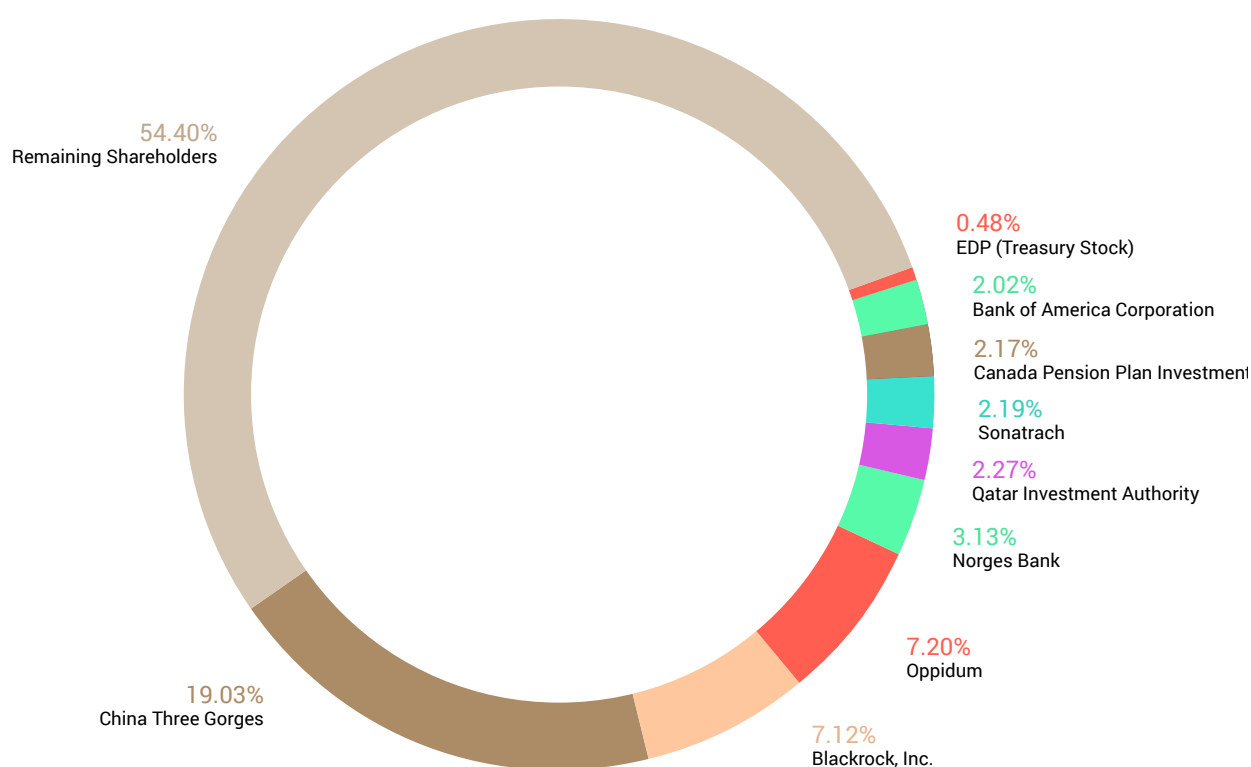


Meadow Lake, Indiana, USA

## 1.2.4

# HOW WE ARE ORGANIZED

## Shareholder's Structure



## Governance

EDP's governance structure is based on the dual model and consists of the General Meeting, Executive Board of Directors, General and Supervisory Board and the Statutory Auditor.

The separation of management and supervision roles is embodied in an Executive Board of Directors, which is responsible for the management of the company's business, and a General and Supervisory Board, the highest supervisory body.

The dual model of corporate governance in place in EDP has allowed effective separation of the company's supervision and management in pursuit of EDP's goals, interests and its shareholders, employees and other stakeholders, thereby contributing to achieving a degree of trust and transparency necessary for its adequate functioning and optimisation.

Furthermore, this model has proved appropriate to the company's shareholder structure as it allows supervision by key shareholders on the General and Supervisory Board.

## EDP Corporate Bodies

### Executive Board of Directors elected (2021-2023)

---

- |                                              |                                            |                                        |
|----------------------------------------------|--------------------------------------------|----------------------------------------|
| • Miguel Stilwell de Andrade                 | • Rui Manuel Rodrigues<br>Lopes Teixeira   | • Ana Paula Garrido<br>de Pina Marques |
| • Miguel Nuno Simões<br>Nunes Ferreira Setas | • Vera de Moraes Pinto<br>Pereira Carneiro |                                        |

### General and Supervisory Board (2021-2023)

---

- |                                                                                                              |                                                                                |
|--------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------|
| • João Luís Ramalho Carvalho Talone<br>Chairman                                                              | • Fernando Maria Masaveu Herrero                                               |
| • Dingming Zhang<br>China Three Gorges Corporation                                                           | • João Carvalho das Neves                                                      |
| • Shengliang Wu<br>China Three Gorges International Limited.                                                 | • María del Carmen Fernández Rozado                                            |
| • Ignacio Herrero Ruiz<br>China Three Gorges (Europe), S.A.                                                  | • Laurie Lee Fitch                                                             |
| • Li Li<br>China Three Gorges Brasil<br>Energia Ltda.                                                        | • Esmeralda da Silva Santos Dourado                                            |
| • Miguel Espregueira Mendes Pereira<br>Leite<br>China Three Gorges (Portugal),<br>Sociedade Unipessoal, Lda. | • Helena Sofia Silva Borges Salgado<br>Fonseca Cerveira Pinto                  |
| • Felipe Fernández Fernández<br>DRAURSA, S.A.                                                                | • Sandrine Dixson-Declève                                                      |
|                                                                                                              | • Zili Shao                                                                    |
|                                                                                                              | • Luís Palha da Silva<br>Chairman of the Board of<br>the Shareholders' Meeting |

### Statutory Auditor (2021-2023)

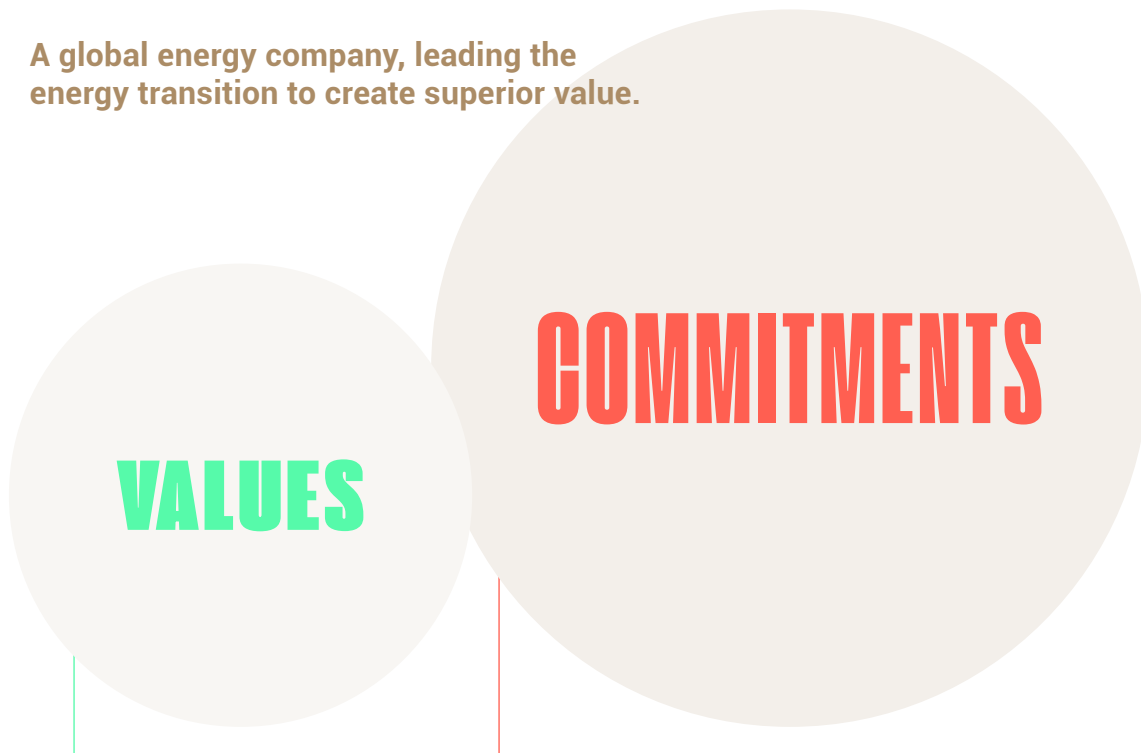
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- |                                                                                                                    |                                                               |
|--------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------|
| • Pricewaterhouse Coopers &<br>Associados - Sociedade de<br>Revisores de Contas, Lda.,<br>João Rui Fernandes Ramos | • Aurélio Adriano Rangel Amado<br>Alternate Statutory Auditor |
|--------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------|

## 1.2.5

# VISION

A global energy company, leading the energy transition to create superior value.



## INNOVATION

With the aim of creating value in the many areas in which we operate.

## SUSTAINABILITY

Aiming to improve the quality of life of current and future generations.

## HUMANIZATION

Building genuine and trusting relationships with our employees, customers, partners and communities.

## SUSTAINABILITY

We assume the social and environmental responsibilities that result from our performance thus contributing towards the development of the regions in which we operate.

We avoid specific greenhouse gas emissions with the energy we produce.

We ensure the participatory, competent and honest governance of our business.

## CLIENTS

We place ourselves in our clients' shoes whenever a decision has to be made.

We listen to our clients and answer in a simple and clear manner.

We surprise our clients by anticipating their needs.

## PEOPLE

We join conduct and professional rigour to enthusiasm and initiative, emphasizing team work.

We promote the development of skills and merit.

We believe that the balance between private and professional life is fundamental in order to be successful.

## RESULTS

We fulfil the commitments that we embraced in the presence of our shareholders.

We are leaders due to our capacity of anticipating and implementing.

We demand excellence in everything that we do.

## 1.2.6

# STAKEHOLDERS MANAGEMENT

In the context of extraordinary challenges worldwide, the need to maintain a dialogue with a broad range of stakeholders to face shared challenges has gained even more strategic relevance.

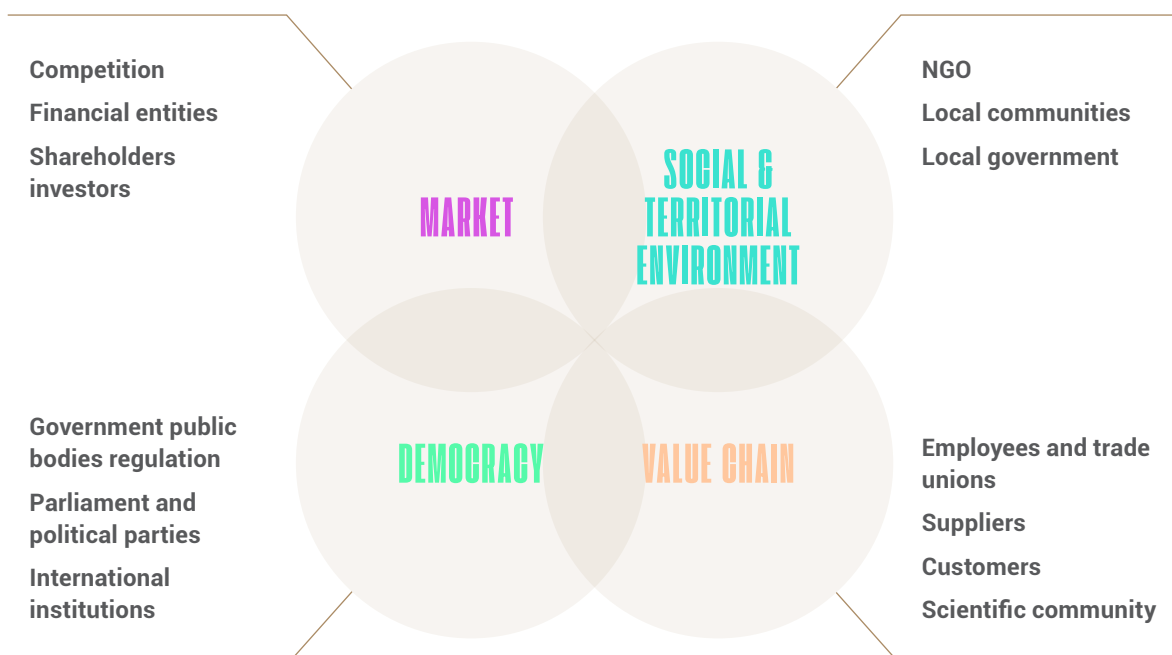
The importance of this activity is increasingly central to the global business landscape. However, EDP's commitment to this subject is not new and was even a pioneer. Almost a decade ago, EDP set up the Institutional Relations and Stakeholders Department, whose purpose is to contribute to the execution of its business plan, improve its reputation among priority stakeholders and continue to achieve international excellence in this area. Incorporating this vision as a necessary and essential condition for the business itself, allows the EDP Group to ensure the strength and sustainability of its results.

Given the great capillarity of this activity, both at a strategic and operational level, employees from different business areas are counterparts for the stakeholders. It is, therefore, essential to ensure that they have access to

awareness-raising actions. A good example is the one carried out in 2020, through the provision of e-learning on Stakeholder Management, which had the participation of more than half of the employees in Portugal.

Efficient stakeholder management implies that the views of interested parties are heard, considered, and incorporated into the company's activity. In this sense, EDP frequently conducts consultations with a wide range of stakeholders, hearing several segments in Spain, Brazil, and the United States of America in 2020.

In Portugal, investors and suppliers were enquired either through online surveys or through individual interviews. Finally, we are pleased with the international recognition that the commitment and permanent deepening of the EDP Group's relationship with its stakeholders has received. Namely by the fact that EDP was considered Best in Class, for the fourth consecutive year, in the Stakeholder Engagement and Policy Influence criteria of the Dow Jones Sustainability Index.



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# 02

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## PERFORMANCE

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# 02

## Performance

### 2.1. Group's Financial Analysis

#### Income Statement

| EURO MILLION                                | 1H21  | 1H20  | Δ %  | Δ ABS. |
|---------------------------------------------|-------|-------|------|--------|
| Gross Profit                                | 2 416 | 2 657 | -9%  | -242   |
| Operating Costs                             | 741   | 724   | 2%   | 17     |
| Other Revenues/(Costs)                      | (16)  | (68)  | 77%  | 52     |
| Joint Ventures and Associates               | 33    | 5     | 560% | 28     |
| EBITDA                                      | 1 692 | 1 871 | -10% | -179   |
| EBIT                                        | 966   | 1 052 | -8%  | -86    |
| Net Profit for the period                   | 498   | 488   | 2%   | 10     |
| Net Profit attributable to EDP shareholders | 343   | 315   | 9%   | 29     |
| Non-controlling interests                   | 154   | 173   | -11% | -19    |



## EBITDA

# €1,692M

-10% VS. 1H20

**EBITDA** amounted to 1,692 million euros in 1H21, a decline of 10% vs. 1H20, including the impact from Hydro, CCGT and B2C supply activities disposed in Iberia in Dec-20 (-102 million euros) and adverse ForEx impact (-97 million euros) mainly due to a 17% depreciation of the Brazilian Real against the Euro. Despite that, If disregarded these effects, EBITDA performance vs 1H20 is still largely impacted by weaker energy management results in Iberia vs. a very strong 1H20, aggravated by the sharp increase in energy prices in 1H21, the weak wind load factors and negative impact of the polar vortex in 1Q21 in the US. Electricity networks EBITDA showed a very strong growth of 32%, supported by the Viesgo acquisition, the positive impact from annual inflation update of regulated revenues in Brazil, the execution of Transmission growth in Brazil, and also due to the recovery of economic activity, with distributed electricity increasing +14% YoY across the 3 geographies where EDP is present

In **Renewables**, 13% decrease vs. 1H20 to 1,007 million euros, which corresponds to 60% of total EBITDA. Excluding the sale of 6 hydro plants in Portugal closed in Dec-20, EBITDA declined 7% YoY (-75 million euros) mainly impacted by (i) the negative impact of the polar vortex weather event in US, (ii) the de-consolidation of wind assets sold in December 2020 and (iii) adverse ForEx impact (-49 million euros).

In **Networks**, 32% increased YoY to 580 million euros (+140 million euros), reflecting (i) Viesgo contribution (86 million euros), (ii) €22 million euros in Portugal, mostly due to good OPEX performance on accelerated digitalisation (iii) +€45m in the Brazil, exceeding a significant negative impact from BRL devaluation (-€34 million euros), with EBITDA performance in local currency positively impacted by stronger demand, regulated revenues indexation to inflation and anticipation in the commissioning of a transmission line.

In **Client Solutions and Energy Management**, decreased 64% vs 1H20 to 103 million euros following the tough YoY comparison vs. the very strong energy management results in 1H20 aggravated by the adverse environment in 1H21, penalized by the sharp increase in energy prices in the wholesale markets, especially in 2Q21. This implied a significantly higher production and sourcing costs, as well as a negative mark-to-market impact on hedging contracts in energy markets,. Additionally, the decommissioning of Sines coal plant in Dec-20 was just partially offset by the improvement of EBITDA in: (i) supply activities, supported by a recovery in B2B consumption and the increase of new services penetration rate (30% vs. 25% in 1H20); (ii) Thermal generation, supported by the increase in the ancillary services in Spain.

**Opex costs** slightly increase 2% YoY at 741 million euros, reflecting Viesgo integration. The cost control and successful implementation of ongoing savings programs, mainly in Iberia is continuing supporting the requirements needed to accelerate growth in renewables.

**Other net operating revenues/(costs)** changed by 52 million euros, to a net operating revenue of 16 million euros, mainly on gains from our asset rotation.

**EBIT****€966M****-8% VS. 1H20****Net Profit  
Attributable to  
EDP Shareholders****€343M****+9% VS. 1H20**

**EBIT** was 8% lower vs. 1H20, at 966 million euros, positively impacted by (i) lower related to the decision to anticipate the shutdown of Iberian coal plants booked in 2Q20, (ii) lower depreciation charges arising from the classification as assets held for sale of operations disposed in late 2020.

**Financial results** amounted to -254 million euros in 1H21, reflecting a 31% increase YoY. Note that financial costs in 1H20 were negatively impacted by a 57 million euros one-off cost related to the repurchase of a 750 million euros hybrid bond (5.4% coupon). Excluding this one-off event, net financial interests improved 3% YoY to -236 million euros in 1H21, while net foreign exchange differences and derivatives climbed +€26 million euros YoY, reaching 10 million euros, and capitalized financial costs increased to €45m in the same period.

- **Income taxes** amounted to 163 million euros, representing an effective tax rate of 23% in 1H21 vs 20% in 1H20 mainly due to capital gains taxed in US.
- **Non-controlling interests** fell 11% YoY to 154 million euros in 1H21, mainly explained by the decrease in net profit of EDPR partly mitigated by strong performance of EDP Brazil and Viesgo's acquisition in YE20.
- **Net profit attributable to EDP equity holders** reached 343 million euros in 1H21 (+9% YoY). Adjusted for the disposals in Iberia in 2020 (hydro in Portugal and Castejon CCGT and B2C supply in Spain) and extraordinary events net profit fell 15% YoY, to 326 million euros in 1H21, driven by weaker performance of energy management and the adverse weather effects on US renewables which was partly mitigated by integration of Viesgo and strong performance of our hydro and supply operations.

## Investment Activity

### Capex

**€1,393M**

+51% VS. 1H20

#### Expansion Capex, €1,150 million euros (+57% vs. 1H20)

- EDP expansion capex increased 57% to €1.1Bn, accounting for 83% of total capex, mostly dedicated to Renewables and Networks.
- Investments amounted to €0.9Bn in new renewable capacity (+64% YoY) was distributed between North America (47%), Europe (41%) and Latam & others (12%).
- In Brazil, transmission capex increased 48% while capex in distribution increased by 44% YoY, namely due to transmission lines roll-out and grid expansion and improving quality of service in both concessions.

#### Maintenance Capex, €243m (-30% vs. 1H20)

- Maintenance capex in 1H21 (€243m) was mostly dedicated to our regulated networks (72% of total), namely in Spain and in Portugal.

### Asset Rotation

**€496M**

- Asset Rotation strategy with a strong performance in 1H21: during the first 1H2: completion of the sale to funds managed by Greencoat Capital of a 68% equity stake in a wind portfolio located in the United States, comprising two operating winds farms totalling 405 MW, namely: Bright Stalk (205 MW, located in Illinois and in operation since 2019;) and Harvest Ridge (200 MW, located in Illinois and in operation since 2020). This operation resulted in €496m in proceeds, an increase of 4% vs 1H20

## Net Debt

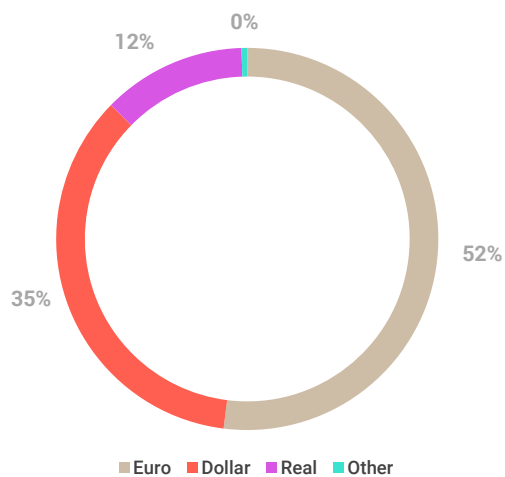


As of June 2021, net debt registered 13.2 billion euros, an 8% increase vs. Dec-20, impacted by the significant scale up of our ongoing investments represented by higher cash capex and the delay in TEI proceeds, which overcompensated EDPR's ABB and hybrid issuance.

## Funding Policy

- Centralized policy for financial debt at EDP – Energias de Portugal, S.A. and EDP Finance BV (approximately 78% of gross debt), while the remainder is divided between EDP Brasil (ring fenced vs. the rest of the Group) and project finance at some EDP Renováveis' subsidiaries.
- In 1H21 the average cost of debt stood at 3.1% (-15 basis points vs. 1H20), mainly driven by the proactive debt management and increasing share of green financing.
- Fixed interest rate debt represents 65% of overall gross financial debt.

## Gross Debt by Currency in Jun-21 <sup>(1)</sup>



1) After FX-derivatives

## Bond Issues

All EDP issuances in 1H21 were subordinated green notes, detailed as follows:

| ISIN CODE    | Currency | AMOUNT      | COUPON | MATURITY |
|--------------|----------|-------------|--------|----------|
| PTEDPROM0029 | EUR      | 750,000,000 | 1.88%  | 2/8/2081 |

## Rating

Regarding EDP's rating, throughout the first half of 2021 we've have received several rating upgrades, namely an improvement in S&P's rating to BBB with stable outlook, an outlook upgrade from Moody's from stable to positive and finally, a reassessment of Fitch's rating to BBB, from BBB-, with a stable outlook.

|         | LONG-TERM | SHORT-TERM | OUTLOOK  |
|---------|-----------|------------|----------|
| S&P     | BBB       | A-2        | Stable   |
| Moody's | Baa3      | P3         | Positive |
| Fitch   | BBB       | F3         | Stable   |

## Operational Indicators History

| RENEWABLES                                       | UN         | 1H21          | 1H20          | 1H19          | 1H18          |
|--------------------------------------------------|------------|---------------|---------------|---------------|---------------|
| <b>WIND AND SOLAR INSTALLED CAPACITY</b>         |            |               |               |               |               |
| Installed Capacity                               | MW         | 11,743        | 10,889        | 11,393        | 10,713        |
| Portugal                                         | MW         | 1,238         | 1,164         | 1,355         | 1,253         |
| Spain                                            | MW         | 2,137         | 1,974         | 2,288         | 2,244         |
| Rest of Europe                                   | MW         | 1,476         | 1,276         | 1,721         | 1,601         |
| North America                                    | MW         | 6,428         | 6,143         | 5,562         | 5,284         |
| Brazil                                           | MW         | 436           | 331           | 467           | 331           |
| Capacity under Construction                      | MW         | 2,616         | 2,000         | 993           | 1,086         |
| Portugal                                         | MW         | 125           | 6             | 0             | 102           |
| Spain                                            | MW         | 101           | 28            | 53            | 68            |
| Rest of Europe                                   | MW         | 685           | 312           | 61            | 100           |
| North America                                    | MW         | 767           | 1,393         | 879           | 679           |
| Brazil                                           | MW         | 939           | 260           | 0             | 137           |
| Equity Installed Capacity <sup>1</sup>           | MW         | 841           | 550           | 371           | 331           |
| Portugal                                         | MW         | 31            | 0             | 0             | 0             |
| Spain                                            | MW         | 167           | 152           | 152           | 152           |
| Rest of Europe                                   | MW         | 43            | 0             | 0             | 0             |
| North America                                    | MW         | 601           | 398           | 219           | 179           |
| Brazil                                           | MW         | 0             | 0             | 0             | 0             |
| Capacity under Construction MEP <sup>1</sup>     | MW         | 269           | 330           | 330           | 0             |
| Portugal                                         | MW         | 0             | 14            | 14            | 0             |
| Rest of Europe                                   | MW         | 269           | 316           | 316           | 0             |
| <b>WIND AND SOLAR NET ELECTRICITY GENERATION</b> |            |               |               |               |               |
|                                                  | <b>GWh</b> | <b>15,338</b> | <b>14,664</b> | <b>16,157</b> | <b>15,451</b> |
| Portugal                                         | GWh        | 1,483         | 1,262         | 1,635         | 1,676         |
| Spain                                            | GWh        | 2,613         | 2,102         | 3,009         | 2,866         |
| Rest of Europe                                   | GWh        | 1,670         | 1,699         | 1,967         | 1,799         |
| North America                                    | GWh        | 9,079         | 9,213         | 8,849         | 8,690         |
| Brazil                                           | GWh        | 494           | 388           | 697           | 420           |
| <b>WIND AND SOLAR TECHNICAL AVAILABILITY</b>     |            |               |               |               |               |
|                                                  |            | <b>97</b>     | <b>97</b>     | <b>97</b>     | <b>97</b>     |
| Portugal                                         | %          | 98            | 98            | 99            | 98            |
| Spain                                            | %          | 96            | 95            | 97            | 96            |
| Rest of Europe                                   | %          | 98            | 98            | 96            | 98            |
| North America                                    | %          | 97            | 97            | 97            | 97            |
| Brazil                                           | %          | 98            | 98            | 98            | 98            |

<sup>1</sup> Share of the MW installed in plants owned by companies equity consolidated

| RENEWABLES                                          | UN         | 1H21         | 1H20          | 1H19         | 1H18          |
|-----------------------------------------------------|------------|--------------|---------------|--------------|---------------|
| <b>HYDRO INSTALLED CAPACITY</b>                     | <b>MW</b>  | <b>7,127</b> | <b>8,785</b>  | <b>8,785</b> | <b>9,035</b>  |
| Portugal                                            | MW         | 5,076        | 6,759         | 6,759        | 6,862         |
| Spain                                               | MW         | 451          | 426           | 426          | 426           |
| Brazil                                              | MW         | 1,599        | 1,599         | 1,599        | 1,747         |
| <b>EQUITY HYDRO INSTALLED CAPACITY <sup>1</sup></b> |            |              |               |              |               |
| Installed Capacity                                  | MW         | 551          | 551           | 539          | 539           |
| Brazil                                              | MW         | 551          | 551           | 539          | 539           |
| Capacity under Construction                         | MW         | 78           | 78            | 78           | 78            |
| Brazil                                              | MW         | -            | -             | -            | -             |
| Peru                                                | MW         | 78           | 78            | 78           | 78            |
| <b>HYDRO NET ELECTRICITY GENERATION</b>             | <b>GWh</b> | <b>8,806</b> | <b>11,075</b> | <b>6,802</b> | <b>12,017</b> |
| Portugal                                            | GWh        | 5,682        | 7,555         | 3,919        | 7,962         |
| Spain                                               | GWh        | 479          | 392           | 417          | 777           |
| Brazil                                              | GWh        | 2,645        | 3,127         | 2,467        | 3,278         |
| <b>HYDRO TECHNICAL AVAILABILITY</b>                 |            |              |               |              |               |
| Portugal                                            | %          | 93           | 95            | 93           | 96            |
| Spain                                               | %          | 100          | 100           | 100          | 100           |
| Brazil                                              | %          | 97           | 97            | 100          | 92            |

<sup>1</sup> Share of the MW installed in plants owned by companies equity consolidated

| NETWORKS                                                     | UN        | 1H21           | 1H20           | 1H19           | 1H18           |
|--------------------------------------------------------------|-----------|----------------|----------------|----------------|----------------|
| <b>DISTRIBUTION</b>                                          |           |                |                |                |                |
| Electricity distributed                                      | GWh       | 42,318         | 37,057         | 39,837         | 40,262         |
| Portugal                                                     | GWh       | 22,180         | 21,477         | 22,645         | 23,092         |
| Spain                                                        | GWh       | 7,083          | 3,752          | 4,247          | 4,698          |
| Brazil                                                       | GWh       | 13,055         | 11,828         | 12,946         | 12,472         |
| Electricity supply points                                    | '000      | 11,338         | 10,508         | 10,390         | 10,277         |
| Portugal                                                     | '000      | 6,336          | 6,300          | 6,253          | 6,206          |
| Spain                                                        | '000      | 1,373          | 669            | 668            | 665            |
| Brazil                                                       | '000      | 3,628          | 3,538          | 3,470          | 3,406          |
| Grid extension                                               | Km        | 376,315        | 342,715        | 340,165        | 338,519        |
| <b>Portugal</b>                                              | <b>Km</b> | <b>229,318</b> | <b>228,177</b> | <b>226,633</b> | <b>226,168</b> |
| Overhead lines                                               | Km        | 179,943        | 179,081        | 177,714        | 177,399        |
| Underground lines                                            | Km        | 49,376         | 49,097         | 48,919         | 48,769         |
| <b>Spain</b>                                                 | <b>Km</b> | <b>52,481</b>  | <b>20,785</b>  | <b>20,729</b>  | <b>20,649</b>  |
| Overhead lines                                               | Km        | 39,608         | 15,739         | 15,719         | 15,703         |
| Underground lines                                            | Km        | 12,873         | 5,046          | 5,010          | 4,947          |
| <b>Brazil</b>                                                | <b>Km</b> | <b>94,516</b>  | <b>93,752</b>  | <b>92,804</b>  | <b>91,702</b>  |
| Overhead lines                                               | Km        | 94,241         | 93,486         | 92,549         | 91,456         |
| Underground lines                                            | Km        | 275            | 266            | 255            | 246            |
| <b>GRID LOSSES</b>                                           |           |                |                |                |                |
| Portugal                                                     | %         | 9              | 10             | 10             | 10             |
| Spain                                                        | %         | 5              | 4              | 4              | 4              |
| Brazil                                                       | %         | 11             | 8              | 10             | 10             |
| <b>SERVICE QUALITY</b>                                       |           |                |                |                |                |
| <b>Portugal</b>                                              |           |                |                |                |                |
| Installed Capacity Equivalent Interruption Time <sup>1</sup> | Min       | 24             | 22             | 20             | 29             |
| <b>Spain</b>                                                 |           |                |                |                |                |
| Installed Capacity Equivalent Interruption Time <sup>1</sup> | Min       | 11             | 0              | 8              | 10             |
| <b>Brazil</b>                                                |           |                |                |                |                |
| Average Interruption Duration per Consumer                   |           |                |                |                |                |
| EDP São Paulo                                                | Hours     | 7              | 7              | 8              | 8              |
| EDP Espírito Santo                                           | Hours     | 7              | 8              | 8              | 8              |
| Frequency of Interruptions per Consumer                      |           |                |                |                |                |
| EDP São Paulo                                                | #         | 5              | 4              | 5              | 5              |
| EDP Espírito Santo                                           | #         | 4              | 4              | 5              | 5              |
| <b>TRANSMISSION</b>                                          |           |                |                |                |                |
| Grid extension                                               | Km        | 1,493          | 1,441          | 1,299          | 1,299          |
| Grid extension in Operation                                  | Km        | 484            | 187            | 113            | -              |
| Grid extension Under Construction                            | Km        | 1,010          | 1,254          | 1,186          | 1,299          |

<sup>1</sup> ICEIT in M V grid, excluding extraordinary events

| CLIENT SOLUTIONS & ENERGY MANAGEMENT      | UN         | 1H21         | 1H20         | 1H19          | 1H18          |
|-------------------------------------------|------------|--------------|--------------|---------------|---------------|
| <b>THERMAL INSTALLED CAPACITY</b>         |            |              |              |               |               |
| Installed Capacity                        | MW         | 5,034        | 7,077        | 7,084         | 7,058         |
| <b>Portugal</b>                           | <b>MW</b>  | <b>2,049</b> | <b>3,229</b> | <b>3,236</b>  | <b>3,236</b>  |
| CCGT                                      | MW         | 2,031        | 2,031        | 2,031         | 2,031         |
| Coal                                      | MW         | 0            | 1,180        | 1,180         | 1,180         |
| Cogeneration                              | MW         | 17           | 17           | 24            | 24            |
| <b>Spain</b>                              | <b>MW</b>  | <b>2,265</b> | <b>3,128</b> | <b>3,128</b>  | <b>3,102</b>  |
| CCGT                                      | MW         | 854          | 1,698        | 1,698         | 1,698         |
| Coal                                      | MW         | 1,250        | 1,250        | 1,250         | 1,224         |
| Nuclear                                   | MW         | 156          | 156          | 156           | 156           |
| Cogeneration and Waste                    | MW         | 5            | 25           | 25            | 25            |
| <b>Brazil</b>                             | <b>MW</b>  | <b>720</b>   | <b>720</b>   | <b>720</b>    | <b>720</b>    |
| Coal                                      | MW         | 720          | 720          | 720           | 720           |
| Equity Installed Capacity <sup>1</sup>    | MW         | 10           | 10           | 10            | 41            |
| Portugal                                  | MW         | 0            | 0            | 0             | 32            |
| Spain                                     | MW         | 10           | 10           | 10            | 10            |
| <b>THERMAL NET ELECTRICITY GENERATION</b> |            |              |              |               |               |
|                                           | <b>GWh</b> | <b>5,797</b> | <b>6,250</b> | <b>10,854</b> | <b>10,722</b> |
| Portugal                                  | GWh        | 1,792        | 2,368        | 5,636         | 5,037         |
| CCGT                                      | GWh        | 1,717        | 2,272        | 2,386         | 1,567         |
| Coal                                      | GWh        | 0            | 29           | 3,155         | 3,369         |
| Cogeneration                              | GWh        | 75           | 67           | 95            | 101           |
| Spain                                     | GWh        | 2,875        | 3,406        | 3,824         | 3,456         |
| CCGT                                      | GWh        | 860          | 1,680        | 1,333         | 580           |
| Coal                                      | GWh        | 1,508        | 1,175        | 1,873         | 2,293         |
| Nuclear                                   | GWh        | 473          | 521          | 552           | 518           |
| Cogeneration and Waste                    | GWh        | 35           | 29           | 65            | 64            |
| Brazil                                    | GWh        | 1,130        | 476          | 1,395         | 2,229         |
| Coal                                      | GWh        | 1,130        | 476          | 1,395         | 2,229         |
| <b>THERMAL TECHNICAL AVAILABILITY</b>     |            |              |              |               |               |
| Portugal                                  | %          | 86           | 96           | 92            | 85            |
| CCGT                                      | %          | 86           | 97           | 95            | 80            |
| Coal                                      | %          | 0            | 94           | 87            | 93            |
| Cogeneration                              | %          | 100          | 91           | 100           | 100           |
| Espanha                                   | %          | 76           | 99           | 96            | 94            |
| CCGT                                      | %          | 80           | 100          | 97            | 100           |
| Coal                                      | %          | 74           | 99           | 96            | 89            |
| Nuclear                                   | %          | 72           | 82           | 84            | 79            |
| Cogeneration                              | %          | 98           | 100          | 100           | 100           |
| Waste                                     | %          | 0            | 84           | 87            | 91            |
| Brazil                                    | %          | 90           | 88           | 97            | 98            |
| Coal                                      | %          | 90           | 88           | 97            | 98            |

<sup>1</sup> Share of the MW installed in plants owned by companies equity consolidated

| CLIENT SOLUTIONS & ENERGY MANAGEMENT  | UN          | 1H21          | 1H20          | 1H19          | 1H18          |
|---------------------------------------|-------------|---------------|---------------|---------------|---------------|
| <b>ELECTRICITY CUSTOMERS</b>          | <b>'000</b> | <b>8,581</b>  | <b>9,786</b>  | <b>9,808</b>  | <b>9,844</b>  |
| Portugal                              | '000        | 4,930         | 5,090         | 5,187         | 5,295         |
| Last Resort                           | '000        | 933           | 1,001         | 1,080         | 1,166         |
| Liberalised Market                    | '000        | 3,997         | 4,089         | 4,107         | 4,130         |
| Market Share EDP - Liberalised Market | %           | n.a.          | 77            | 80            | 82            |
| Spain                                 | '000        | 23            | 1,159         | 1,152         | 1,143         |
| Last Resort                           | '000        | 0             | 232           | 228           | 216           |
| Liberalised Market                    | '000        | 23            | 927           | 923           | 927           |
| Brazil                                | '000        | 3,627         | 3,538         | 3,469         | 3,405         |
| Last Resort                           | '000        | 3,627         | 3,537         | 3,468         | 3,405         |
| Liberalised Market                    | '000        | 0.5           | 0.3           | 0.4           | 0.3           |
| Social Tariff                         | '000        | 921           | 908           | 825           | 865           |
| Portugal                              | '000        | 589           | 600           | 611           | 637           |
| Spain                                 | '000        | 0             | 53            | 51            | 71            |
| Brazil                                | '000        | 333           | 255           | 162           | 158           |
| Special Needs                         | '000        | 1             | 1             | 1             | 1             |
| Portugal                              | '000        | 0             | 0             | 0             | 0             |
| Brazil                                | '000        | 1             | 1             | 1             | 1             |
| Green Tariff                          | '000        | 685           | 1,171         | 1,026         | 932           |
| Portugal                              | '000        | 678           | 113           | 3             | 3             |
| Spain                                 | '000        | 7             | 1,058         | 1,023         | 929           |
| Brazil                                | '000        | n.a.          | n.a.          | n.a.          | n.a.          |
| <b>ELECTRICITY SUPPLIED</b>           | <b>GWh</b>  | <b>29,221</b> | <b>36,003</b> | <b>36,242</b> | <b>32,532</b> |
| Portugal                              | GWh         | 9,936         | 9,661         | 10,220        | 10,788        |
| Last Resort                           | GWh         | 1,206         | 1,223         | 1,375         | 1,523         |
| Liberalised Market                    | GWh         | 8,731         | 8,437         | 8,845         | 9,265         |
| Market Share EDP - Liberalised Market | %           | n.a.          | 41            | 41            | 42            |
| Spain                                 | GWh         | 5,049         | 5,422         | 6,104         | 6,272         |
| Last Resort                           | GWh         | 0             | 243           | 234           | 229           |
| Liberalised Market                    | GWh         | 5,049         | 5,180         | 5,870         | 6,043         |
| Market Share EDP - Liberalised Market | %           | 4             | 11            | 6             | 7             |
| Brazil                                | GWh         | 14,235        | 20,921        | 19,918        | 15,472        |
| Last Resort                           | GWh         | 6,890         | 6,626         | 12,944        | 6,989         |
| Liberalized Market                    | GWh         | 7,345         | 14,295        | 6,974         | 8,482         |
| Social Tariff                         | GWh         | 399           | 331           | 284           | 326           |
| Portugal                              | GWh         | 81            | 84            | 92            | 107           |
| Spain                                 | GWh         | 0             | 61            | 53            | 65            |
| Brazil                                | GWh         | 317           | 186           | 139           | 153           |
| Green Tariff                          | GWh         | 1,099         | 2,731         | 2,647         | 2,773         |
| Portugal                              | GWh         | 839           | 224           | 6             | 5             |
| Spain                                 | GWh         | 260           | 2,507         | 2,641         | 2,768         |
| Brazil                                | GWh         | n.a.          | n.a.          | n.a.          | n.a.          |
| <b>GAS CUSTOMERS</b>                  | <b>'000</b> | <b>686</b>    | <b>1,593</b>  | <b>1,593</b>  | <b>1,583</b>  |
| Portugal                              | '000        | 682           | 691           | 697           | 697           |
| Last Resort                           | '000        | 33            | 36            | 39            | 42            |
| Liberalised Market                    | '000        | 649           | 655           | 657           | 654           |
| Spain                                 | '000        | 5             | 903           | 897           | 887           |
| Last Resort                           | '000        | 0             | 54            | 52            | 51            |
| Liberalised Market                    | '000        | 5             | 849           | 845           | 836           |
| <b>GAS SUPPLIED</b>                   | <b>GWh</b>  | <b>7,396</b>  | <b>9,357</b>  | <b>9,386</b>  | <b>9,422</b>  |
| Portugal                              | GWh         | 2,467         | 2,128         | 2,057         | 2,152         |
| Last Resort                           | GWh         | 111           | 109           | 122           | 154           |
| Liberalised Market                    | GWh         | 2,355         | 2,019         | 1,935         | 1,999         |
| Market Share EDP - Liberalised Market | %           | n.a.          | 12            | 9             | 9             |
| Spain                                 | GWh         | 4,929         | 7,229         | 7,329         | 7,269         |
| Last Resort                           | GWh         | 0             | 136           | 151           | 165           |
| Liberalised Market                    | GWh         | 4,929         | 7,093         | 7,178         | 7,104         |
| Market Share EDP - Liberalised Market | %           | 7             | 15            | 3             | 4             |

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# 03

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## CORPORATE GOVERNANCE

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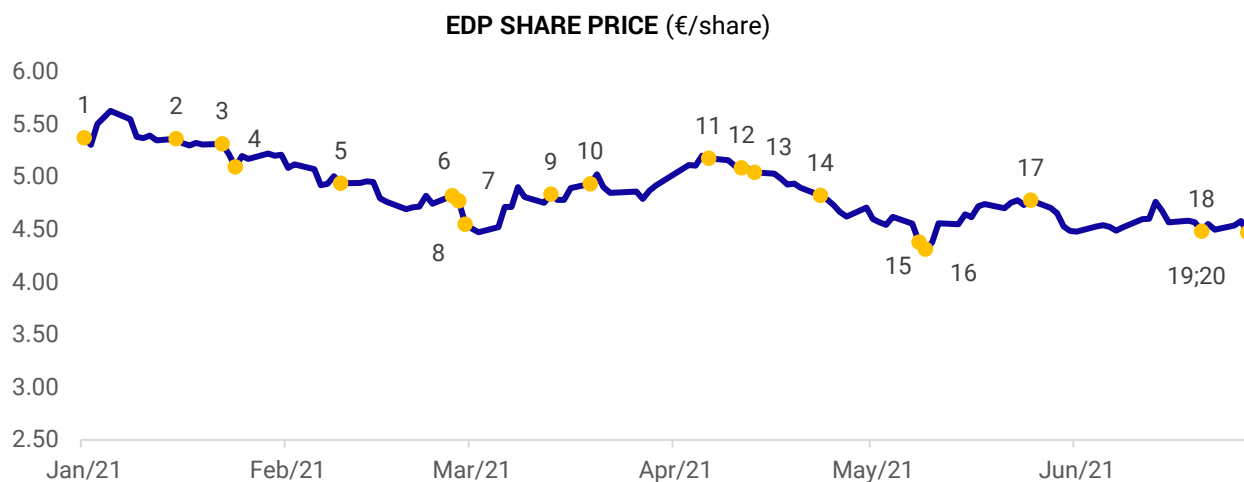
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# 03

## CORPORATE GOVERNANCE

### A. Performance of EDP on the stock market

#### MAIN EVENTS AFFECTING THE EDP SHARE PRICE IN THE FIRST HALF OF 2021



| #  | DATE       | DESCRIPTION                                                                                        | SHARE PRICE |
|----|------------|----------------------------------------------------------------------------------------------------|-------------|
| 1  | 04/01/2021 | EDP secures PPAs for two solar projects in the U.S. totalling 275 MW                               | 5.37        |
| 2  | 18/01/2021 | EDP reached an agreement to acquire 85% of a distributed solar platform in the U.S.                | 5.36        |
| 3  | 25/01/2021 | EDP Prices Eur 750 Million Subordinated Green Notes                                                | 5.31        |
| 4  | 27/01/2021 | EDP is awarded with long-term CfDs for 187 MW at the Spanish and Italian renewable auctions        | 5.10        |
| 5  | 12/02/2021 | EDP enters Hungarian market with a 50 MW solar PV project                                          | 4.94        |
| 6  | 01/03/2021 | EDP secures PPA for a 204 MW wind project in the U.S.                                              | 4.82        |
| 7  | 02/03/2021 | EDPR announces plans for a non-preemptive capital increase of c.€1.5BN                             | 4.77        |
| 8  | 03/03/2021 | Completion of the ABB and approval by EDPR BoD of a capital increase proposal of c.€1.5 Bn         | 4.55        |
| 9  | 16/03/2021 | S&P Upgrades EDP to "BBB" with stable outlook                                                      | 4.84        |
| 10 | 22/03/2021 | EDP signs Build and Transfer agreement for a 200 MWac solar project in the U.S.                    | 4.93        |
| 11 | 09/04/2021 | EDP announces Asset Rotation deal of a 405 MW wind portfolio in the US for an EV (100%) of \$0.7bn | 5.18        |
| 12 | 14/04/2021 | Payment of Dividends - Year 2020                                                                   | 5.09        |
| 13 | 16/04/2021 | Completion of EDPR c.€1.5 Bn capital increase                                                      | 5.04        |
| 14 | 26/04/2021 | EDP secured a PPA for a 40 MW wind project in Spain                                                | 4.82        |
| 15 | 11/05/2021 | Moody's revises outlook to positive                                                                | 4.38        |
| 16 | 12/05/2021 | Fitch upgrades EDP to 'BBB' with stable outlook                                                    | 4.31        |
| 17 | 28/05/2021 | EDP enters the Chilean market with a 628 MW wind and solar portfolio                               | 4.78        |
| 18 | 23/06/2021 | Invitation for cash tender offers for outstanding debt instruments issued by EDP Finance BV        | 4.48        |
| 19 | 30/06/2021 | Ocean Winds secures a 25-year CfD for 369.5 MW of offshore projects in Poland                      | 4.47        |
| 20 | 30/06/2021 | EDPR enters Vietnam with 28 MWac solar PV project                                                  | 4.47        |

## B. Corporate bodies

### 1. Corporate governance structure

#### 1.1 Corporate governance model

EDP's governance structure is a dual model one and consists of the General Meeting, Executive Board of Directors, General and Supervisory Board and the Statutory Auditor.

The separation of management and supervision roles is embodied in an Executive Board of Directors, which is responsible for the management of the Company's business, and a General and Supervisory Board, the highest supervisory body.

The division of competences, inherent to such model, between the Executive Board of Directors and the General and Supervisory Board, has been assuring an effective management of the Company, benefitted by a constant and attentive supervision. The dual model of corporate governance in place at EDP since July 2006 has allowed for an effective separation of the Company's supervision and management in pursuit of the goals and interests of EDP and its shareholders, employees and other stakeholders, thereby contributing to achieving the degree of trust and transparency necessary for its adequate functioning and optimization.

It is also important to note that this governance model has proven to be adequate to the size and shareholder structure of the Company, allowing for constant supervision both by the reference shareholders and by the independent members, through the respective intervention in the General and Supervisory Board. Considering the transversal competences of the General and Supervisory Board and the specificities of the activities of the four Specialized Committees, the integration of members of the General and Supervisory Board and of the Executive Board of Directors of EDP should, according to the Selection Procedure of the members of the General and Supervisory Board and of the Executive Board of Directors, ensure diverse skills, professional experiences, diversity of knowledge,

gender and cultures, taking into account the specificities of the Company's business. Along with the concern for the individual adequacy of each member, it is also sought that the composition of the governing bodies and corporate bodies demonstrate a collective adequacy, bringing together the professional and personal skills necessary for the proper performance of the functions of each body of EDP. Likewise, in determining the respective number of members, the size of the Company, the complexity of its activity and its geographical dispersion are considered, in addition to the costs and the desirable speed of operation of the administration.

According to Article 11 (2) (b) of the Articles of Association, it is the responsibility of the General Shareholders' Meeting of EDP to elect and dismiss the members of the Executive Board of Directors and the General and Supervisory Board, as well as their Chairmen and Vice-Chairmen, if any, and the Statutory Auditors, based on a proposal by the General and Supervisory Board (or by delegation to the Financial Matters Committee / Audit Committee). The General Shareholders' Meeting also appoints the members of the Environment and Sustainability Board, on proposal of the Executive Board of Directors, and Remuneration Committee of the General Shareholders' Meeting, which is responsible for setting the remuneration of the members of the corporate bodies (except the Executive Board of Directors, whose remuneration is set by the Remuneration Committee appointed by the General and Supervisory Board).

For a better understanding of EDP's corporate governance, EDP's website ([www.edp.com](http://www.edp.com)) allows shareholders and the general public to view the up-to-date Articles of Association in Portuguese and English, the Internal Regulation of the Executive Board of Directors, General and Supervisory Board and its committees, documents that are being modified in order to accommodate best practices, notably the principles and recommendations set forth by the Corporate Governance Code issued by the Portuguese Institute for Corporate Governance.

## 1.2 INCOMPATIBILITY RULES AND INDEPENDENCE CRITERIA

EDP's Articles of Association (Article 9 (1), Article 10 (1), Article 11 (2) (d), Article 21 (4), Article 22 (1) (a), Article 23 and Article 27) and the Internal Regulation of the General and Supervisory Board (Article 8), both available on its website ([www.edp.com](http://www.edp.com)), lay down the rules on independence and incompatibilities for members of any of the Company's corporate bodies.

The criteria of independence set out in EDP's Articles of Association are in line with those laid down in 414 (5) of the Companies Code and determine that independence means an absence of direct or indirect relations with the Company or one of its bodies and an absence of any circumstances that might affect impartiality of analyses or decisions, e.g. because the people in question own or are acting on behalf of owners of a qualifying shareholding of 2% (two percent) or more of the share capital of EDP or have been re-elected for more than two terms of office continuously or intermittently, pursuant to article 9 (1) of EDP's Articles of Association.

In view of the need to clarify the aforementioned Article 414 (5) of the Company Code, as there are diverging legal opinions, *Associação de Emitentes de Valores Cotados em Mercado* ("AEM") requested an opinion from the CMVM, whose opinion was that the capacity as independent is only lost if, "on the basis of the criterion of number of terms of office, in a situation likely to affect his/her impartiality in analyses or decisions if the members of the supervisory bodies of public limited companies, having been elected for a first term of office and re-elected continuously or intermittently for a second and third term, are re-elected (for the third time, therefore) for a fourth term of office."

Pursuant to its Internal Regulation, the General and Supervisory Board has in place a specific procedure regarding compliance with a large number of rules on incompatibilities and independence applicable to positions on this board (Articles 7 and 8 of the General and Supervisory Board Internal Regulation). This procedure includes the following aspects:

- acceptance of a position as member of the General and Supervisory Board is subject to a written statement setting out specifically (i) the inexistence of any incompatibility under the law or Articles of Association; (ii) compliance with the independence requirements set out in its Internal Regulation, if the person has been elected as an independent member; (iii) the members' obligation to report to the Chairman of the General and Supervisory Board or, for the Chairman, directly to the board any subsequent event that might generate incompatibility or loss of independence
- every year, the members of the General and Supervisory Board must renew their statements as to the inexistence of incompatibility and, if applicable, the compliance with the independence requirements.

Also every year, the General and Supervisory Board conducts a general assessment of compliance with the rules of incompatibility and independence by its members.

At the same time, the Internal Regulation of the General and Supervisory Board has broadened the independence criteria applicable to its members, going beyond the provisions of Article 414 (5) of the Companies Code and Article 9 of EDP's Articles of Association, and so people who directly or through their spouse or relative or similar in a straight line and to the collateral third degree, inclusive, are in one of the following situations cannot have independent status:

- being holder, director, having contractual ties or acting on behalf or on the account of owners of a qualifying shareholding of 2% (two percent) or more of the share capital or voting rights in EDP or the same percentage in a company of which it is a subsidiary
- being a holder, director, having contractual ties or acting on behalf or on the account of owners of a qualifying shareholding of 2% (two percent) or more of the share capital or voting rights in a company that is a competitor of EDP
- having been re-elected for more than two consecutive or non-consecutive terms of office
- having exercised for twelve years, on a consecutive or non-consecutive basis, functions in any corporate body of the Company exception made to, from the end of its functions in any body and its new appointment, at least a three-year period has elapsed
- having, in the last three years, provided services or had a significant commercial relation with the Company or one of its Subsidiaries; and
- being a remuneration beneficiary paid by the Company or one of its Subsidiaries other than the remuneration deriving from the execution of its functions as a member of the General and Supervisory Board.

The rules of independence covering members of the General and Supervisory Board are particularly important regarding the following requirements:

- the board must consist of a majority of independent members (Article 434 (4) and Article 414 (5) and (6) of the Companies Code and Article 21 (4) of EDP's Articles of Association);
- the Financial Matters Committee/Audit Committee is entirely composed of independent members of the General and Supervisory Board (Article 23 (2) of EDP Articles of Association and Article 3 (1) of the Financial Matters Committee/Audit Committee's Internal Regulation);
- the Remuneration Committee of the General and Supervisory Board must comprise a majority of independent members (Article 27 (1) and Article 28 of the Articles of Association (1) (b) of the General and Supervisory Board's Internal Regulation);
- the United States of America (USA) Business Affairs Monitoring Committee must be composed mainly of independent members (Article 3 (1) of the Internal Regulation of the Business Monitoring Committee in the United States of America).

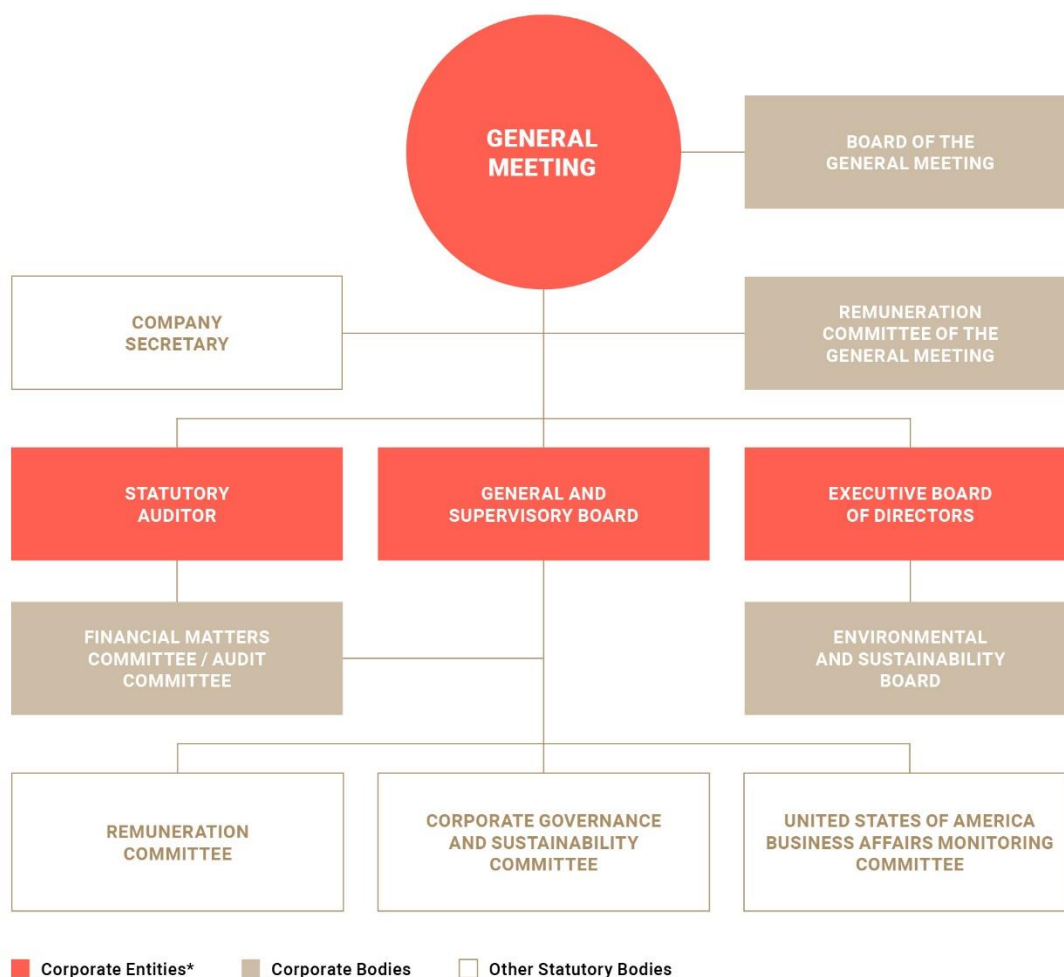
In compliance with the above procedure, at the start of their terms of office, the members of the General and Supervisory Board stated that they were not in any of the situations of incompatibility set out in the Companies Code (Article 414-A (1) (a) to (e), (g) and (h) (ex vi Article 434 (4)) and Article 437 (1)) or under Article 9 (1), Article 10 (1), Article 11 (2) (d) and Article 21 (4) of the Articles of Association and, where applicable, that they complied with the independence requirements of the Internal Regulation of the General and Supervisory Board. Of the incompatibility situations for the exercise of the role of member of the General and Supervisory Board, pursuant to the Article 414-A of the Companies' Code, it is considered the exercise of functions of administration or supervisory in five companies. Therefore, one may not be elected or designated a member of the General and Supervisory Board if holds office of administrator or supervisor in five companies.

At the end of 2020, the members of the General and Supervisory Board renewed their statements on incompatibilities and independence. On 15 April 2021, the General and Supervisory Board has assessed the compliance with the incompatibilities and independence regulation to members elected at the General Shareholders' Meeting held on 14 April 2021.

The above statements are available to the public on EDP's website, at [www.edp.com](http://www.edp.com).

The independent members of the General and Supervisory Board are shown in the chart in item 2.1.2.

## II. Corporate Structure



\*Corporate Entities are also Corporate Bodies, pursuing the article 8 (4) of EDP's articles of association.

### 2.1. Corporate Bodies

Pursuant to Article 8 of EDP's Articles of Association, the corporate bodies of the company are:

- the General Shareholders' Meeting;
- the Executive Board of Directors;
- the General and Supervisory Board;
- the Statutory Auditor.

The Company has also the following statutory bodies: Board of the General Shareholders' Meeting, the Environment and Sustainability Board, the Remuneration Committee, the Remuneration Committee of the General Shareholders' Meeting and the Financial Matters Committee/Audit Committee.

The shareholders elected, at the Extraordinary General Shareholders' Meeting held on 19 January 2021, the members of the Executive Board of Directors for the three-year mandate 2021-2023 and, at the Annual General Shareholders' Meeting held on 14 April 2021, the

members of other corporate bodies, for the same term. The term of office of the members of the corporate bodies therefore ends on 31 December 2023, though they may remain in office until a new appointment.

### 2.1.1 GENERAL SHAREHOLDERS' MEETING

Pursuant to Article 12 of EDP's Articles of Association, the members of the Board of the General Shareholders' Meeting are composed by a Chairman, a Vice-Chairman and the Company Secretary, who is appointed by the Executive Board of Directors.

Until 14 April 2021, the Board of the General Shareholders' Meeting was composed as follows:

| BOARD OF THE GENERAL SHAREHOLDERS' MEETING |                                                                  |
|--------------------------------------------|------------------------------------------------------------------|
| <b>CHAIRMAN</b>                            | <b>LUÍS MARIA VIANA PALHA DA SILVA</b>                           |
| Vice-Chairman                              | Rui Pedro Costa Melo Medeiros                                    |
| Company Secretary                          | Ana Rita Pontífice Ferreira de Almeida Côrte-Real <sup>(*)</sup> |

<sup>(\*)</sup> Appointed by the Executive Board of Directors on 5 April 2018 for the position of Company Secretary, having also been appointed, on such date, Joana Gomes da Costa Monteiro Dinis, for the position of Alternate Company Secretary.

As from 14 April 2021, the Board of the General Shareholders' Meeting is composed as follows:

| BOARD OF THE GENERAL SHAREHOLDERS' MEETING |                                                                  |
|--------------------------------------------|------------------------------------------------------------------|
| <b>CHAIRMAN</b>                            | <b>LUÍS MARIA VIANA PALHA DA SILVA <sup>(1)</sup></b>            |
| Vice-Chairman                              | Clara Patrícia Costa Raposo <sup>(2)</sup>                       |
| Company Secretary                          | Ana Rita Pontífice Ferreira de Almeida Côrte-Real <sup>(3)</sup> |

<sup>(1)</sup> The Chairman of the Board of the General Shareholders' Meeting was re-elected at the General Shareholders' Meeting held on 14 April 2021 for the 2021-2023 three-year mandate.

<sup>(2)</sup> The Vice-Chairman of the Board of the General Shareholders' Meeting was elected at the at the General Shareholders' Meeting held on 14 April 2021 for the 2021-2023 three-year mandate. On 27 April 2021, Clara Patrícia Costa Raposo tendered her resignation from the office of Vice-Chairman of the Board of the General Shareholders' Meeting of EDP.

<sup>(3)</sup> Appointed by the Executive Board of Directors on 19 January 2021 for the position of Company Secretary, having also been appointed, on such date, Joana Gomes da Costa Monteiro Dinis, for the position of Alternate Company Secretary, following the Extraordinary General Shareholders' Meeting held on such date.

The Chairman of the General Shareholders' Meeting is automatically a member of the General and Supervisory Board, pursuant to Article 21 (2) of EDP's Articles of Association.

The Chairman of the General Shareholders' Meeting has the in-house human and logistic resources appropriate to his/her needs, including the support of the General Secretariat and Legal Department, the Investor Relations Office, the Communication Department and the Brand Department plus external support from a specialised entity hired by EDP to collect, process and count the votes. The logistic and administrative resources for the General Shareholders' Meeting are provided by the Company and the organisation is supervised by the Chairman of the Board of the General Shareholders' Meeting.

### 2.1.2 General and Supervisory Board

In the exercise of its duties – see Article 441 of the Companies Code and Article 22 of EDP's Articles of Association - the main mission of the General and Supervisory Board is to constantly advise, monitor and supervise the management activities of EDP, cooperating with the Executive Board of Directors and the various other corporate bodies in pursuit of the Company's interests, pursuant to the Companies Code and the company's Articles of Association. It is elected by the shareholders at the General Meeting.

Pursuant to Article 21 (1) of the Articles of Association, the General and Supervisory Board consists of no fewer than nine effective members, but always more than the number of members of the Executive Board of Directors. The majority of the elected members of the General and Supervisory Board must be independent, pursuant to Article 21 (4) of the Articles of Association.

Pursuant to Article 22 of the Articles of Association, the General and Supervisory Board is especially responsible for:

- permanently monitor the management of EDP and its subsidiaries and provide management advice and assistance to the Executive Board of Directors, particularly with regard to strategy, goals and compliance with the law;
- issue opinions on the annual report and accounts;
- permanently oversee the work of the Statutory Auditor and External Auditor and, with regard to the former, issue an opinion on their election or appointment, dismissal, independent status and other relations with the Company;
- oversee, on a permanent basis, and evaluate internal accounting and auditing procedures, the efficacy of the risk management system, internal control system and internal auditing system, including the way in which complaints and queries are received and processed, whether originating from employees or not;
- propose to the General Meeting the removal from office of any member of the Executive Board of Directors;
- monitor the definition of criteria and responsibilities required or appropriate for the structures and internal bodies of the Company or Group and their impact and draft follow-up plans;
- provide for the replacement of members of the Executive Board of Directors in the event of permanent or temporary absence, as required by law;
- issue an opinion on their annual vote of confidence in the directors set out in Article 455 of the Company Code, on its own initiative or when requested to do so by the CEO;
- monitor and assess matters of corporate governance, sustainability, internal codes of ethics and conduct and compliance with these codes and systems for appraising and resolving conflicts of interest, including those associated with the Company's relations with its shareholders, and issue opinions on these matters;
- obtain the financial or other resources that it reasonably deems necessary for its work and ask the Executive Board of Directors to take any measures or make any corrections that it considers pertinent, with the power to hire independent consultants, if necessary
- receive regular information from the Executive Board of Directors on significant business relations between the Company or its subsidiaries and shareholders with a qualifying holding and persons related to them;
- appoint the Remuneration Committee and Financial Matters Committee/Audit Committee;
- represent the Company in its relations with the directors;
- supervise the work of the Executive Board of Directors;
- oversee compliance with the law and Articles of Association;
- select and replace the Company's External Auditor, giving the Executive Board of Directors instructions for engagement or dismissal;
- monitoring the bookkeeping, accounts and supporting documents and the status of any assets or securities held by the Company, as and when it deems appropriate;
- supervise the preparation and disclosure of financial information;
- call the General Meeting when it deems appropriate;
- approve its Internal Regulation, which includes rules on relations with the other corporate bodies;
- exercise any other powers that may be granted by law, the Articles of Association or by the General Meeting.

Under the corporate governance model in place at EDP, the General and Supervisory Board also has a power of particular importance. Although it does not have management powers, pursuant to Article 442 (1) of the Company Code, Article 17 (2) of the Articles of Association lays down that the approval of EDP's strategic plan and performance of the operations indicated below by EDP or its subsidiaries are subject to a prior favourable opinion from this board (see also Article 15 of the Internal Regulation of the General and Supervisory Board):

- acquisitions and sales of assets, rights or shareholdings of significant economic value;
- financing operations of significant value;
- opening and closure of establishments, or important parts thereof, and substantial extensions or limitations of Company activity;
- other transactions or operations of significant economic or strategic value;
- formation or termination of strategic partnerships or other forms of lasting cooperation;
- plans for splits, mergers or conversions;

- amendments to the Articles of Association, including changes of registered office and share capital increases when on the Executive Board of Directors' initiative.

The Chairman of the General and Supervisory Board is granted particular powers, and, pursuant to Article 5 of the General and Supervisory Board Internal Regulation, is responsible for:

- convening and presiding over meetings of the General and Supervisory Board;
- representing the General and Supervisory Board institutionally;
- coordinating the work of the General and Supervisory Board and ensuring the correct operation of its committees, being entitled to attend any meeting and being kept informed of their activities;
- proposing to the plenary General and Supervisory Board the members, the Chairman and, when appropriate, the Vice-Chairman of each committee;
- ensuring that the members of the General and Supervisory Board punctually receive the information they need for their duties;
- requesting from the Executive Board of Directors relevant information for the General and Supervisory Board and its committees to perform their duties and ensuring that the members of the General and Supervisory Board receive it in good time;
- taking the necessary measures to ensure that the General and Supervisory Board adequately monitors the activity of EDP and the Executive Board of Directors in particular;
- monitoring implementation of the General and Supervisory Board's budget and managing the material and human resources assigned to it;
- ensuring correct implementation of General and Supervisory Board decisions.

The Chairman of the General and Supervisory Board or, in his/her absence or incapacity, a member selected by the board for that purpose, may attend meetings of the Executive Board of Directors whenever s/he sees fit and take part in the discussion of matters to be submitted to the General and Supervisory Board, without having any voting rights pursuant to Article 21 (10) of EDP's Articles of Association.

Until 14 April 2021, the General and Supervisory Board was composed as follows:

| GENERAL AND SUPERVISORY BOARD |                                                                                                                                                                        | INDEPENDENT MEMBERS | FIRST APPOINTMENT DATE |
|-------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------|------------------------|
| <b>CHAIRMAN</b>               | <b>LUÍS FILIPE MARQUES AMADO</b>                                                                                                                                       | <b>INDEPENDENT</b>  | <b>21/04/2015</b>      |
| Vice-Chairman                 | China Three Gorges Corporation represented by Dingming Zhang                                                                                                           |                     | 20/02/2012             |
|                               | China Three Gorges International Corp. represented by Shengliang Wu                                                                                                    |                     | 05/04/2018             |
|                               | China Three Gorges (Europe), S.A. represented by Ignacio Herrero Ruiz                                                                                                  |                     | 20/02/2012             |
|                               | China Three Gorges Brasil Energia Ltda. represented by Li Li                                                                                                           |                     | 05/04/2018             |
|                               | China Three Gorges (Portugal), Sociedade Unipessoal, Lda. represented by Eduardo de Almeida Catroga                                                                    |                     | 21/04/2015             |
|                               | DRAURSA, S.A. represented by Felipe Fernández Fernández                                                                                                                |                     | 21/04/2015             |
|                               | Fernando Maria Masaveu Herrero                                                                                                                                         |                     | 20/02/2012             |
|                               | Senfora BV represented by Mohammed Issa Khalfan Alhuraimel Alshamsi                                                                                                    |                     | 21/04/2015             |
|                               | Banco Comercial Português, S.A. represented by Nuno Manuel da Silva Amado                                                                                              |                     | 21/04/2015             |
|                               | Société National pour la Recherche, la Production, le Transport, la Transformation et la Commercialisation des Hydrocarbures (Sonatrach) represented by Karim Djebbour |                     | 12/04/2007             |
|                               | Maria Celeste Ferreira Lopes Cardona                                                                                                                                   | Independent         | 20/02/2012             |
|                               | Ilídio da Costa Leite de Pinho                                                                                                                                         | Independent         | 20/02/2012             |

| GENERAL AND SUPERVISORY BOARD |                                                | INDEPENDENT<br>MEMBERS | FIRST<br>APPOINTMENT<br>DATE |
|-------------------------------|------------------------------------------------|------------------------|------------------------------|
|                               | Jorge Avelino Braga de Macedo                  | Independent            | 20/02/2012                   |
|                               | Vasco Joaquim Rocha Vieira                     | Independent            | 20/02/2012                   |
|                               | Augusto Carlos Serra Ventura Mateus            | Independent            | 06/05/2013                   |
|                               | João Carvalho das Neves                        | Independent            | 21/04/2015                   |
|                               | María del Carmen Fernández Rozado              | Independent            | 21/04/2015                   |
|                               | Laurie Lee Fitch                               | Independent            | 05/04/2018                   |
|                               | Clementina Maria Dâmaso de Jesus Silva Barroso | Independent            | 05/04/2018                   |
|                               | Luís Maria Viana Palha da Silva                | Independent            | 24/04/2019                   |

The representatives of the companies China Three Gorges Corporation and China Three Gorges International Corp. initiated their term of office on 11 May 2012, following the entry into force of the Strategic Partnership Agreement concluded on 30 December 2011.

As from 14 April 2021, the General and Supervisory Board is composed as follows:

| GENERAL AND SUPERVISORY BOARD |                                                                                               | INDEPENDENT<br>MEMBERS | FIRST<br>APPOINTMENT<br>DATE |
|-------------------------------|-----------------------------------------------------------------------------------------------|------------------------|------------------------------|
| <b>CHAIRMAN</b>               | <b>JOÃO LUÍS RAMALHO CARVALHO TALONE</b>                                                      | <b>INDEPENDENT</b>     | <b>14/04/2021</b>            |
|                               | China Three Gorges Corporation represented by Dingming Zhang                                  |                        | 20/02/2012                   |
|                               | China Three Gorges International Limited represented by Shengliang Wu                         |                        | 14/04/2021                   |
|                               | China Three Gorges (Europe), S.A. represented by Ignacio Herrero Ruiz                         |                        | 20/02/2012                   |
|                               | China Three Gorges Brasil Energia Ltda. represented by Li Li                                  |                        | 05/04/2018                   |
|                               | China Three Gorges (Portugal), Sociedade Unipessoal, Lda. represented by Miguel Pereira Leite |                        | 21/04/2015                   |
|                               | DRAURSA, S.A. represented by Felipe Fernández Fernández                                       |                        | 21/04/2015                   |
|                               | Fernando Maria Masaveu Herrero                                                                |                        | 20/02/2012                   |
|                               | João Carvalho das Neves                                                                       | Independent            | 21/04/2015                   |
|                               | María del Carmen Fernández Rozado                                                             | Independent            | 21/04/2015                   |
|                               | Laurie Lee Fitch                                                                              | Independent            | 05/04/2018                   |
|                               | Esmeralda da Silva Santos Dourado                                                             | Independent            | 14/04/2021                   |
|                               | Helena Sofia Silva Borges Salgado Fonseca Cerveira Pinto                                      | Independent            | 14/04/2021                   |
|                               | Sandrine Dixson-Declève                                                                       | Independent            | 14/04/2021                   |
|                               | Zili Shao                                                                                     | Independent            | 14/04/2021                   |
|                               | Luís Maria Viana Palha da Silva                                                               | Independent            | 24/04/2019                   |

The representatives of the companies China Three Gorges Corporation and China Three Gorges International Limited initiated their term of office on 11 May 2012, following the entry into force of the Strategic Partnership Agreement concluded on 30 December 2011.

Ordinary meetings of the General and Supervisory Board are held at least once every quarter and extraordinary meetings take place whenever convened by the Chairman, on his/her own initiative or at the request of any of its members, the Executive Board of Directors

or its Chairman, pursuant to Article 24 (1) of the Articles of Association and Article 20 (1) of the Internal Regulation of the General and Supervisory Board.

The General and Supervisory Board met seven times in the first half of 2021 and the minutes of such meetings were drawn up.

### 2.1.3 Executive Board of Directors

The Executive Board of Directors is responsible for managing the Company's activities and representing the Company, pursuant to Article 431 of the Companies Code and Article 17 of the Articles of Association and was elected by the shareholders at a General Meeting.

The Executive Board of Directors is a collegial body. No director is allowed to represent more than one other director at each meeting.

The powers of the Executive Board of Directors, in accordance with the Article 17 (1) of the Articles of Association, include:

- setting the goals and management policies of EDP and the EDP Group;
- drawing up the annual business and financial plans;
- managing corporate business and undertaking all actions and operations associated with the corporate object that do not fall within the responsibilities of other company bodies;
- representing the Company in and out of court, actively and passively, with the power to waive, transact and admit guilt in any legal proceedings and make arbitration agreements;
- buying, selling or by any other means disposing or encumbering rights or immovable assets;
- setting up companies and subscribing, purchasing, encumbering and selling shareholdings;
- deciding on the issue of bonds and other securities in accordance with the law and the Articles of Association, in compliance with the annual quantitative limits set by the General and Supervisory Board;
- establishing the technical and administrative organization of EDP and the Internal Regulation, particularly in relation to personnel and their remuneration;
- appointing proxies with such powers as it sees fit, including the power to delegate;
- appointing the Company Secretary and alternate;
- hiring and dismissing the external auditor on recommendation of the General and Supervisory Board;
- exercising any other powers that may be granted to it by law or by the General Shareholders' Meeting;
- establish its own regulations that establish the rules of its internal functioning.

The Chairman of the Executive Board of Directors sends the Chairman of the General and Supervisory Board the notices of meetings, support documents and minutes of the meetings and, on request, provides appropriate, timely information, which is accessible to all the members of the General and Supervisory Board, in accordance with the internal regulations in force.

When so requested by other members of the corporate bodies, the Executive Board of Directors also provides all the required information in a timely and appropriate fashion. There is an information sharing portal for the Executive Board of Directors and General and Supervisory Board, which is accessible to all their members, in accordance with the internal regulations in force.

The Chairman of the Executive Board of Directors is granted particular powers by Article 18 of the Articles of Association. These powers are:

- representing the Executive Board of Directors
- coordinating the work of the Executive Board of Directors and convening and presiding over its meetings
- ensuring proper execution of the decisions of the Executive Board of Directors.

The Chairman of the Executive Board of Directors is entitled to attend the meetings of the General and Supervisory Board, whenever considered appropriate, except when these concern decisions on the supervision of the work of the Executive Board of Directors and, in general, any situations that may involve a conflict of interest, pursuant to Article 18 (2) of the Articles of Association.

In the Executive Board of Directors there is a functional division of management areas to each of its members. The college of directors is responsible for making decisions on all matters within its remit. Delegated powers are not granted to directors individually, because of the board's particular nature.

The activity and performance of the Executive Board of Directors are assessed continuously and independently by the General and Supervisory Board on an annual basis.

According to Article 16 (2) of the Articles of Association, there must be a minimum of five and a maximum of nine members of the Executive Board of Directors.

The members of the Executive Board of Directors may not carry out executive functions in more than two companies outside of the EDP Group, and such exercise of that duties shall be subject to a prior appraisal by the Executive Board of Directors, pursuant to Article 7 of its Internal Regulation.

At that Extraordinary General Shareholders' Meeting of Shareholders held on 19 January 2021 the members of the Executive Board of Directors were elected for a three-year period regarding the 2021 - 2023 term of office. The term of office of the members of this corporate body therefore ends on 31 December 2023, though they may remain in office until a new appointment.

Until 19 January 2021, the Executive Board of Directors was composed as follows:

| EXECUTIVE BOARD OF DIRECTORS |                                                       | FIRST APPOINTMENT DATE |
|------------------------------|-------------------------------------------------------|------------------------|
| <b>CHAIRMAN</b>              | <b>ANTÓNIO LUÍS GUERRA NUNES MEXIA <sup>(1)</sup></b> | <b>30/03/2006</b>      |
|                              | João Manuel Manso Neto <sup>(2)</sup>                 | 30/03/2006             |
|                              | António Fernando Melo Martins da Costa                | 30/03/2006             |
|                              | João Manuel Veríssimo Marques da Cruz                 | 20/02/2012             |
|                              | Miguel Stilwell de Andrade <sup>(3)</sup>             | 20/02/2012             |
|                              | Miguel Nuno Simões Nunes Ferreira Setas               | 21/04/2015             |
|                              | Rui Manuel Rodrigues Lopes Teixeira                   | 21/04/2015             |
|                              | Maria Teresa Isabel Pereira                           | 05/04/2018             |
|                              | Vera de Moraes Pinto Pereira Carneiro                 | 05/04/2018             |

Members elected at the General Shareholders' Meeting of March 30, 2006 to hold office from June 30, 2006, date of entry into force of new Articles of Association of the Company and the two-tier corporate governance model

<sup>(1)</sup> On 6 July 2020, in the context of the judicial procedure investigating the early termination of Power Purchase Agreements regime and transition to the Costs of Maintenance for Contractual Balance regime, and also of the extension of the hydro public domain right of use Mr. António Luís Guerra Nunes Mexia was suspended from his executive functions. The procedure continues in the inquiry phase.

<sup>(2)</sup> On 6 July 2020, in the context of the judicial procedure investigating the early termination of Power Purchase Agreements regime and transition to the Costs of Maintenance for Contractual Balance regime, and also of the extension of the hydro public domain right of use Mr. João Manuel Manso Neto was suspended from his executive functions. The procedure continues in the inquiry phase.

<sup>(3)</sup> Appointed Interim Chairman of the Executive Board of Directors, on 6 July 2020, following the suspension of Mr. António Mexia.

As from 19 January 2021, the Executive Board of Directors is composed as follows:

| EXECUTIVE BOARD OF DIRECTORS |                                         | FIRST APPOINTMENT DATE |
|------------------------------|-----------------------------------------|------------------------|
| <b>CHAIRMAN</b>              | <b>MIGUEL STILWELL DE ANDRADE</b>       | <b>20/02/2012</b>      |
|                              | Miguel Nuno Simões Nunes Ferreira Setas | 21/04/2015             |
|                              | Rui Manuel Rodrigues Lopes Teixeira     | 21/04/2015             |
|                              | Vera de Moraes Pinto Pereira Carneiro   | 05/04/2018             |

| EXECUTIVE BOARD OF DIRECTORS      | FIRST APPOINTMENT DATE |
|-----------------------------------|------------------------|
| Ana Paula Garrido de Pina Marques | 19/01/2021             |

During the first semester of 2021, the Executive Board of Directors held forty-one meetings and the minutes of such meetings were drawn up.

On 30 June 2021, the Corporate Departments and Business Units assigned to the members of the Executive Board of Directors were the following:



## 2.1.4 STATUTORY AUDITOR

The Statutory Auditor is the company body responsible for the examination of the accounting documents. It is elected by the General Shareholders' Meeting for three-year terms, pursuant to Article 25 of EDP's Articles of Association and Article 446 of the Portuguese Companies Code.

According to the Companies Code and the Company's Articles of Association, the Statutory Auditor is responsible for checking (see Article 446 (3) of the Companies Code):

- the regularity of the Company's books, accounting records and their supporting documents;
- the cash and all assets or securities belonging to the Company or received by it as guarantees, deposits or for any other purpose, whenever and however it sees fit;
- the accuracy of the accounting documents;
- whether the Company's accounting policies and valuation criteria result in an accurate assessment of its assets and results.

At the General Shareholders' Meeting held on 14 April 2021, PriceWaterhouseCoopers & Associados - Sociedade de Revisores de Contas, Lda., statutory auditor company number 183, represented by João Rui Fernandes Ramos (auditor number 1333) was re-elected for the 2021-2023 triennium, having on such date Aurélio Adriano Rangel Amado (auditor number 1074) been re-elected as Alternate of Statutory Auditor, for the same period.

| STATUTORY AUDITOR |                                                                                                                       |
|-------------------|-----------------------------------------------------------------------------------------------------------------------|
| EFFECTIVE         | PRICEWATERHOUSECOOPERS & ASSOCIADOS, SOCIEDADE DE REVISORES DE CONTAS, LDA., REPRESENTED BY JOÃO FERNANDES RAMOS, ROC |
| ALTERNATE         | Aurélio Adriano Rangel Amado, ROC                                                                                     |

## 2.2. OTHER CORPORATE BODIES

### 2.2.1 Environment and Sustainability Board

The Environment Board was set up as a company body in 1991. Its name was changed to Environment and Sustainability Board by decision of the Annual General Shareholders' Meeting of 30 March 2006.

As a corporate body, the Environment and Sustainability Board has powers to advise the Executive Board of Directors on environment and sustainability matters. In particular, it provides advice and support in defining the Company's environmental and sustainability strategy and drafting opinions and recommendations on the environmental impact of projects planned by the EDP Group (Article 28 (1) of EDP's Articles of Association).

The members Environment and Sustainability Board, pursuant to Article 28 (2) of EDP's Articles of Association, have acknowledged competence in the field of environmental protection and sustainability.

At the General Shareholders' Meeting held on 14 April 2021, the members of the Environment and Sustainability Board were elected for a three-year period regarding the 2021-2023 triennium.

Until 14 April 2021, the Environment and Sustainability Board was composed as follows:

| ENVIRONMENTAL AND SUSTAINABILITY BOARD |                                                                                                          |
|----------------------------------------|----------------------------------------------------------------------------------------------------------|
| CHAIRMAN                               | JOSÉ MANUEL VIEGAS<br>António José Tomás Gomes de Pinho<br>Joana Pinto Balsemão<br>Joaquim Poças Martins |

| ENVIRONMENTAL AND SUSTAINABILITY BOARD |                |
|----------------------------------------|----------------|
|                                        | Pedro Oliveira |

As from 14 April 2021, the Environmental and Sustainability Board is composed as follows:

| ENVIRONMENTAL AND SUSTAINABILITY BOARD |                           |
|----------------------------------------|---------------------------|
| <b>CHAIRMAN</b>                        | <b>JOSÉ MANUEL VIEGAS</b> |
|                                        | Joana Pinto Balsemão      |
|                                        | Joaquim Poças Martins     |
|                                        | Maria Mendiluce           |
|                                        | Pedro Oliveira            |

During the first half of 2021, the Environment and Sustainability Board held one meeting and the minutes of such meeting was drawn up.

## 2.2.2 Remuneration Committee of the General Shareholders' Meeting

The remuneration of the corporate bodies, with the exception of the members of the Executive Board of Directors, is defined by the Remuneration Committee elected by the General Shareholders' Meeting (Article 11 (2) (d) of EDP's Articles of Association).

Pursuant to this Article, the majority of the members of the Remuneration Committee of the General Shareholders' Meeting must be independent.

The members of the Remuneration Committee of the General Shareholders' Meeting were reappointed at the Annual General Shareholders' Meeting held on 14 April 2021 for the 2021-2023 term-of-office, with the following composition:

| REMUNERATION COMMITTEE OF THE GENERAL SHAREHOLDERS' MEETING |                                                   |
|-------------------------------------------------------------|---------------------------------------------------|
| <b>CHAIRMAN</b>                                             | <b>LUÍS MIGUEL NOGUEIRA FREIRE CORTES MARTINS</b> |
|                                                             | José Gonçalo Maury                                |
|                                                             | Jaime Amaral Anahory                              |

During the first half of 2021, the Remuneration Committee of the General Shareholders' Meeting held two meetings, and the minutes of such meetings were drawn up.

## 2.2.3 Specialised Committees of the General and Supervisory Board

The Internal Regulation of the General and Supervisory Board as well as the provisions of the law and of the Articles of Association regarding the Financial Matters Committee / Audit Committee provide for the establishment of standing committees and ad hoc committees, composed of some of its members, without prejudice to its responsibility for the exercise of its duties as a corporate body. These committees may be set up whenever it sees fit and appropriate and have specific duties delegated to them. It should be noted that, in the case of the Financial Matters Committee / Audit Committee, the respective existence derives from the law, taking into account the governance model in force at EDP.

The main remit of the standing and ad hoc committees is specific, continuous monitoring of the matters entrusted to them, in order to ensure informed decisions by the General and Supervisory Board or provide it with information on certain matters.

The committees' activity is coordinated by the Chairman of the General and Supervisory Board, who ensures proper articulation of the committees with the plenary board through their Chairman, who keeps him informed by sending notices and minutes of the meetings.

The General and Supervisory Board believes that the committees are important to the regular functioning of the Company as they can perform certain delegated duties, especially monitoring the Company's financial information, reflecting on its governance system, assessing the performance of directors and evaluating its own overall performance.

The General and Supervisory Board holds four specialized committees: Financial Matters Committee/Audit Committee, Remuneration Committee, Corporate Governance and Sustainability Committee and the United States of America Business Affairs Monitoring Committee.

On 15 April 2021, the Strategy and Performance Committee was extinct by decision of the General and Supervisory Board.

## Financial Matters Committee / Audit Committee

In accordance with Articles of Association and the Internal Regulation of the Financial Matters Committee/Audit Committee and under the applicable law, are assigned to this Committee, by delegation from the General and Supervisory Board, the following powers:

- financial matters and accounting practices;
- internal audit practices and procedures
- the internal mechanisms and procedures of the Internal Control System for Financial reporting (ICSFR).
- matters relating to risk management and control system;
- the activities and mechanisms of the compliance management system;
- the activity and independence of the Statutory Auditor (SA) / Order of the Official Chartered Accountants (OROC) of the company;
- the systems for assessing and resolving conflicts of interest, particularly with regard to the Company's relations with shareholders.

The composition, role and functioning of the Financial Matters Committee/Audit Committee are in line with the applicable legislation and regulation, including the European Commission Recommendation of 15 February 2005 (2005/162/EC), the European Commission Recommendation of 30 April 2009 (2009/385/EC) as well as the recommendations provided for by the Corporate Governance Code of the Portuguese Institute for Corporate Governance.

The Financial Matters Committee/Audit Committee is currently made up of three independent members with the appropriate qualifications and experience, including at least one member with a degree in the area of the committee's duties and specific knowledge of auditing and accounting, as confirmed namely by the Curriculum Vitae of the Chairman, which is available on EDP's website ([www.edp.com](http://www.edp.com)).

Until 14 April 2021, the Financial Matters Committee/Audit Committee was composed as follows:

| FINANCIAL MATTERS COMMITTEE / AUDIT COMMITTEE |                                                   | FIRST APPOINTMENT DATE |
|-----------------------------------------------|---------------------------------------------------|------------------------|
| <b>CHAIRMAN</b>                               | <b>LUÍS FILIPE MARQUES AMADO</b>                  | <b>06/04/2018</b>      |
| Vice-Chairman                                 | João Carvalho das Neves                           | 22/04/2015             |
|                                               | Clementina Maria Dâmaso de Jesus da Silva Barroso | 06/04/2018             |
|                                               | Maria Celeste Ferreira Lopes Cardona              | 18/04/2012             |
|                                               | María del Carmen Ana Fernández Rozado             | 22/04/2015             |

As from 15 April 2021, the Financial Matters Committee/Audit Committee is composed as follows:

| FINANCIAL MATTERS COMMITTEE / AUDIT COMMITTEE | FIRST APPOINTMENT DATE |
|-----------------------------------------------|------------------------|
|-----------------------------------------------|------------------------|

|                 |                                                             |                   |
|-----------------|-------------------------------------------------------------|-------------------|
| <b>CHAIRMAN</b> | <b>JOÃO CARVALHO DAS NEVES</b>                              | <b>22/04/2015</b> |
|                 | María del Carmen Ana Fernández Rozado                       | 22/04/2015        |
|                 | Helena Sofia da Silva Borges Salgado Fonseca Cerveira Pinto | 15/04/2021        |

During the first half of 2021, the Financial Matters Committee / Audit Committee held nine meetings and the minutes of such meetings were drawn up.

## Remuneration Committee of the General and Supervisory Board

The Remuneration Committee appointed by the General and Supervisory Board, pursuant to Article 27 of EDP's Articles of Association, submits a proposal of remuneration policy of the members of the Executive Board of Directors to the approval of the General Shareholders' Meeting, at least every four years and whenever there is a relevant change in the remuneration policy in force.

The main mission of this Committee is:

- to prepare and propose the policy and corporate objectives regarding the Chairman and Members of the Executive Board of Directors remuneration determination;
- set the Chairman of the Executive Board of Directors and Directors' remuneration;
- monitor and assess the performance of the Chairman of the Board of Directors and directors for purposes of determining variable remuneration;
- monitor the dissemination of external information on remuneration and the Executive Board of Directors remuneration policy.

Until 14 April 2021, the Remuneration Committee appointed by the General and Supervisory Board was composed as follows:

| REMUNERATION COMMITTEE OF THE GENERAL AND SUPERVISORY BOARD |                                | FIRST APPOINTMENT DATE |
|-------------------------------------------------------------|--------------------------------|------------------------|
| <b>CHAIRMAN</b>                                             | <b>SHENGLIANG WU</b>           | <b>13/12/2018</b>      |
|                                                             | Fernando Maria Masaveu Herrero | 22/04/2015             |
|                                                             | Ilídio da Costa Leite de Pinho | 22/05/2012             |
|                                                             | João Carvalho das Neves        | 22/04/2015             |
|                                                             | Vasco Joaquim Rocha Vieira     | 22/04/2015             |

As from 15 April 2021, the Remuneration Committee appointed by the General and Supervisory Board is composed as follows:

| REMUNERATION COMMITTEE OF THE GENERAL AND SUPERVISORY BOARD |                                                | FIRST APPOINTMENT DATE |
|-------------------------------------------------------------|------------------------------------------------|------------------------|
| <b>CHAIRMAN</b>                                             | <b>MIGUEL ESPREGUEIRA MENDES PEREIRA LEITE</b> | <b>15/04/2021</b>      |
|                                                             | Esmeralda da Silva Santos Dourado              | 15/04/2021             |
|                                                             | Filipe Fernández Fernández                     | 15/04/2021             |
|                                                             | João Carvalho das Neves                        | 22/04/2015             |
|                                                             | Zili Shao                                      | 15/04/2021             |

During the first half of 2021, the Remuneration Committee of the General and Supervisory Board held two meetings and the minutes of such meetings were drawn up.

## Corporate Governance and Sustainability Committee

The Corporate Governance and Sustainability Committee is a Specialized Committee of the General and Supervisory Board and its purpose is to permanently monitor and supervise all matters related with the following:

- corporate governance;
- sustainability in all its dimensions;
- internal codes of ethics and conduct;
- systems for evaluating and resolving conflicts of interest in relations between the Company and its shareholders, through the analysis of the proposals for remedies regarding situations reported to this Committee by the Financial Matters Committee / Audit Committee;
- internal proceedings and relationship between the Company and Subsidiary or Group companies and their employees, clients, providers and remaining stakeholders;
- succession plans;
- the evaluation process of the GSB and the different Specialized Committees.

The Corporate Governance and Sustainability Committee is made up of members of the General and Supervisory Board, the majority of whom are independent, with the appropriate qualifications and experience for their duties.

Until 14 April 2021, the Corporate Governance and Sustainability Committee was composed as follows:

| CORPORATE GOVERNANCE AND SUSTAINABILITY COMMITTEE |                                      | FIRST APPOINTMENT DATE |
|---------------------------------------------------|--------------------------------------|------------------------|
| <b>CHAIRMAN</b>                                   | <b>LUÍS FILIPE MARQUES AMADO</b>     | <b>22/04/2015</b>      |
|                                                   | Augusto Carlos Serra Ventura Mateus  | 06/04/2018             |
|                                                   | Felipe Fernández Fernández           | 22/04/2015             |
|                                                   | Ignacio Herrero Ruiz                 | 13/12/2018             |
|                                                   | Jorge Avelino Braga de Macedo        | 22/04/2015             |
|                                                   | Li Li                                | 23/01/2020             |
|                                                   | Maria Celeste Ferreira Lopes Cardona | 18/04/2012             |

As from 15 April 2021, the Corporate Governance and Sustainability Committee is composed as follows:

| CORPORATE GOVERNANCE AND SUSTAINABILITY COMMITTEE |                                          | FIRST APPOINTMENT DATE |
|---------------------------------------------------|------------------------------------------|------------------------|
| <b>CHAIRMAN</b>                                   | <b>JOÃO LUÍS RAMALHO CARVALHO TALONE</b> | <b>15/04/2021</b>      |
|                                                   | Ignacio Herrero Ruiz                     | 13/12/2018             |
|                                                   | Fernando Masaveu Herrero                 | 15/04/2021             |
|                                                   | Laurie Lee Fitch                         | 15/04/2021             |
|                                                   | Li Li                                    | 23/01/2020             |
|                                                   | María del Carmen Ana Fernández Rozado    | 15/04/2021             |
|                                                   | Sandrine Dixson-Declève                  | 15/04/2021             |

During the first half of 2021, the Corporate Governance and Sustainability Committee held two meetings, having the respective minutes been drawn up.

## United States of America Business Affairs Monitoring Committee

The main mission of the United States of America Business Affairs Monitoring Committee is the monitoring and passing of resolutions on matters related with the activity undertaken by companies wholly or majority held by and/or subsidiary of EDP Group in the United States of America, notably regarding:

- the strategic / business plans, assessing the different developing scenarios in which they rest and their implementation, including the resources necessary to its execution (human and financial)
- the annual budget;
- the investment, divestment, merger, acquisition and restructuring projects of significant value businesses;
- financing transactions;
- alliances / strategic partnerships entered into, the specific actions deriving therefrom and evolution of counterpart risks;
- the issuance of prior opinions including in cases of urgency following the requests presented by the Executive Board of Directors;
- the compliance of the assumed commitments regarding public safety;
- performance, risk assessment, value at risk and the respective management.

The Committee is also responsible for defining compliance procedures on the obligations assumed by EDP under the development of the activity undertaken by companies wholly or majority held by and/or subsidiary of EDP Group in the United States of America with respect to the General and Supervisory Board activity.

Until 14 April 2021, the United States of America Business Affairs Monitoring Committee was composed as follows:

| UNITED STATES OF AMERICA BUSINESS AFFAIRS MONITORING COMMITTEE |                                                   | FIRST APPOINTMENT DATE |
|----------------------------------------------------------------|---------------------------------------------------|------------------------|
| <b>CHAIRMAN</b>                                                | <b>LUÍS FILIPE MARQUES AMADO</b>                  | <b>16/03/2020</b>      |
|                                                                | Augusto Carlos Serra Ventura Mateus               | 16/03/2020             |
|                                                                | Clementina Maria Dâmaso de Jesus da Silva Barroso | 16/03/2020             |
|                                                                | Felipe Fernández Fernández                        | 16/03/2020             |
|                                                                | João Carvalho das Neves                           | 16/03/2020             |
|                                                                | Jorge Avelino Braga de Macedo                     | 16/03/2020             |
|                                                                | Vasco Joaquim Rocha Vieira                        | 16/03/2020             |

As from 15 April 2021, the United States of America Business Affairs Monitoring Committee is composed as follows:

| UNITED STATES OF AMERICA BUSINESS AFFAIRS MONITORING COMMITTEE |                                                          | FIRST APPOINTMENT DATE |
|----------------------------------------------------------------|----------------------------------------------------------|------------------------|
| <b>CHAIRMAN</b>                                                | <b>JOÃO LUÍS RAMALHO CARVALHO TALONE</b>                 | <b>15/04/2021</b>      |
|                                                                | Esmeralda da Silva Santos Dourado                        | 15/04/2021             |
|                                                                | Felipe Fernández Fernández                               | 16/03/2020             |
|                                                                | Laurie Lee Fitch                                         | 15/04/2021             |
|                                                                | Helena Sofia Silva Borges Salgado Fonseca Cerveira Pinto | 15/04/2021             |

During the first half of 2021, the United States of America Business Affairs Monitoring Committee held four meetings, having the respective minutes been drawn up.

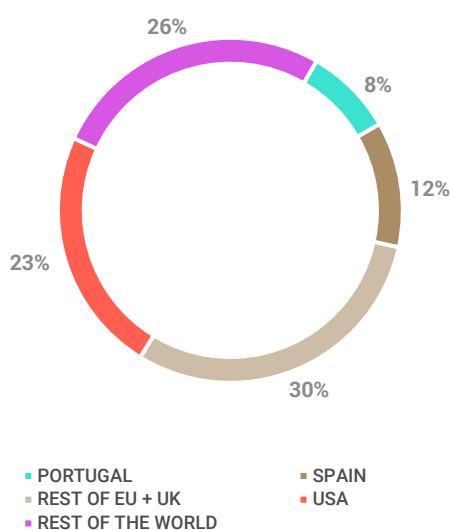
### III. Shareholder Structure

#### 3.1 CAPITAL STRUCTURE

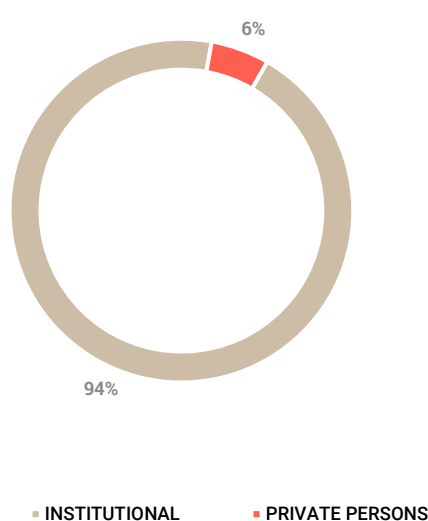
As of 30 June 2021, EDP's share capital amounted to 3,965,681,012.00 euros and was fully paid, pursuant to article 4 the Articles of Association, and was represented by 3,965,681,012 shares with a nominal value of 1 euro each.

The geographical and investor type breakdown of the EDP shareholder structure on 30 June 2021 was as follows:

**Breakdown of shareholder structure by geography**



**Breakdown of shareholder structure by investors type**



Source: Interbolsa

#### 3.2 QUALIFYING HOLDINGS

In relation to qualifying holdings owned by EDP shareholders on 30 June 2021, please see below their identification and their voting rights in accordance with Article 20 (1) of the Securities Code:

| SHAREHOLDER                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | NR. OF SHARES      | % CAPITAL WITH VOTING RIGHTS |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------|------------------------------|
| <b>CHINA THREE GORGES CORPORATION</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |                    |                              |
| China Three Gorges (Europe), S.A.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | 754,736,441        | 19.03%                       |
| <b>Total</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | <b>754,736,441</b> | <b>19.03%</b>                |
| China Three Gorges (Europe), S.A. is fully owned by China Three Gorges International Ltd, which is fully owned by China Three Gorges International Corporation. China Three Gorges Corporation holds 70% equity of China Three Gorges International Corporation. Yangtze Three Gorges Investment Management Co.Ltd holds 30% equity of China Three Gorges International Corporation. Yangtze Three Gorges Investment Management Co.Ltd is fully owned by China Three Gorges Corporation. China Three Gorges Corporation is in turn fully owned by People Republic of China. |                    |                              |
| SHAREHOLDER                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | NR. OF SHARES      | % CAPITAL WITH VOTING RIGHTS |
| <b>OPPIDUM CAPITAL, S.L.</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                    |                              |
| Oppidum Capital, S.L.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | 285,414,883        | 7.20%                        |
| <b>Total</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | <b>285,414,883</b> | <b>7.20%</b>                 |

According to paragraph 1(b) of Article 20 of the Portuguese Securities Code, the voting rights inherent to the share capital held by Oppidum Capital, SL is imputable to Fernando Masaveu Herrero. Oppidum Capital, SL is 55.9% owned by Masaveu Internacional, S.L. and 44.1% owned by Liberbank, S.A. In turn, Masaveu Internacional, SL is 100% held by Corporación Masaveu, SA. Corporación Masaveu, SA is 41.38% held by Fundación María Cristina Masaveu Peterson, 10.73% by Flicka Forestal, SL and 0.03% by Fernando Masaveu Herrero. Fernando Masaveu Herrero controls Fundación María Cristina Masaveu Peterson, Flicka Forestal, SL and Peña Maria, S.L.. Additionally, Fernando Masaveu Herrero's spouse holds 18,467 shares of EDP's share capital. Also, three dependents of Fernando Masaveu Herrero - Pedro Masaveu Compostizo, Jaime Masaveu Compostizo and Elias Masaveu Compostizo - hold each 542 shares of EDP's share capital. In this sense, in total, 7.20% of the voting rights of EDP, corresponding to 285,434,976 shares of EDP's share capital, should be imputable to Fernando Masaveu Herrero.

#### BLACKROCK, INC

BlackRock, Inc.

BlackRock Holdco 2, Inc.

BlackRock Financial Management, Inc.

BlackRock International Holdings, Inc.

BR Jersey International Holdings L.P.

BlackRock (Singapore) Holdco Pte. Ltd.

BlackRock HK Holdco Limited

BlackRock Lux Finco S.a.r.l.

BlackRock Japan Holdings GK

BlackRock Japan Co., Ltd.

BlackRock, Inc.

Trident Merger, LLC

BlackRock Investment Management, LLC

BlackRock, Inc.

BlackRock Holdco 2, Inc.

BlackRock Financial Management, Inc.

BlackRock International Holdings, Inc.

BR Jersey International Holdings L.P.

BlackRock Holdco 3, LLC

BlackRock Cayman 1 LP

BlackRock Cayman West Bay Finco Limited

BlackRock Cayman West Bay IV Limited

BlackRock Group Limited

BlackRock Finance Europe Limited

BlackRock Investment Management (UK) Limited

2.02%

BlackRock, Inc.

BlackRock Holdco 2, Inc.

BlackRock Financial Management, Inc.

BlackRock International Holdings, Inc.

BR Jersey International Holdings L.P.

BlackRock Australia Holdco Pty. Ltd.

BlackRock Investment Management (Australia) Limited

BlackRock, Inc.

BlackRock Holdco 2, Inc.

BlackRock Financial Management, Inc.

BlackRock International Holdings, Inc.

BR Jersey International Holdings L.P.

BlackRock Holdco 3, LLC

BlackRock Cayman 1 LP

#### SHAREHOLDER

#### NR. OF SHARES

#### % CAPITAL WITH VOTING RIGHTS

BlackRock Cayman West Bay Finco Limited

BlackRock Cayman West Bay IV Limited

BlackRock Group Limited

BlackRock International Limited

BlackRock, Inc.

BlackRock Holdco 2, Inc.

BlackRock Financial Management, Inc.

BlackRock Holdco 4, LLC  
 BlackRock Holdco 6, LLC  
 BlackRock Delaware Holdings Inc.  
 BlackRock Institutional Trust Company, National Association

BlackRock, Inc.  
 BlackRock Holdco 2, Inc.  
 BlackRock Financial Management, Inc.  
 BlackRock Holdco 4, LLC  
 BlackRock Holdco 6, LLC  
 BlackRock Delaware Holdings Inc.  
 BlackRock Fund Advisors

BlackRock, Inc.  
 BlackRock Holdco 2, Inc.  
 BlackRock Financial Management, Inc.

BlackRock, Inc.  
 BlackRock Holdco 2, Inc.  
 BlackRock Financial Management, Inc.  
 BlackRock International Holdings, Inc.  
 BR Jersey International Holdings L.P.  
 BlackRock (Singapore) Holdco Pte. Ltd.  
 BlackRock HK Holdco Limited  
 BlackRock Asset Management North Asia Limited

BlackRock, Inc.  
 BlackRock Holdco 2, Inc.  
 BlackRock Financial Management, Inc.  
 BlackRock International Holdings, Inc.  
 BR Jersey International Holdings L.P.  
 BlackRock Holdco 3, LLC  
 BlackRock Cayman 1 LP  
 BlackRock Cayman West Bay Finco Limited  
 BlackRock Cayman West Bay IV Limited  
 BlackRock Group Limited  
 BlackRock Finance Europe Limited  
 BlackRock (Netherlands) B.V.  
 BlackRock Asset Management Deutschland AG

BlackRock, Inc.  
 BlackRock Holdco 2, Inc.  
 BlackRock Financial Management, Inc.  
 BlackRock International Holdings, Inc.  
 BR Jersey International Holdings L.P.  
 BlackRock Holdco 3, LLC  
 BlackRock Canada Holdings LP  
 BlackRock Canada Holdings ULC  
 BlackRock Asset Management Canada Limited

## SHAREHOLDER

## NR. OF SHARES

## % CAPITAL WITH VOTING RIGHTS

BlackRock, Inc.  
 BlackRock Holdco 2, Inc.  
 BlackRock Financial Management, Inc.  
 BlackRock Capital Holdings, Inc.  
 BlackRock Advisors, LLC

BlackRock, Inc.  
 BlackRock Holdco 2, Inc.  
 BlackRock Financial Management, Inc.

|                                                                                                                                                                                                                                                                                                                          |                    |              |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------|--------------|
| BlackRock International Holdings, Inc.<br>BR Jersey International Holdings L.P.<br>BlackRock Holdco 3, LLC<br>BlackRock Cayman 1 LP<br>BlackRock Cayman West Bay Finco Limited<br>BlackRock Cayman West Bay IV Limited<br>BlackRock Group Limited<br>BlackRock Finance Europe Limited<br>BlackRock Advisors (UK) Limited |                    |              |
| BlackRock, Inc.<br>BlackRock Holdco 2, Inc.<br>BlackRock Financial Management, Inc.<br>BlackRock International Holdings, Inc.<br>BR Jersey International Holdings L.P.<br>BlackRock (Singapore) Holdco Pte. Ltd.<br>BlackRock (Singapore) Limited                                                                        |                    |              |
| BlackRock, Inc.<br>Trident Merger, LLC<br>BlackRock Investment Management, LLC<br>Amethyst Intermediate, LLC<br>Aperio Holdings, LLC<br>Aperio Group, LLC                                                                                                                                                                |                    |              |
| <b>Total</b>                                                                                                                                                                                                                                                                                                             | <b>282,407,725</b> | <b>7.12%</b> |
| The qualified shareholding above mentioned refers to the communication from BlackRock, Inc. that occurred in 20 May 2021.                                                                                                                                                                                                |                    |              |
| <b>NORGES BANK</b>                                                                                                                                                                                                                                                                                                       |                    |              |
| Norges Bank                                                                                                                                                                                                                                                                                                              | 123,958,104        | 3.13%        |
| <b>Total</b>                                                                                                                                                                                                                                                                                                             | <b>123,958,104</b> | <b>3.13%</b> |
| Norges Bank, the Central Bank of Norway, acts on behalf of the State of Norway. Under the terms of the communication made, Norges Bank held, as at 30 June 2021, 123,958,104 shares and 686,695 collateral shares.                                                                                                       |                    |              |
| <b>QATAR INVESTMENT AUTHORITY</b>                                                                                                                                                                                                                                                                                        |                    |              |
| Qatar Holding LLC                                                                                                                                                                                                                                                                                                        | 89,915,722         | 2.27%        |
| <b>Total</b>                                                                                                                                                                                                                                                                                                             | <b>89,915,722</b>  | <b>2.27%</b> |
| The company Qatar Holding LLC is wholly owned by Qatar Investment Authority.                                                                                                                                                                                                                                             |                    |              |

| SHAREHOLDER                                                                              | NR. OF SHARES     | % CAPITAL WITH VOTING RIGHTS |
|------------------------------------------------------------------------------------------|-------------------|------------------------------|
| <b>SONATRACH</b>                                                                         |                   |                              |
| Sonatrach SpA                                                                            | 87,007,433        | 2.19%                        |
| <b>Total</b>                                                                             | <b>87,007,433</b> | <b>2.19%</b>                 |
| <b>CANADA PENSION PLAN INVESTMENT BOARD</b>                                              |                   |                              |
| CPPIB<br>CPPIB Cayman MAP SPC                                                            |                   |                              |
| <b>Total</b>                                                                             | <b>85.882.887</b> | <b>2.17%</b>                 |
| <b>BANK OF AMERICA CORPORATION</b>                                                       |                   |                              |
| Bank of America Corporation<br>NB Holdings Corporation<br>BofAML Jersey Holdings Limited |                   |                              |

|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |                      |                |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------|----------------|
| BofAML EMEA Holdings 2 Limited                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |                      |                |
| ML UK Capital Holdings Limited                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |                      |                |
| Merrill Lynch International                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |                      |                |
| Bank of America Corporation                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |                      |                |
| NB Holdings Corporation                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                      |                |
| BAC North America Holding Company                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                      |                |
| Bank of America, National Association                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                      |                |
| Bank of America Corporation                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |                      |                |
| NB Holdings Corporation                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                      |                |
| BofA Securities, Inc                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |                      |                |
| Bank of America Corporation                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |                      |                |
| NB Holdings Corporation                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                      |                |
| BAC North America Holding Company                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                      |                |
| Merrill Lynch, Pierce, Fenner & Smith Incorporated                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |                      |                |
| Managed Account Advisors LLC                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |                      |                |
| Bank of America Corporation                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |                      |                |
| NB Holdings Corporation                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                      |                |
| BAC North America Holding Company                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                      |                |
| Merrill Lynch, Pierce, Fenner & Smith Incorporated                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |                      |                |
| Bank of America Corporation                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |                      |                |
| NB Holdings Corporation                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                      |                |
| BAC North America Holding Company                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                      |                |
| Bank of America, National Association                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                      |                |
| U.S Trust Company of Delaware                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |                      |                |
| Bank of America Corporation                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |                      |                |
| NB Holdings Corporation                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                      |                |
| BofA Securities, Inc.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                      |                |
| Merrill Lynch Professional Clearing Corp.                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |                      |                |
| <b>Total</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | <b>79,992,285</b>    | <b>2.02%</b>   |
| EDP (TREASURY STOCK)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | 19,003,158           | 0.48%          |
| REMAINING SHAREHOLDERS                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | 2,157,362,374        | 54.40%         |
| <b>TOTAL</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | <b>3,965,681,012</b> | <b>100.00%</b> |
| Note: Pursuant to Article 14 (3) of the Articles of Association of EDP, votes cast by a shareholder, on its own account or on behalf of another shareholder, that exceed 25% of the votes corresponding to the share capital, shall not be taken into account. For the purpose of determining the percentage of 25% of the votes that can be cast by a shareholder, the voting rights of other entities that are imputable to it under the terms of paragraph 1 of Article 20 of the Securities Code are considered. |                      |                |

### 3. Financial instruments owned by members of the management and supervisory bodies

#### Financial instruments owned by members of the Executive Board of Directors

The table below shows the financial instruments held by members of Executive Board of Directors and the changes occurred during the first semester of 2021, as required by Article 447 (5) of the Companies Code.

In turn, the financial instruments owned and/or imputable by the members of the Executive Board of Directors in office until 19<sup>th</sup> January 2021 were the following:

| EDP - ENERGIAS DE PORTUGAL, S.A.            |                          |                          | EDP - ENERGIAS DO BRASIL, S.A. |                          |
|---------------------------------------------|--------------------------|--------------------------|--------------------------------|--------------------------|
| EXECUTIVE BOARD OF DIRECTORS <sup>(*)</sup> | No. SHARES<br>19-01-2021 | No. SHARES<br>31-12-2020 | No. SHARES<br>19-01-2021       | No. SHARES<br>31-12-2020 |
| António Luís Guerra Nunes Mexia             | 101,093                  | 101,093                  | 1                              | 1                        |
| João Manuel Manso Neto                      | 1,375                    | 1,375                    | -                              | -                        |
| António Fernando Melo Martins da Costa      | 58,915                   | 58,915                   | -                              | -                        |
| João Manuel Veríssimo Marques da Cruz       | -                        | -                        | -                              | -                        |
| Miguel Stilwell de Andrade                  | 151,904                  | 151,904                  | -                              | -                        |
| Miguel Nuno Simões Nunes Ferreira Setas     | 8,104                    | 8,104                    | 6,000                          | 6,000                    |
| Rui Manuel Rodrigues Lopes Teixeira         | 39,033                   | 39,033                   | -                              | -                        |
| Maria Teresa Isabel Pereira                 | 25,415                   | 25,415                   | -                              | -                        |
| Vera de Moraes Pinto Pereira Carneiro       | 7,000                    | 7,000                    | -                              | -                        |

<sup>(\*)</sup> Between 31st December 2020 and 19th January 2021, the members of the Executive Board of Directors did not hold any shares of EDP Renováveis, S.A., and did not either hold bonds from EDP – Energias de Portugal, S.A.

In turn, the financial instruments owned and/or imputable by the members of the Executive Board of Directors in office from 19<sup>th</sup> January 2021 were the following:

| EXECUTIVE BOARD OF DIRECTORS <sup>(1)</sup>        | EDP - ENERGIAS DE PORTUGAL, S.A. |                          | EDP RENOVÁVEIS, S.A.     |                          | EDP - ENERGIAS DO BRASIL, S.A. |                          |
|----------------------------------------------------|----------------------------------|--------------------------|--------------------------|--------------------------|--------------------------------|--------------------------|
|                                                    | No. SHARES<br>30-06-2021         | No. SHARES<br>19-01-2021 | No. SHARES<br>30-06-2021 | No. SHARES<br>19-01-2021 | No. SHARES<br>30-06-2021       | No. SHARES<br>19-01-2021 |
| Miguel Stilwell de Andrade                         | 180,000                          | 151,904                  | -                        | -                        | -                              | -                        |
| Miguel Nuno Simões Nunes Ferreira Setas            | 8,104                            | 8,104                    | -                        | -                        | 6,000                          | 6,000                    |
| Rui Manuel Rodrigues Lopes Teixeira <sup>(2)</sup> | 39,433                           | 39,033                   | 100                      | -                        | -                              | -                        |
| Vera de Moraes Pinto Pereira Carneiro              | 7,000                            | 7,000                    | -                        | -                        | -                              | -                        |
| Ana Paula Garrido de Pina Marques                  | -                                | -                        | -                        | -                        | -                              | -                        |

<sup>(1)</sup> The Executive Board of Directors did not hold any bonds from EDP – Energias de Portugal, S.A.

<sup>(2)</sup> Transactions carried out under the terms of article 19, no. 8 of Regulation (EU) no. 596/2014 of the European Parliament and of the Council, of 16 April 2014, worth less than €5,000.00 (five thousand euros).

#### Financial instruments owned by members of the General and Supervisory Board

Financial instruments owned and/or imputable to members of the General and Supervisory Board in office until 14<sup>th</sup> April 2021 were the following:

| EDP - ENERGIAS DE PORTUGAL, S.A.                                              |                          |                          |
|-------------------------------------------------------------------------------|--------------------------|--------------------------|
| GENERAL AND SUPERVISORY BOARD <sup>(*)</sup>                                  | No. SHARES<br>14-04-2021 | No. SHARES<br>31-12-2020 |
| Luís Filipe Marques Amado                                                     | -                        | -                        |
| China Three Gorges Corporation                                                | 754,736,441              | 854,736,441              |
| Dingming Zhang (as representative of China Three Gorges Corporation)          | -                        | -                        |
| China Three Gorges International Corp.                                        | 754,736,441              | 854,736,441              |
| Shengliang Wu (as representative of China Three Gorges International Corp.)   | -                        | -                        |
| China Three Gorges (Europe), S.A.                                             | 754,736,441              | 854,736,441              |
| Ignacio Herrero Ruiz (as representative of China Three Gorges (Europe), S.A.) | -                        | -                        |
| China Three Gorges Brasil Energia Ltda.                                       | -                        | -                        |

|                                                                                                            |             |             |
|------------------------------------------------------------------------------------------------------------|-------------|-------------|
| Li Li (as representative of China Three Gorges Brasil Energia Ltda.)                                       | -           | -           |
| China Three Gorges (Portugal), Sociedade Unipessoal, Lda.                                                  | -           | -           |
| Eduardo de Almeida Catroga (as representative of China Three Gorges (Portugal) Sociedade Unipessoal, Lda.) | -           | -           |
| DRAURSA, S.A.                                                                                              | -           | -           |
| Felipe Fernández Fernández (as representative of Draursa, S.A.)                                            | 1,350       | 1,350       |
| Fernando Maria Masaveu Herrero                                                                             | 285,434,976 | 285,434,976 |
| Senfora BV                                                                                                 | 54,095,476  | 54,095,476  |
| Mohammed Issa Khalfan Alhuraimel Alshamsi (as representative of Senfora BV)                                | -           | -           |
| Banco Comercial Português, S.A.                                                                            | 76,627,022  | 76,627,022  |
| Nuno Manuel da Silva Amado (as representative of Banco Comercial Português, S.A.)                          | -           | -           |
| Sonatrach                                                                                                  | 87,007,433  | 87,007,433  |
| Karim Djebbour (em representação da Sonatrach)                                                             | -           | -           |
| Maria Celeste Ferreira Lopes Cardona                                                                       | -           | -           |
| Ilídio da Costa Leite de Pinho                                                                             | -           | -           |
| Jorge Avelino Braga de Macedo                                                                              | -           | -           |
| Vasco Joaquim Rocha Vieira                                                                                 | 3,515       | 3,515       |
| Augusto Carlos Serra Ventura Mateus                                                                        | -           | -           |
| João Carvalho das Neves                                                                                    | 8,060       | 8,060       |
| María del Carmen Fernández Rozado                                                                          | -           | -           |
| Laurie Lee Fitch                                                                                           | -           | -           |
| Clementina Maria Dâmaso de Jesus Silva Barroso                                                             | -           | -           |
| Luís Maria Viana Palha da Silva                                                                            | 5,479       | 5,479       |

(\*) Between 31<sup>st</sup> December 2020 and 14<sup>th</sup> April 2021, the members of the General and Supervisory Board did not hold any shares of EDP Renováveis, S.A. and of EDP – Energias do Brasil, S.A., and did not hold either bonds from EDP – Energias de Portugal, S.A.

Financial instruments owned and/or imputable to members of the General and Supervisory Board in office from 14<sup>th</sup> April 2021 are the following:

|                                                                                                      | EDP - ENERGIAS DE PORTUGAL, S.A. |                          |
|------------------------------------------------------------------------------------------------------|----------------------------------|--------------------------|
| GENERAL AND SUPERVISORY BOARD (*)                                                                    | No. SHARES<br>30-06-2021         | No. SHARES<br>14-04-2021 |
| João Luís Ramalho Carvalho Talone                                                                    | -                                | -                        |
| China Three Gorges Corporation                                                                       | 754,736,441                      | 754,736,441              |
| Dingming Zhang (as representative of China Three Gorges Corporation)                                 | -                                | -                        |
| China Three Gorges International Limited                                                             | 754,736,441                      | 754,736,441              |
| Shengliang Wu (as representative of China Three Gorges International Limited)                        | -                                | -                        |
| China Three Gorges (Europe), S.A.                                                                    | 754,736,441                      | 754,736,441              |
| Ignacio Herrero Ruiz (as representative of China Three Gorges (Europe), S.A.)                        | -                                | -                        |
| China Three Gorges Brasil Energia Ltda.                                                              | -                                | -                        |
| Li Li (as representative of China Three Gorges Brasil Energia Ltda.)                                 | -                                | -                        |
| China Three Gorges (Portugal), Sociedade Unipessoal, Lda.                                            | -                                | -                        |
| Miguel Pereira Leite (as representative of China Three Gorges (Portugal) Sociedade Unipessoal, Lda.) | -                                | -                        |
| DRAURSA, S.A.                                                                                        | -                                | -                        |
| Felipe Fernández Fernández (as representative of Draursa, S.A.)                                      | 1,350                            | 1,350                    |
| Fernando Maria Masaveu Herrero                                                                       | 285,434,976                      | 285,434,976              |
| João Carvalho das Neves                                                                              | 8,060                            | 8,060                    |
| María del Carmen Fernández Rozado                                                                    | -                                | -                        |
| Laurie Lee Fitch                                                                                     | -                                | -                        |
| Esmerlada da Silva Santos Dourado                                                                    | -                                | -                        |

|                                                          |       |       |
|----------------------------------------------------------|-------|-------|
| Helena Sofia Silva Borges Salgado Fonseca Cerveira Pinto | -     | -     |
| Sandrine Dixson-Declevé                                  | -     | -     |
| Zili Shao                                                | -     | -     |
| Luís Maria Viana Palha da Silva                          | 5,479 | 5,479 |

(\*) The members from the General and Supervisory Board members did not hold any shares from EDP – Energias do Brasil, S.A., and of EDP Renováveis, S.A. and did not hold either bonds from EDP – Energias de Portugal, S.A.

*edp*

**Changing tomorrow now.**

*edp*

Pioneering  
the new  
green normal

**Changing tomorrow now.**

# 04

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## FINANCIAL STATEMENTS

**Condensed Financial Statements**  
**30 June 2021**

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**EDP - Energias de Portugal**  
**Condensed Consolidated Income Statements**  
**for the six-month periods ended at 30 June 2021 and 2020**

| Thousand Euros                                         | Notes | 2021             | 2020             |
|--------------------------------------------------------|-------|------------------|------------------|
| Revenues from energy sales and services and other      | 7     | 6,083,249        | 6,182,887        |
| Cost of energy sales and other                         | 7     | -3,667,739       | -3,525,817       |
|                                                        |       | <b>2,415,510</b> | <b>2,657,070</b> |
| Other income                                           | 8     | 338,815          | 343,662          |
| Supplies and services                                  | 9     | -408,126         | -401,573         |
| Personnel costs and employee benefits                  | 10    | -332,828         | -322,069         |
| Other expenses                                         | 11    | -341,978         | -371,023         |
| Impairment losses on trade receivables and debtors     |       | -12,521          | -40,148          |
|                                                        |       | <b>-756,638</b>  | <b>-791,151</b>  |
| Joint ventures and associates                          | 18    | 33,292           | 5,043            |
|                                                        |       | <b>1,692,164</b> | <b>1,870,962</b> |
| Provisions                                             | 29    | -3,664           | -51,156          |
| Amortisation and impairment                            |       | -722,311         | -767,806         |
|                                                        |       | <b>966,189</b>   | <b>1,052,000</b> |
| Financial income                                       | 12    | 172,925          | 109,353          |
| Financial expenses                                     | 12    | -427,201         | -477,118         |
| Profit before income tax and CESE                      |       | <b>711,913</b>   | <b>684,235</b>   |
| Income tax expense                                     | 13    | -162,683         | -134,181         |
| Extraordinary contribution to the energy sector (CESE) | 33    | -51,599          | -62,474          |
|                                                        |       | <b>-214,282</b>  | <b>-196,655</b>  |
| <b>Net profit for the period</b>                       |       | <b>497,631</b>   | <b>487,580</b>   |
| <b>Attributable to:</b>                                |       |                  |                  |
| <b>Equity holders of EDP</b>                           |       | <b>343,316</b>   | <b>314,613</b>   |
| <b>Non-controlling Interests</b>                       | 26    | <b>154,315</b>   | <b>172,967</b>   |
| <b>Net profit for the period</b>                       |       | <b>497,631</b>   | <b>487,580</b>   |
| Earnings per share (Basic and Diluted) - Euros         |       | 0.09             | 0.09             |

LISBON, 29 JULY 2021

THE CERTIFIED ACCOUNTANT  
N.º 17,713

THE MANAGEMENT

THE EXECUTIVE BOARD OF DIRECTORS

## EDP - Energias de Portugal

Condensed Consolidated Statements of Comprehensive Income  
for the six-month periods ended at 30 June 2021 and 2020

| Thousand Euros                                                                                                           | 2021                     |                              | 2020                     |                              |
|--------------------------------------------------------------------------------------------------------------------------|--------------------------|------------------------------|--------------------------|------------------------------|
|                                                                                                                          | Equity holders<br>of EDP | Non-controlling<br>Interests | Equity holders<br>of EDP | Non-controlling<br>Interests |
| <b>Net profit for the period</b>                                                                                         | 343,316                  | 154,315                      | 314,613                  | 172,967                      |
| <b>Items that will never be reclassified to profit or loss (i)</b>                                                       |                          |                              |                          |                              |
| Actuarial gains/(losses) (iii)                                                                                           | 92,224                   | 1,060                        | -56,198                  | 5,645                        |
| Tax effect from the actuarial gains/(losses)                                                                             | -29,083                  | -360                         | 17,542                   | -1,919                       |
| Fair value reserve with no recycling (financial assets) (ii)                                                             | 4,895                    | -                            | 2,500                    | -                            |
| Tax effect from the fair value reserve with no recycling (financial assets) (ii)                                         | -1,168                   | -                            | -441                     | -                            |
|                                                                                                                          | 66,868                   | 700                          | -36,597                  | 3,726                        |
| <b>Items that may be reclassified to profit or loss (i)</b>                                                              |                          |                              |                          |                              |
| Currency translation reserve                                                                                             | 109,994                  | 114,205                      | -392,586                 | -370,006                     |
| Fair value reserve (cash flow hedge) (ii)                                                                                | -127,167                 | -30,335                      | 46,656                   | 2,788                        |
| Tax effect from the fair value reserve (cash flow hedge) (ii)                                                            | 13,718                   | 7,665                        | -7,345                   | -918                         |
| Fair value reserve of assets measured at fair value through other comprehensive income with recycling (ii)               | -630                     | -                            | -                        | -                            |
| Tax effect of Fair value reserve of assets measured at fair value through other comprehensive income with recycling (ii) | 199                      | -                            | -                        | -                            |
| Share of other comprehensive income of joint ventures and associates, net of taxes                                       | 7,076                    | 3,425                        | -8,897                   | -14,550                      |
|                                                                                                                          | 3,190                    | 94,960                       | -362,172                 | -382,686                     |
| <b>Other comprehensive income for the period (net of income tax)</b>                                                     | 70,058                   | 95,660                       | -398,769                 | -378,960                     |
| <b>Total comprehensive income for the period</b>                                                                         | 413,374                  | 249,975                      | -84,156                  | -205,993                     |

(i) See Consolidated Statement of Changes in Equity

(ii) See Note 25

(iii) See Note 28

LISBON, 29 JULY 2021

THE CERTIFIED ACCOUNTANT  
N.º 17,713

THE MANAGEMENT

THE EXECUTIVE BOARD OF DIRECTORS

## EDP - Energias de Portugal

Condensed Consolidated Statements of Financial Position  
as at 30 June 2021 and 31 December 2020

| Thousand Euros                                                  | Notes | 2021              | 2020              |
|-----------------------------------------------------------------|-------|-------------------|-------------------|
| <b>Assets</b>                                                   |       |                   |                   |
| Property, plant and equipment                                   | 14    | 20,423,189        | 20,163,221        |
| Right-of-use assets                                             | 15    | 1,044,690         | 1,030,193         |
| Intangible assets                                               | 16    | 4,799,352         | 4,998,235         |
| Goodwill                                                        | 17    | 2,378,074         | 2,306,303         |
| Investments in joint ventures and associates                    | 18    | 1,378,240         | 940,362           |
| Equity instruments at fair value                                | 19    | 190,306           | 184,748           |
| Investment property                                             |       | 22,779            | 21,378            |
| Deferred tax assets                                             | 20    | 925,585           | 1,139,543         |
| Debtors and other assets from commercial activities             | 21    | 3,223,906         | 2,747,012         |
| Other debtors and other assets                                  | 22    | 1,391,001         | 1,020,788         |
| Non-Current tax assets                                          | 23    | 224,005           | 251,770           |
| Collateral deposits associated to financial debt                | 27    | 24,831            | 22,848            |
| <b>Total Non-Current Assets</b>                                 |       | <b>36,025,958</b> | <b>34,826,401</b> |
| Inventories                                                     |       | 372,605           | 323,945           |
| Debtors and other assets from commercial activities             | 21    | 3,870,397         | 3,545,611         |
| Other debtors and other assets                                  | 22    | 1,276,559         | 850,753           |
| Current tax assets                                              | 23    | 548,831           | 414,302           |
| Collateral deposits associated to financial debt                | 27    | 14,593            | 9,221             |
| Cash and cash equivalents                                       | 24    | 1,531,195         | 2,954,302         |
| Non-Current Assets held for sale                                | 34    | 489,157           | 22,248            |
| <b>Total Current Assets</b>                                     |       | <b>8,103,337</b>  | <b>8,120,382</b>  |
| <b>Total Assets</b>                                             |       | <b>44,129,295</b> | <b>42,946,783</b> |
| <b>Equity</b>                                                   |       |                   |                   |
| Share capital                                                   |       | 3,965,681         | 3,965,681         |
| Treasury stock                                                  |       | -52,181           | -54,025           |
| Share premium                                                   |       | 1,196,522         | 1,196,522         |
| Reserves and retained earnings                                  | 25    | 4,358,473         | 3,673,785         |
| Consolidated net profit attributable to equity holders of EDP   |       | 343,316           | 800,692           |
| <b>Total Equity attributable to equity holders of EDP</b>       |       | <b>9,811,811</b>  | <b>9,582,655</b>  |
| Non-controlling Interests                                       | 26    | 4,534,777         | 3,495,754         |
| <b>Total Equity</b>                                             |       | <b>14,346,588</b> | <b>13,078,409</b> |
| <b>Liabilities</b>                                              |       |                   |                   |
| Financial debt                                                  | 27    | 13,743,345        | 14,023,940        |
| Employee benefits                                               | 28    | 1,042,993         | 1,138,237         |
| Provisions                                                      | 29    | 1,019,721         | 992,865           |
| Deferred tax liabilities                                        | 20    | 825,453           | 814,474           |
| Institutional partnerships in North America                     | 30    | 1,589,303         | 1,933,542         |
| Trade payables and other liabilities from commercial activities | 31    | 1,379,338         | 1,435,006         |
| Other liabilities and other payables                            | 32    | 2,174,805         | 1,739,448         |
| Non-current tax liabilities                                     | 33    | 145,646           | 122,743           |
| <b>Total Non-Current Liabilities</b>                            |       | <b>21,920,604</b> | <b>22,200,255</b> |
| Financial debt                                                  | 27    | 2,387,639         | 2,262,823         |
| Employee benefits                                               | 28    | 194,844           | 204,067           |
| Provisions                                                      | 29    | 137,581           | 260,154           |
| Trade payables and other liabilities from commercial activities | 31    | 3,094,972         | 3,952,213         |
| Other liabilities and other payables                            | 32    | 1,347,098         | 590,117           |
| Current tax liabilities                                         | 33    | 512,453           | 398,634           |
| Non-Current Liabilities held for sale                           | 34    | 187,516           | 111               |
| <b>Total Current Liabilities</b>                                |       | <b>7,862,103</b>  | <b>7,668,119</b>  |
| <b>Total Liabilities</b>                                        |       | <b>29,782,707</b> | <b>29,868,374</b> |
| <b>Total Equity and Liabilities</b>                             |       | <b>44,129,295</b> | <b>42,946,783</b> |

LISBON, 29 JULY 2021

THE CERTIFIED ACCOUNTANT  
N.º 17,713

THE MANAGEMENT

THE EXECUTIVE BOARD OF DIRECTORS

**EDP - Energias de Portugal**  
**Condensed Consolidated Income Statements**  
**for the three-month periods from 1 April to 30 June 2021 and 2020**

| Thousand Euros                                         | 2021           | 2020           |
|--------------------------------------------------------|----------------|----------------|
| Revenues from energy sales and services and other      | 2,995,206      | 2,680,925      |
| Cost of energy sales and other                         | -1,887,657     | -1,498,680     |
|                                                        | 1,107,549      | 1,182,245      |
| Other income                                           | 245,425        | 247,724        |
| Supplies and services                                  | -213,297       | -200,562       |
| Personnel costs and employee benefits                  | -171,017       | -157,038       |
| Other expenses                                         | -149,761       | -161,398       |
| Impairment losses on trade receivables and debtors     | -10,936        | -25,924        |
|                                                        | -299,586       | -297,198       |
| Share of net profit in joint ventures and associates   | 19,873         | 6,340          |
|                                                        | 827,836        | 891,387        |
| Provisions                                             | 8,743          | -35,227        |
| Amortisation and impairment                            | -366,184       | -401,149       |
|                                                        | 470,395        | 455,011        |
| Financial income                                       | 71,805         | -16,044        |
| Financial expenses                                     | -202,975       | -145,904       |
| Profit before income tax and CESE                      | 339,225        | 293,063        |
| Income tax expense                                     | -99,893        | -41,755        |
| Extraordinary contribution to the energy sector (CESE) | -313           | 285            |
|                                                        | -100,206       | -41,470        |
| <b>Net profit for the period</b>                       | <b>239,019</b> | <b>251,593</b> |
| <b>Attributable to:</b>                                |                |                |
| <b>Equity holders of EDP</b>                           | <b>163,772</b> | <b>168,762</b> |
| <b>Non-controlling Interests</b>                       | <b>75,247</b>  | <b>82,831</b>  |
| <b>Net profit for the period</b>                       | <b>239,019</b> | <b>251,593</b> |
| Earnings per share (Basic and Diluted) - Euros         | 0.06           | 0.05           |

LISBON, 29 JULY 2021

THE CERTIFIED ACCOUNTANT  
N.º 17,713

THE MANAGEMENT

THE EXECUTIVE BOARD OF DIRECTORS

## EDP - Energias de Portugal

Condensed Consolidated Statements of Comprehensive Income  
for the three-month periods from 1 April to 30 June 2021 and 2020

| Thousand Euros                                                                        | 2021                     |                              | 2020                     |                              |
|---------------------------------------------------------------------------------------|--------------------------|------------------------------|--------------------------|------------------------------|
|                                                                                       | Equity holders<br>of EDP | Non-controlling<br>Interests | Equity holders<br>of EDP | Non-controlling<br>Interests |
| <b>Net profit for the period</b>                                                      | 163,772                  | 75,247                       | 168,762                  | 82,831                       |
| <b>Items that will never be reclassified to profit or loss</b>                        |                          |                              |                          |                              |
| Actuarial gains/(losses)                                                              | 45,317                   | 336                          | 33,131                   | 5,645                        |
| Tax effect from the actuarial gains/(losses)                                          | -14,487                  | -174                         | -10,597                  | -1,919                       |
| Fair value reserve with no recycling<br>(financial assets)                            | 4,477                    | -                            | 9,611                    | -                            |
| Tax effect from the fair value reserve with no recycling<br>(financial assets)        | -1,052                   | -                            | -2,190                   | -                            |
|                                                                                       | 34,255                   | 162                          | 29,955                   | 3,726                        |
| <b>Items that are or may be reclassified to profit or loss</b>                        |                          |                              |                          |                              |
| Exchange differences arising on consolidation                                         | 157,061                  | 127,934                      | -56,481                  | -101,024                     |
| Fair value reserve (cash flow hedge)                                                  | -142,113                 | -29,474                      | -41,199                  | 747                          |
| Tax effect from the fair value reserve (cash flow hedge)                              | 16,192                   | 7,762                        | 16,482                   | 1,147                        |
| Share of other comprehensive income of<br>joint ventures and associates, net of taxes | -4,524                   | -1,747                       | 1,142                    | -3,993                       |
|                                                                                       | 26,351                   | 104,475                      | -80,056                  | -103,123                     |
| <b>Other comprehensive income<br/>for the period (net of income tax)</b>              | 60,606                   | 104,637                      | -50,101                  | -99,397                      |
| <b>Total comprehensive income for the period</b>                                      | 224,378                  | 179,884                      | 118,661                  | -16,566                      |

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**EDP - Energias de Portugal**  
**Condensed Consolidated Statements of Changes in Equity**  
**for the six-month periods ended at 30 June 2021 and 2020**

| Thousand Euros                                                                                                      | Total Equity      | Share capital    | Share premium    | Legal reserve (i) | Reserves and retained earnings (i) | Fair value reserve (cash flow hedge) (i) | Fair value reserve (financial assets) (i) | Currency translation reserve (i) | Treasury stock | Equity attributable to equity holders of EDP | Non-controlling Interests (ii) |
|---------------------------------------------------------------------------------------------------------------------|-------------------|------------------|------------------|-------------------|------------------------------------|------------------------------------------|-------------------------------------------|----------------------------------|----------------|----------------------------------------------|--------------------------------|
| <b>Balance as at 31 December 2019</b>                                                                               | <b>12,632,013</b> | <b>3,656,538</b> | <b>503,923</b>   | <b>739,024</b>    | <b>4,518,226</b>                   | <b>40,541</b>                            | <b>15,202</b>                             | <b>-554,047</b>                  | <b>-61,220</b> | <b>8,858,187</b>                             | <b>3,773,826</b>               |
| Comprehensive income:                                                                                               |                   |                  |                  |                   |                                    |                                          |                                           |                                  |                |                                              |                                |
| Net profit for the period                                                                                           | 487,580           | -                | -                | -                 | 314,613                            | -                                        | -                                         | -                                | -              | 314,613                                      | 172,967                        |
| Changes in the fair value reserve (cash flow hedge) net of taxes                                                    | 41,181            | -                | -                | -                 | -                                  | 39,311                                   | -                                         | -                                | -              | 39,311                                       | 1,870                          |
| Changes in the fair value reserve of assets measured at fair value through other comprehensive income, net of taxes | 2,059             | -                | -                | -                 | -                                  | -                                        | 2,059                                     | -                                | -              | 2,059                                        | -                              |
| Share of other comprehensive income of joint ventures and associates net of taxes                                   | -23,447           | -                | -                | -                 | -14,931                            | -1,407                                   | -                                         | 7,441                            | -              | -8,897                                       | -14,550                        |
| Actuarial gains/(losses) net of taxes                                                                               | -34,930           | -                | -                | -                 | -38,656                            | -                                        | -                                         | -                                | -              | -38,656                                      | 3,726                          |
| Exchange differences arising on consolidation                                                                       | -762,592          | -                | -                | -                 | -                                  | -                                        | -                                         | -392,586                         | -              | -392,586                                     | -370,006                       |
| Total comprehensive income for the period                                                                           | -290,149          | -                | -                | -                 | 261,026                            | 37,904                                   | 2,059                                     | -385,145                         | -              | -84,156                                      | -205,993                       |
| Dividends paid                                                                                                      | -690,739          | -                | -                | -                 | -690,739                           | -                                        | -                                         | -                                | -              | -690,739                                     | -                              |
| Dividends attributable to non-controlling interests                                                                 | -45,397           | -                | -                | -                 | -                                  | -                                        | -                                         | -                                | -              | -                                            | -45,397                        |
| Share-based payments                                                                                                | 1,259             | -                | -                | -                 | 159                                | -                                        | -                                         | -                                | 1,100          | 1,259                                        | -                              |
| Changes resulting from acquisitions/sales, equity increases/decreases and other                                     | -33,072           | -                | -                | -                 | 2,120                              | -                                        | -                                         | -                                | -              | 2,120                                        | -35,192                        |
| <b>Balance as at 30 June 2020</b>                                                                                   | <b>11,573,915</b> | <b>3,656,538</b> | <b>503,923</b>   | <b>739,024</b>    | <b>4,090,792</b>                   | <b>78,445</b>                            | <b>17,261</b>                             | <b>-939,192</b>                  | <b>-60,120</b> | <b>8,086,671</b>                             | <b>3,487,244</b>               |
| <b>Balance as at 31 December 2020</b>                                                                               | <b>13,078,409</b> | <b>3,965,681</b> | <b>1,196,522</b> | <b>739,024</b>    | <b>4,781,428</b>                   | <b>-4,368</b>                            | <b>11,888</b>                             | <b>-1,053,495</b>                | <b>-54,025</b> | <b>9,582,655</b>                             | <b>3,495,754</b>               |
| Comprehensive income:                                                                                               |                   |                  |                  |                   |                                    |                                          |                                           |                                  |                |                                              |                                |
| Net profit for the period                                                                                           | 497,631           | -                | -                | -                 | 343,316                            | -                                        | -                                         | -                                | -              | 343,316                                      | 154,315                        |
| Changes in the fair value reserve (cash flow hedge) net of taxes                                                    | -136,119          | -                | -                | -                 | -                                  | -113,449                                 | -                                         | -                                | -              | -113,449                                     | -22,670                        |
| Changes in the fair value reserve of assets measured at fair value through other comprehensive income, net of taxes | 3,296             | -                | -                | -                 | -                                  | -                                        | 3,296                                     | -                                | -              | 3,296                                        | -                              |
| Share of other comprehensive income of joint ventures and associates net of taxes                                   | 10,501            | -                | -                | -                 | 4,770                              | 5,245                                    | -                                         | -2,939                           | -              | 7,076                                        | 3,425                          |
| Actuarial gains/(losses) net of taxes                                                                               | 63,841            | -                | -                | -                 | 63,141                             | -                                        | -                                         | -                                | -              | 63,141                                       | 700                            |
| Exchange differences arising on consolidation                                                                       | 224,199           | -                | -                | -                 | -                                  | -                                        | -                                         | 109,994                          | -              | 109,994                                      | 114,205                        |
| Total comprehensive income for the period                                                                           | 663,349           | -                | -                | -                 | 411,227                            | -108,204                                 | 3,296                                     | 107,055                          | -              | 413,374                                      | 249,975                        |
| Transfer to legal reserve                                                                                           | -                 | -                | -                | 43,908            | -43,908                            | -                                        | -                                         | -                                | -              | -                                            | -                              |
| Dividends paid                                                                                                      | -749,763          | -                | -                | -                 | -749,763                           | -                                        | -                                         | -                                | -              | -749,763                                     | -                              |
| Dividends attributable to non-controlling interests                                                                 | -68,171           | -                | -                | -                 | -                                  | -                                        | -                                         | -                                | -              | -                                            | -68,171                        |
| Share-based payments                                                                                                | 2,684             | -                | -                | -                 | 840                                | -                                        | -                                         | -                                | 1,844          | 2,684                                        | -                              |
| Dilution in the financial interest by capital increase EDP Renováveis S.A.                                          | 1,470,481         | -                | -                | -                 | 564,281                            | 620                                      | -252                                      | -16,320                          | -              | 548,329                                      | 922,152                        |
| Changes resulting from acquisitions/sales, equity increases/decreases and other                                     | -50,401           | -                | -                | -                 | 14,532                             | -                                        | -                                         | -                                | -              | 14,532                                       | -64,933                        |
| <b>Balance as at 30 June 2021</b>                                                                                   | <b>14,346,588</b> | <b>3,965,681</b> | <b>1,196,522</b> | <b>782,932</b>    | <b>4,978,637</b>                   | <b>-111,952</b>                          | <b>14,932</b>                             | <b>-962,760</b>                  | <b>-52,181</b> | <b>9,811,811</b>                             | <b>4,534,777</b>               |

(i) See note 25

(ii) See note 26

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**EDP - Energias de Portugal**  
**Condensed Consolidated and Company Statements of Cash Flows**  
**for the six-month periods ended at 30 June 2021 and 2020**

| Thousand Euros                                                                                        | Notes | Group      |            | Company    |            |
|-------------------------------------------------------------------------------------------------------|-------|------------|------------|------------|------------|
|                                                                                                       |       | 2021       | 2020       | 2021       | 2020       |
| <b>Operating activities</b>                                                                           |       |            |            |            |            |
| <b>Profit before income tax and CESE</b>                                                              |       | 711,913    | 684,235    | -137,785   | 13,608     |
| Adjustments for:                                                                                      |       |            |            |            |            |
| Amortisation and impairment                                                                           |       | 722,311    | 767,806    | 14,963     | 13,478     |
| Provisions                                                                                            | 29    | 3,664      | 51,156     | 1,227      | 103        |
| Joint ventures and associates                                                                         | 18    | -33,292    | -5,043     | -          | -          |
| Financial (income)/expenses                                                                           | 12    | 254,276    | 367,765    | -27,401    | 46,565     |
| Changes in working capital:                                                                           |       |            |            |            |            |
| Trade and other receivables                                                                           |       | -42,611    | 231,002    | 170,699    | 209,937    |
| Trade and other payables                                                                              |       | -30,758    | -206,884   | -12,384    | -291,097   |
| Personnel                                                                                             |       | -133,031   | -105,339   | -8,612     | -5,381     |
| Regulatory assets                                                                                     |       | -339,836   | 51,235     | -          | -          |
| Other changes in assets/liabilities related with operating activities                                 |       | -483,666   | -282,900   | 44,589     | -138,872   |
| Income tax and CESE                                                                                   |       | -2,478     | -35,458    | 2,465      | 3,539      |
| <b>Net cash flows from operations</b>                                                                 |       | 626,491    | 1,517,575  | 47,762     | -148,120   |
| Net (gains) / losses with Asset Rotations                                                             |       |            |            |            |            |
| <b>Net cash flows from operating activities</b>                                                       |       | -118,347   | -145,212   | -          | -          |
|                                                                                                       |       | 508,144    | 1,372,363  | 47,762     | -148,120   |
| <b>Investing activities</b>                                                                           |       |            |            |            |            |
| Cash receipts relating to:                                                                            |       |            |            |            |            |
| Sale of assets/subsidiaries with loss of control i)                                                   |       | 238,856    | 282,226    | -          | -          |
| Other financial assets and investments ii)                                                            |       | 68,159     | 25,537     | 5,835      | 45         |
| Other financial assets at amortised cost                                                              |       | -          | -          | 48,713     | 224,055    |
| Changes in cash resulting from consolidation perimeter variations                                     |       | 4,622      | -          | -          | -          |
| Property, plant and equipment and intangible assets                                                   |       | 18,873     | 5,526      | 146        | 6,108      |
| Other receipts relating to tangible fixed assets                                                      |       | 4,984      | 1,613      | -          | -          |
| Interest and similar income                                                                           |       | 8,462      | 17,477     | 16,608     | 26,549     |
| Dividends                                                                                             |       | 31,236     | 17,681     | 171,669    | 230,354    |
| Loans to related parties                                                                              |       | 517,169    | 164,286    | 22,687     | 10,260     |
|                                                                                                       |       | 892,361    | 514,346    | 265,658    | 497,371    |
| Cash payments relating to:                                                                            |       |            |            |            |            |
| Acquisition of assets/subsidiaries iii)                                                               |       | -67,385    | -31,813    | -          | -          |
| Other financial assets and investments iv)                                                            |       | -365,748   | -179,382   | -10,557    | -1,196     |
| Changes in cash resulting from consolidation perimeter variations                                     |       | -10,392    | 1,806      | -          | -          |
| Property, plant and equipment and intangible assets                                                   |       | -2,041,522 | -1,065,045 | -19,995    | -22,748    |
| Loans to related parties                                                                              |       | -346,716   | -266,739   | -5,056     | -31,571    |
|                                                                                                       |       | -2,831,763 | -1,541,173 | -35,608    | -55,515    |
| <b>Net cash flows from investing activities</b>                                                       |       | -1,939,402 | -1,026,827 | 230,050    | 441,856    |
| <b>Financing activities</b>                                                                           |       |            |            |            |            |
| Receipts relating to financial debt (include Collateral Deposits)                                     |       |            |            |            |            |
| (Payments) relating to financial debt (include Collateral Deposits)                                   |       | 1,598,039  | 5,616,668  | 1,970,220  | 1,723,834  |
| Interest and similar costs of financial debt including hedge derivatives                              |       | -1,839,302 | -4,884,561 | -1,456,220 | -1,110,000 |
| Receipts/(payments) relating to loans from non-controlling interests                                  |       | -260,326   | -348,382   | -75,076    | -139,332   |
| Interest and similar costs relating to loans from non-controlling interests                           |       | -35,939    | -14,661    | -          | -          |
| Receipts/(payments) relating to loans from non-controlling interests                                  |       | -9,231     | -5,270     | -          | -          |
| Receipts/(payments) relating to loans from related parties                                            |       | -          | -          | -165,691   | 314,423    |
| Interest and similar costs of loans from related parties including hedge derivatives                  |       | -          | -          | -          | -1,572     |
| Share capital increases/(decreases) (includes the subscribed by non-controlling interests) v)         |       | 1,452,074  | -45,992    | -          | -          |
| Receipts/(payments) relating to derivative financial instruments                                      |       | 17,835     | 6,286      | 5,083      | -62,825    |
| Dividends paid to equity holders of EDP vi)                                                           |       | -749,763   | -690,739   | -749,763   | -691,026   |
| Dividends paid to non-controlling interests                                                           |       | -113,303   | -44,797    | -          | -          |
| Treasury stock sold/(purchased)                                                                       |       | 1,844      | -          | -          | -          |
| Receipts/(payments) related with transactions with non-controlling interest without change of control |       | -          | -1,364     | -          | -          |
| Lease (payments) vii)                                                                                 |       | -48,462    | -37,367    | -6,312     | -6,195     |
| Receipts/(payments) from institutional partnerships in North America viii)                            |       | -36,911    | 114,944    | -          | -          |
| <b>Net cash flows from financing activities</b>                                                       |       | -23,445    | -335,235   | -477,759   | 27,307     |
| <b>Changes in cash and cash equivalents</b>                                                           |       |            |            |            |            |
|                                                                                                       |       | -1,454,703 | 10,301     | -199,947   | 321,043    |
| Effect of exchange rate fluctuations on cash held                                                     |       |            |            |            |            |
| Cash and cash equivalents reclassified as held for sale                                               |       | 39,858     | -175,424   | 260        | -125       |
| Cash and cash equivalents at the beginning of the period                                              |       | -8,262     | -1,778     | -          | -          |
| <b>Cash and cash equivalents at the end of the period ix)</b>                                         |       | 2,954,302  | 1,542,722  | 2,172,631  | 1,037,393  |
|                                                                                                       |       | 1,531,195  | 1,375,821  | 1,972,944  | 1,358,311  |

i) Relates essentially to the receivment related to the sale group of companies located in North America (see note 6);

ii) Relates essentially to the receivment of notes (see note 22) and the receivments related to the sales of CIDE HC Energia, S.A. and Portsines (see note 6);

iii) Relates, mainly, to the impact with the acquisition Enertrial Group S.r.l., the companies Enercoplan and Sofrona, AES Tietê Inova Soluções de Energia LTDA and Trina Solar Investment First Pte. Ltd as well a solar portfolio located in North America (see note 6);

(iv) Relates essentially to payments made for the capital increases in companies located in OW Offshore S.L. and the acquisition of treasury stock in Brazil;

v) Relates, mainly, to the capital increase of EDP Renováveis, S.A;

vi) See note 25;

vii) Includes capital and interest;

viii) On a consolidated basis, refers to the receipts and payments net of transaction costs (transactions included in note 30);

ix) See details of Cash and cash equivalents in note 24 and the Consolidated and Company Reconciliation of Changes in the responsibilities of Financing activities in note 43 of the Financial Statements.

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**EDP - Energias de Portugal, S.A.**  
**Condensed Company Income Statements**  
**for the six-month periods ended at 30 June 2021 and 2020**

| Thousand Euros                                     | Notes | 2021           | 2020          |
|----------------------------------------------------|-------|----------------|---------------|
| Revenues from energy sales and services and other  | 7     | 1,335,070      | 1,135,264     |
| Cost of energy sales and other                     | 7     | -1,365,086     | -950,975      |
|                                                    |       | -30,016        | 184,289       |
| Other income                                       |       | 7,007          | 9,350         |
| Supplies and services                              | 9     | -75,808        | -68,251       |
| Personnel costs and employee benefits              | 10    | -41,049        | -40,945       |
| Other expenses                                     |       | -9,128         | -10,689       |
| Impairment losses on trade receivables and debtors |       | -2             | -             |
|                                                    |       | -118,980       | -110,535      |
|                                                    |       | -148,996       | 73,754        |
| Provisions                                         |       | -1,227         | -103          |
| Amortisation and impairment                        |       | -14,963        | -13,478       |
|                                                    |       | -165,186       | 60,173        |
| Financial income                                   | 12    | 246,012        | 318,594       |
| Financial expenses                                 | 12    | -218,611       | -365,159      |
| Profit before income tax                           |       | -137,785       | 13,608        |
| Income tax expense                                 | 13    | 56,843         | 27,634        |
| <b>Net profit for the period</b>                   |       | <b>-80,942</b> | <b>41,242</b> |

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## EDP - Energias de Portugal, S.A.

Condensed Company Statements of Comprehensive Income  
for the six-month periods ended at 30 June 2021 and 2020

| Thousand Euros                                                       | 2021    | 2020    |
|----------------------------------------------------------------------|---------|---------|
| <b>Net profit for the period</b>                                     | -80,942 | 41,242  |
| <b>Items that will never be reclassified to profit or loss (i)</b>   |         |         |
| Actuarial gains/(losses)                                             | -       | -129    |
| Tax effect from the actuarial gains/(losses)                         | -       | 29      |
|                                                                      | -       | -100    |
| <b>Items that may be reclassified to profit or loss (i)</b>          |         |         |
| Fair value reserve (cash flow hedge) (ii)                            | 274,906 | 80,106  |
| Tax effect from the fair value reserve (cash flow hedge) (ii)        | -61,854 | -18,024 |
|                                                                      | 213,052 | 62,082  |
| <b>Other comprehensive income for the period (net of income tax)</b> | 213,052 | 61,982  |
| <b>Total comprehensive income for the period</b>                     | 132,110 | 103,224 |

(i) See Company Statement of Changes in Equity

(ii) See note 25

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## EDP - Energias de Portugal, S.A.

Condensed Company Statements of Financial Position  
as at 30 June 2021 and 31 December 2020

| Thousand Euros                                                  | Notes | 2021              | 2020              |
|-----------------------------------------------------------------|-------|-------------------|-------------------|
| <b>Assets</b>                                                   |       |                   |                   |
| Property, plant and equipment                                   |       | 29,494            | 27,958            |
| Right-of-use assets                                             |       | 104,304           | 106,911           |
| Intangible assets                                               |       | 122,051           | 115,223           |
| Investments in subsidiaries                                     |       | 14,403,765        | 14,396,105        |
| Investments in joint ventures and associates                    |       | 2                 | 2                 |
| Equity instruments at fair value                                |       | 1,252             | 1,252             |
| Investment property                                             |       | 97,072            | 87,289            |
| Deferred tax assets                                             | 20    | 83,311            | 123,626           |
| Debtors and other assets from commercial activities             |       | 808               | 730               |
| Other debtors and other assets                                  | 22    | 3,420,311         | 3,203,422         |
| <b>Total Non-Current Assets</b>                                 |       | <b>18,262,370</b> | <b>18,062,518</b> |
| Debtors and other assets from commercial activities             | 21    | 583,035           | 733,926           |
| Other debtors and other assets                                  | 22    | 1,838,243         | 853,407           |
| Current tax assets                                              | 23    | 203,462           | 51,314            |
| Cash and cash equivalents                                       | 24    | 1,972,944         | 2,172,631         |
| <b>Total Current Assets</b>                                     |       | <b>4,597,684</b>  | <b>3,811,278</b>  |
| <b>Total Assets</b>                                             |       | <b>22,860,054</b> | <b>21,873,796</b> |
| <b>Equity</b>                                                   |       |                   |                   |
| Share capital                                                   |       | 3,965,681         | 3,965,681         |
| Treasury stock                                                  |       | -52,181           | -54,025           |
| Share premium                                                   |       | 1,196,522         | 1,196,522         |
| Reserves and retained earnings                                  | 25    | 3,129,064         | 2,786,784         |
| Net profit for the period                                       |       | -80,942           | 878,151           |
| <b>Total Equity</b>                                             |       | <b>8,158,144</b>  | <b>8,773,113</b>  |
| <b>Liabilities</b>                                              |       |                   |                   |
| Financial debt                                                  | 27    | 8,884,309         | 8,134,429         |
| Employee benefits                                               |       | 8,335             | 8,366             |
| Provisions                                                      |       | 3,339             | 2,051             |
| Trade payables and other liabilities from commercial activities |       | 78                | 363               |
| Other liabilities and other payables                            | 32    | 818,950           | 497,290           |
| <b>Total Non-Current Liabilities</b>                            |       | <b>9,715,011</b>  | <b>8,642,499</b>  |
| Financial debt                                                  | 27    | 2,975,503         | 3,349,143         |
| Employee benefits                                               |       | 1,076             | 1,075             |
| Provisions                                                      |       | 787               | 848               |
| Trade payables and other liabilities from commercial activities | 31    | 656,356           | 662,559           |
| Other liabilities and other payables                            | 32    | 1,335,327         | 423,337           |
| Current tax liabilities                                         | 33    | 17,850            | 21,222            |
| <b>Total Current Liabilities</b>                                |       | <b>4,986,899</b>  | <b>4,458,184</b>  |
| <b>Total Liabilities</b>                                        |       | <b>14,701,910</b> | <b>13,100,683</b> |
| <b>Total Equity and Liabilities</b>                             |       | <b>22,860,054</b> | <b>21,873,796</b> |

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**EDP - Energias de Portugal, S.A.**  
**Condensed Company Income Statements**  
**for the three-month periods from 1 April to 30 June 2021 and 2020**

| Thousand Euros                                     | 2021           | 2020           |
|----------------------------------------------------|----------------|----------------|
| Revenues from energy sales and services and other  | 678,570        | 451,233        |
| Cost of energy sales and other                     | -709,131       | -392,538       |
|                                                    | -30,561        | 58,695         |
| Other income                                       | 3,457          | 4,318          |
| Supplies and services                              | -41,199        | -34,766        |
| Personnel costs and employee benefits              | -19,703        | -21,024        |
| Other expenses                                     | -7,989         | -7,304         |
| Impairment losses on trade receivables and debtors | -2             | -              |
|                                                    | -65,436        | -58,776        |
|                                                    | -95,997        | -81            |
| Provisions                                         | -1,227         | -103           |
| Amortisation and impairment                        | -7,455         | -6,772         |
|                                                    | -104,679       | -6,956         |
| Financial income                                   | 68,604         | 166,098        |
| Financial expenses                                 | -59,117        | -49,475        |
| Profit before income tax                           | -95,192        | 109,667        |
| Income tax expense                                 | 38,840         | 7,628          |
| <b>Net profit for the period</b>                   | <b>-56,352</b> | <b>117,295</b> |

LISBON, 29 JULY 2021

THE CERTIFIED ACCOUNTANT  
N.º 17,713

THE MANAGEMENT

THE EXECUTIVE BOARD OF DIRECTORS

## EDP - Energias de Portugal, S.A.

**Condensed Company Statements of Comprehensive Income**  
**for the three-month periods from 1 April to 30 June 2021 and 2020**

| Thousand Euros                                                       | 2021    | 2020    |
|----------------------------------------------------------------------|---------|---------|
| <b>Net profit for the period</b>                                     | -56,352 | 117,295 |
| <b>Items that will never be reclassified to profit or loss</b>       |         |         |
| Actuarial gains/(losses)                                             | -       | -129    |
| Tax effect from the actuarial gains/(losses)                         | -       | 29      |
|                                                                      | -       | -100    |
| <b>Items that are or may be reclassified to profit or loss</b>       |         |         |
| Fair value reserve (cash flow hedge)                                 | 224,150 | 143,439 |
| Tax effect from the fair value reserve (cash flow hedge)             | -50,434 | -32,274 |
|                                                                      | 173,716 | 111,165 |
| <b>Other comprehensive income for the period (net of income tax)</b> | 173,716 | 111,065 |
| <b>Total comprehensive income for the period</b>                     | 117,364 | 228,360 |

LISBON, 29 JULY 2021

THE CERTIFIED ACCOUNTANT  
N.º 17,713

THE MANAGEMENT

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## EDP - Energias de Portugal, S.A.

Condensed Company Statements of Changes in Equity  
for the six-month periods ended at 30 June 2021 and 2020

| Thousand Euros                                                   | Total<br>Equity  | Share<br>capital | Share<br>premium | Legal<br>reserve (i) | Reserves<br>and retained<br>earnings<br>(i) | Fair value<br>reserve<br>(cash flow<br>hedge) (i) | Treasury<br>stock |
|------------------------------------------------------------------|------------------|------------------|------------------|----------------------|---------------------------------------------|---------------------------------------------------|-------------------|
| <b>Balance as at 31 December 2019</b>                            | <b>7,445,497</b> | <b>3,656,538</b> | <b>503,923</b>   | <b>739,024</b>       | <b>2,672,405</b>                            | <b>-71,269</b>                                    | <b>-55,124</b>    |
| Comprehensive income:                                            |                  |                  |                  |                      |                                             |                                                   |                   |
| Net profit for the period                                        | 41,242           | -                | -                | -                    | 41,242                                      | -                                                 | -                 |
| Changes in the fair value reserve (cash flow hedge) net of taxes | 62,082           | -                | -                | -                    | -                                           | 62,082                                            | -                 |
| Actuarial gains / (losses) net of taxes                          | -100             | -                | -                | -                    | -100                                        | -                                                 | -                 |
| Total comprehensive income for the period                        | 103,224          | -                | -                | -                    | 41,142                                      | 62,082                                            | -                 |
| Dividends paid                                                   | -691,026         | -                | -                | -                    | -691,026                                    | -                                                 | -                 |
| Share-based payments                                             | 1,258            | -                | -                | -                    | 159                                         | -                                                 | 1,099             |
| <b>Balance as at 30 June 2020</b>                                | <b>6,858,953</b> | <b>3,656,538</b> | <b>503,923</b>   | <b>739,024</b>       | <b>2,022,680</b>                            | <b>-9,187</b>                                     | <b>-54,025</b>    |
| <b>Balance as at 31 December 2020</b>                            | <b>8,773,113</b> | <b>3,965,681</b> | <b>1,196,522</b> | <b>739,024</b>       | <b>2,860,158</b>                            | <b>65,753</b>                                     | <b>-54,025</b>    |
| Comprehensive income:                                            |                  |                  |                  |                      |                                             |                                                   |                   |
| Net profit for the period                                        | -80,942          | -                | -                | -                    | -80,942                                     | -                                                 | -                 |
| Changes in the fair value reserve (cash flow hedge) net of taxes | 213,052          | -                | -                | -                    | -                                           | 213,052                                           | -                 |
| Total comprehensive income for the period                        | 132,110          | -                | -                | -                    | -80,942                                     | 213,052                                           | -                 |
| Transfer to legal reserve                                        | -                | -                | -                | 43,908               | -43,908                                     | -                                                 | -                 |
| Dividends paid                                                   | -749,763         | -                | -                | -                    | -749,763                                    | -                                                 | -                 |
| Share-based payments                                             | 2,684            | -                | -                | -                    | 840                                         | -                                                 | 1,844             |
| <b>Balance as at 30 June 2021</b>                                | <b>8,158,144</b> | <b>3,965,681</b> | <b>1,196,522</b> | <b>782,932</b>       | <b>1,986,385</b>                            | <b>278,805</b>                                    | <b>-52,181</b>    |

(i) See note 25

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## Notes to the Consolidated and Company Financial Statements

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**EDP - Energias de Portugal, S.A.**  
**Notes to the Condensed Consolidated and Company Financial Statements**  
**for the six-month periods ended 31 June 2021 and 2020**

## **COVID 19 - Macroeconomic, Regulatory, Operational, Accounting Impact and Stakeholders**

In late 2019, in the Chinese city of Wuhan, a virus, SARS-COV-2, that can cause a serious respiratory infection like pneumonia was first identified in humans. During the year 2020, the disease caused by the virus, the COVID-19, was classified by the World Health Organization (WHO) as a pandemic. COVID-19 has forced the world to change its habits and is having several social, economic, regulatory, operational, accounting and public health impacts.

### ***Macroeconomic Impact***

The current global crisis with the COVID-19 pandemic incorporates significant risks to the economy and society, remaining an uncertainty regarding the duration of the epidemic crisis and its long term economic impacts.

In global macroeconomic terms, COVID-19 has impacted the EDP Group's activity in its various geographies and across the value chain. However, a prudent strategy to hedge energy and financial market risks, the maintenance of robust liquidity levels as well as an active management of suppliers and critical supplies, have allowed to significantly mitigate the impacts of this crisis.

### ***Operational Impact***

The rapid and effective implementation of EDP's business continuity plans in its various Business Units allowed the continuity of operations during the period of confinement, without significant interruptions in the supply of energy or services to customers.

EDP's operational and investment activities are dependent on local and global supply chains, with active management of critical supplies being carried out to minimize potential impacts of breakages in these chains.

### ***Accounting Impact***

EDP Group has not applied any different classifications from those normally used in its condensed income statement, as a result of COVID-19. To assess possible accounting impacts arising from COVID-19, the Group reassessed the estimates it considers relevant and which may have been impacted by this fact. Thus, on 30 June 2021, the Group carried out a series of analyses of the relevant estimates and has not determined any materially relevant impacts compared to 31 December 2020.

As mentioned in note 2, the condensed consolidated and company financial statements of EDP SA, for the period ended 30 June 2021, were prepared in accordance with IFRS as adopted by the EU up to 1 January 2021 and considering the International Financial Reporting Standard IAS 34 - "Interim Financial Report", so they do not include all the information required for the annual financial statements and should be read in conjunction with the Group's consolidated financial statements for the period ended on 31 December 2020.

**EDP - Energias de Portugal, S.A.**  
**Notes to the Condensed Consolidated and Company Financial Statements**  
**for the six-month periods ended 30 June 2021 and 2020**

## 1. Economic Activity of EDP Group

EDP - Energias de Portugal, S.A. (hereinafter referred to as EDP), currently with head office in Lisbon, Avenida 24 de Julho 12 and with its shares listed on the Euronext Lisbon stock exchange, results from the transformation of Electricidade de Portugal, E.P., incorporated in 1976 following the nationalization and consequent merger of the main companies in the electricity sector in Portugal. During 1994, as established by Decree-laws 7/91 and 131/94, the EDP Group (EDP Group or Group) was set up following the split of EDP, which led to a number of directly or indirectly wholly owned subsidiaries of EDP.

The Group's businesses are currently focused on the generation, transmission, distribution and supply of electricity and supply of gas. Additionally, the Group also operates in related areas such as engineering, laboratory tests, professional training, energy services and property management.

EDP Group operates essentially in the European (Portugal, Spain, France, Poland and Romania) and American (Brazil and North America) energy sectors.

## 2. Accounting Policies

### a) Basis of presentation

The accompanying consolidated and company financial statements of EDP - Energias de Portugal, S.A. reflect the results of the company's operations and its subsidiaries (EDP Group or Group) and the Group's interest in its joint ventures and associated companies, for the periods ended on 30 June 2021 and 2020 and EDP S.A.'s Executive Board of Directors approved them on 29 July 2021, after that they are subject to General Meeting approval. The financial statements are presented in thousand Euros, rounded to the nearest thousand.

In accordance with Regulation (EC) 1606/2002 of the European Council and Parliament, of 19 July 2002, as transposed into Portuguese legislation through Decree-law 158/2009 of 13 July, with changes updated by the Decree-law 98/2015 of 2 June, the company's financial statements and the Group's consolidated financial statements are prepared in accordance with International Financial Reporting Standards (IFRS), as endorsed by the European Union (E.U). IFRS comprise accounting standards issued by the International Accounting Standards Board (IASB) as well as interpretations issued by the International Financial Reporting Interpretations Committee (IFRIC) and their predecessor bodies. The EDP Group's condensed consolidated and company financial statements for the period ended at 30 June 2021 were prepared in accordance with IFRS as adopted by the E.U. until 1 January 2021 and considering the International Financial Reporting Standard IAS 34 - Interim Financial Reporting. These financial statements do not include all the information required to be published on the annual financial statements, and should, therefore, be read together with the consolidated financial statements of the Group for the year ended 31 December 2020.

EDP Group's activity does not have, at a semester basis, any significant seasonality.

Selected explanatory notes are included to explain events and transactions that are significant to understand the changes in the EDP Group's financial position and performance since the last annual financial statements.

## 3. Recent Accounting Standards and Interpretations Issued

### Standards, amendments and interpretations issued effective for the Group

The amendments that have been issued and that are already effective and that the Group has applied on its financial statements, with no significant impacts, are the following:

- IFRS 4 (Amended) - Deferral of effective dates to apply two optional solutions (temporary exemption from IFRS 9 and overlay approach); and
- Amendments to IFRS 9, IFRS 7, IFRS 4 and IFRS 16 - Interest Rate Benchmark Reform (Phase 2).

**EDP - Energias de Portugal, S.A.**  
**Notes to the Condensed Consolidated and Company Financial Statements**  
**for the six-month periods ended 30 June 2021 and 2020**

#### **Standards, amendments and interpretations issued but not yet effective for the Group**

The standards, amendments and interpretations issued but not yet effective for the Group (whose effective application date has not yet occurred or, despite their effective dates of application, they have not yet been endorsed by the EU) for which no significant impact is expected, are the following:

- IFRS 17 - Insurance Contracts;
- IAS 1 (Amended) - Classification of Liabilities as Current or Non-current;
- IFRS 3 (Amended) - Reference to the Conceptual Framework;
- IAS 16 (Amended) - Proceeds before Intended Use;
- IAS 37 (Amended) - Onerous Contracts – Cost of Fulfilling a Contract;
- Annual Improvement Project (2018-2020);
- IA1 (Amended) - Disclosure of Accounting Policies;
- IAS 8 (Amended) - Disclosure of Accounting Estimates;
- IAS 12 (Amended) - Deferred tax related to assets and liabilities arising from a Single Transaction; and
- IFRS 16 (Amended) - Covid-19 Related Rents Concessions beyond 30 June 2021.

## **4. Critical Accounting Estimates and Judgements in Preparing the Financial Statements**

IFRS requires the use of judgement and the making of estimates in the decision process regarding certain accounting treatments, with impact in total assets, liabilities, equity, costs and income. The actual effects may differ from these estimates and judgements, namely in relation to the effect of actual costs and income.

The critical accounting estimates and judgements made by management in applying EDP Group's accounting policies were the same as those applied to the consolidated financial statements as at 31 December 2020, with a special note for the following items.

Considering that in many cases there are alternatives to the accounting treatment adopted by EDP Group, the reported results could differ if a different treatment was chosen. The Executive Board of Directors believes that the choices made are appropriate and that the financial statements present fairly the Group operations in all material respects.

#### **"Clawback" - Regulatory mechanism to ensure the competitive balance in the wholesale electricity market in Portugal**

Following some tax changes occurred in Spain, which affected electricity generators operating in this country, Decree-Law 74/2013, of 4 June, was approved in Portugal, which aimed to rebalance the competition between electricity generators operating in Portugal and other players operating in Europe.

Pursuant to relate diploma and its regulations, in order to restore such balance, the power plants operating on a market regime situated in Portugal, which were not covered by the PPA or CMEC regime, should pay an amount per MWh produced.

The amount payable should consider an estimate of the impact that the off-market events in the EU (such as the above-mentioned tax changes in Spain) would have in pool prices, as well as off-market events that would affect the competitiveness of electricity generators operating in Portugal. Consequently, a net competition advantage would allegedly arise to generators operating in Portugal.

Under this mechanism regulation – commonly known as clawback – Social tariff and CESE were approved by Dispatch 11566-A/2015, of 3 October, as off-market events that should be considered as competitive disadvantages of generators operating in Portugal.

Dispatch 7557-A/2017, of 25 August, superseded Dispatch 11566-A/2015 (which defined the variables for the computation formula of the amount to be paid by each of the power-generating plants under Decree-Law 74/2013, of 4 June, for each injected MWh) in its entirety. It states that ERSE, after consulting DGEG, shall present proposals for a new definition of the variables, as well as reference terms for the new study.

Subsequently, the Dispatch 9371/2017, of 24 October, partially nulled the Dispatch 11566-A/2015, from the SSE, in relation to the decisions presented under its numbers 11 and 12 (the deduction of social tariff and CESE costs in the unit price). ERSE was asked to consider in 2018 UGS tariff, the recovery, in benefit of the consumers, of the amounts allegedly improperly included in previous years' tariffs (2016 and 2017). Dispatch 9955/2017, of 17 November, defines a new amount for the estimate of the off-market events' impact in EU, which is -4.75 €/MWh, with retroactive effects as at August 24. Following these Dispatches, the document of prices and tariffs for 2018 has included a clawback amount of around 90 million Euros to be returned to tariffs, which includes power plants operating under CMEC and estimated generation.

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Based on its interpretation of the Law, as well as on legal opinions obtained in the meantime, EDP Produção considers that the Decree-Law 74/2013, of 4 of June, aims to reestablish a situation of competition balance between generators operating in Portugal and their peers operating in other European countries, which means to consider as off-market events all the taxes and contributions that fall only over generators located outside of Portugal (particularly in Spain), as well as all the taxes and contributions that fall only over generators located in Portugal. Consequently, in the EDP Produção's understanding, Dispatch 9371/2017 and 9955/2017 have completely distorted the clawback mechanism, having filed its legal action in January 2018.

In the Financial statements as at 31 December 2018, EDP Group has included the clawback amount as calculated by EDP Produção, regarding the legislation in place in each period, namely Decree-Law 74/2013, of 4 of June, Order 225/2015, Ordinance 9371/2017 and Dispatch 9955/2017. It is important to notice that this mechanism is not applicable to power plants in 2018 still operating under CMEC regime. However, this situation was subsequently changed and disputed by EDP Produção.

On 5 October 2018, the Spanish legislature, by the sixth and seventh additional lines on Article 21 of Royal Decree-Law 15/2018, suspended the 7% tax on electricity generation approved in 2012 for a period of six months, from the beginning of October 2018 to the end of March 2019. This tax suspension corresponds to the suspension of the off-market event verified within the European Union, which is considered in the clawback calculation.

Following the temporary suspension of the tax on electricity production in Spain:

- Order 895/2019 of 23 January, establishing the suspension of the "Clawback" was approved for a period of 6 months as from 1 October 2018;
- The Tariff and Price Document for 2019, published on 17 December 2018, estimates a Clawback value of € 4.18/MWh, to be applied after the end of the suspension period (more specifically from 6 April 2019);
- ERSE informed EDP Produção that any clawback invoicing relating to the referred suspension period should be deleted or canceled;
- The State Budget Law for 2019 provided that "the Government shall, until the end of the first quarter of 2019, review the regulatory mechanism designed to ensure the balance of competition in the wholesale electricity market in Portugal, provided for under DL 74/2013, of 4 June, adapting it to the new rules of the Iberian Electricity Market, with the aim of creating harmonized regulatory mechanisms that reinforce competition and protect consumers".

On 1 April 2019, the suspension of the tax on the production of electric energy in Spain was terminated, and it became effective again. From that moment, the "clawback" invoiced to EDP Produção was resumed, based on a value of 4.75€/MWh.

On 9 August 2019, Decree-Law 104/2019 was published, which makes the first amendment to Decree-Law 74/2013, of 4 June, by changing the scope of the clawback mechanism. Previously, "electricity producers under the ordinary regime and other producers not covered by the guaranteed remuneration regime" were subject to clawback. With the publication of this diploma, the CMEC centrals are now included in the scope of the clawback. Considering that this scope contradicts the Decree Law 240/2004, of 27 of December, EDP Produção proceeded to its challenge.

The same Decree-Law introduced the possibility to define CIT (corporate income tax) – advanced payment, and on 26 September 2019 was published the Order 8521/2019, which set the amounts of advanced payment related to the clawback mechanism at 2.71€/MWh for coal-fired power plants and 4.18€/MWh for other power plants.

In the Tariff and Price Document for 2020, published on 16 December 2019, ERSE considered the unit values defined in Dispatch 8521/2019, correcting only the value applicable to coal to 1.23 € / MWh, due to the increase in the ISP tax percentage and CO2 addition planned for 2020. EDP Produção presented on 10 March of 2020 an action seeking a declaration of nullity or annulment of that administrative act by ERSE.

On 27 December 2019, Dispatch 12424-A / 2019 was published, which identifies as national extra-market events to be considered in the Study to be prepared by ERSE until April 2020 (with reference to 2019) under the Clawback mechanism, the taxation of petroleum and energy products used in the production of electricity (ISP), CESE and the Social Electricity Tariff.

On 20 March 2020 ERSE Directive 4/2020 was published, which approves the operational rules of the commercial relationship between the Transmission System Operator (ORT) and the producers covered by the application of Decree-Law 74/2013, of 4 June, with the amendment given by Decree-Law 104/2019, of 9 August, revoking Directive 15/2016, of 14 September 2016, regarding the "Clawback" regime. The main change of this Directive is: i) the breakdown of the amount of power plants with CMEC and, ii) the monthly aggregation by balance sheet area, instead of by power generation center.

On 30 June 2020, Dispatch 6740/2020 was published by the SEE which establishes the CIT (corporate income tax) – advanced payment to be applied in 2020 to electric power producers covered by the "Clawback" mechanism. The value of CIT (corporate income tax) – advanced payment for the year 2020 is set at € 2.24/MWh for plants that are not subject to extra market internal events, that is, only to some renewable energy producers in the market with the exception of the power generation centers included in the scope of internal extra-market events identified.

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On 22 October 2020, Dispatch 10177/2020, issued by the SEE Office, was published, which determines the final compensation of the "Clawback" for the year 2019, considering the ISP regime as the only internal off-market event within the National Electrical System (SEN), thus determining a value of € 2.24 / MWh for hydro, gas and PRE on the market and 0.68€/MWh for coal power plants. This determination is not consistent with that contained in Dispatch 12424-A/2019, of 27 December, which identifies ISP, CESE and Social Tariff as internal off-market events for 2019. EDP Produção challenged Order 10177/2020 on 22 January 2021.

On 25 June 2021, the Spanish legislator, within the scope for the adoption of urgent measures regarding energy taxation due to the high prices verified in the MIBEL in recent months, published the Royal Decree-Law 21/2021, which, among others, proceeds the suspension of the 7% tax on the production of electricity, approved in 2012, for a period between 1 July and 30 September 2021 (3 months), and with effects on the determination of the "Clawback".

Following the temporary suspension of the tax on the production of electricity in Spain, Dispatch no. 6398-A/2021, of 29 June, was published, which established the suspension of the "Clawback" for a period of 3 months from 1 July 2021.

### **Ancillary Services**

On 3 September 2018 the Autoridade da Concorrência (AdC) adopted a Note of Illegality, under which it intended to attribute to EDP Produção a behavior of abuse of a dominant position in the secondary regulation band market. AdC claimed that EDP Produção restricted the offer of a segment of the Electricity System (the secondary regulation band or teleregulation service) between 2009 and the first quarter of 2014, limiting the capacity offer of its plants under CMEC regime to benefit market power plants, in order to benefit twice, to the detriment of consumers. The same authority stressed that the adoption of a Note of Illegality does not determine the final result of this investigation, which began in September 2016. On 28 November 2018, EDP Produção exercised its right to be heard and to defend itself in relation to the wrongful act was imputed and the sanctions it could incur, that is, it responded to the Note of Illegality.

On 18 September 2019, AdC informed EDP Produção of its decision to condemn, imposing a fine of 48 million Euros, for alleged abuse of dominant position in the secondary regulation band market in mainland Portugal between 2009 and the first quarter of 2014.

According to AdC, EDP Produção would have manipulated its offer of tele-regulation service or secondary regulation band, limiting the capacity offer of its CMEC power plants to offer it through its market power plants, benefiting in two ways:

- Highest compensation paid to CMEC plants (annual revisability), as their lower participation in the provision of secondary regulation band service would be below what would be expected (according to competitive market criteria); and
- The increase of the market price of the secondary bandwidth service, as a result of the limited supply by CMEC plants, favoring market-based power plants.

On 30 October 2019, EDP Produção filed an appeal against this decision before the Competition, Regulation and Supervision Court (TCRS), awaiting the AdC's counter-allegations. On 20 May 2020, EDP Produção was notified of an order from TCRS, which, among other things, admitted its Appeal of Judicial Contestation, establishing a purely return effect and determining the payment of the fine imposed within 20 days. In this context, EDP Produção submitted requests, invoking supervening facts to demonstrate the considerable damage associated with a putative payment of the fine, and arguing defects in the decision that determined the attribution of a merely devolutive effect to the Judicial Challenge Appeal, and is waiting for a court decision on whether the fine can be replaced by some form of collateral, until there is a decision of the Court. On 16 July 2020, EDP Produção was notified of the TCRS's order which, in particular, suspended the advance payment of the fine. On 18 November 2020, EDP Produção was notified of the judgment of the Lisbon Court of Appeal that upheld the appeal filed by the Public Prosecutor's Office and revoked the referred TCRS order. EDP Produção appealed to the Constitutional Court on 30 November 2020, regarding the constitutionality of the interpretation given by the Lisbon Court of Appeal to the rule that defines the regime applicable to the decision that determines the effect of the judicial challenge of the AdC's condemnatory decisions, and on 22 February 2021, EDP Produção was notified that the Constitutional Court dismissed the appeal. Currently awaiting TCRS' position on the need to pay a fine or the possibility of providing a bond or guarantee. The start of the trial will still take place during the year 2021, with the first hearings of witnesses scheduled for the month of September.

The EDP Group considers that EDP Produção did not abuse any dominant position, having acted strictly in accordance with the legal framework in force.

On 20 October 2020, EDP Produção became aware, by letter sent by DGEG, of the dispatch of the SEE regarding the approval of the revisability for the year 2015, which is deducted in the amount of 72.9 million Euros, relating to the alleged overcompensation. In this respect, the EDP Group has registered a provision in the amount of 72.9 million Euros (see note 29), and carried out an administrative appeal against the order of SEE, as referred to in point above (Contractual stability compensation – Annual revisability).

### **Hydro power plants of Fridão and Alvito**

On 17 December 2008, EDP Produção and the Portuguese State signed the Contract for the Implementation of the National Program for High Hydroelectric Potential Power Plants (PNBEPH) regarding the Hydro Power Plants of Fridão (AHF) and Alvito (AHA), with the payment, by EDP Produção of 231.700 thousand Euros. Of this amount, 217,798 thousand Euros relates to the right to implement and exploit the AHF.

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EDP Produção followed up on the procedures for the implementation of these projects, having, in the case of the AHF, obtained a Favorable Environmental Impact Declaration and an Environmental Compliance Report of the Execution Project (RECAPE).

On 22 October 2013, EDP Produção requested to the Minister of the Environment, Land Management and Energy, based on a change of circumstances, to postpone the signing of the concession contract for the AHF. This request was formally rejected on 2 May 2014, and the terms of the concession contract, were subsequently negotiated between EDP Produção and the Portuguese Environmental Agency (APA) and a specific date for the respective signature for 30 September 2015, which was revoked by the Government without rescheduling a new date.

In 2016, following the beginning of the XXI Constitutional Government, the Government Program provided the reassessment of the PNBEPH. In this context, it was suspended, for three years, the execution of the Contract for the implementation of the AHF, as well as the annulment of the implementation Contract regarding AHA, through a Memorandum of Understanding signed on 5 December 2016, concluded by an agreement between the Portuguese State and EDP Produção on 11 April 2017.

This deferral decision was taken based on public interest reasons, considering the evolution of installed power and energy demand since 2008 (conclusion date of the Implementation Contract) until 2016. It is not clear that the AHF would be an energy surplus that would offset the environmental impacts resulting from its implementation.

On 16 April 2019 EDP Produção received, by email, an official letter from the Ministry of the Environment and Energy Transition, dated 11 April 2019, informing the State's conclusion that there is no need for implementation of AHF to meet national targets for energy production from renewable sources and for reducing the emission of Greenhouse Gases, as well as "that the State does not find any reason to inhibit the construction of the Fridão Hydro Power Plant".

Simultaneously, the Minister of the Environment and Energy Transition (MATE) announced at the National Assembly, in a hearing at the Environment, Land-use Planning, Decentralization, Local Power and Housing Committee, that the State's decision was not to build the AHF and that "the State will always comply with the contract but believes there are no reasons for any repayment of the amount that was given to the State ten years ago". It acknowledged, however, that there was no agreement with EDP on this matter.

EDP Produção notified the Portuguese State to clarify that at no time did EDP express its intention to not proceed with the construction of power plants and to return all the investment already made, including the consideration paid on the provisional award, and, as well, to compensate it for other losses and damages resulting from the non-compliance, to be settled in a timely manner. As at 31 December 2019 the Group reclassified these Assets under construction to Other debtors and other assets and valued in accordance with the principles defined in IFRS 9 (see note 22).

Currently, the arbitral proceedings, initiated by EDP Produção on 24 January 2020, are in progress, and the Portuguese State presented a Reply on 20 November 2020. A preliminary hearing took place in the first quarter of 2021, and arbitration hearings during the month of April 2021, with a decision being expected for the end of the second half of 2021 or the beginning of 2022.

#### **Sale of real estate by E-Redes – Distribuição de Eletricidade, S.A.**

In the 2009-2018 period, E-Redes – Distribuição de Eletricidade, S.A. disposed a set of real estate that were unused for the activities of the various electricity distribution concessions, in the amount of approximately 52 million Euros, obtaining a total net value of gains of 33.9 million Euros (35.7 million Euros of gains and 1.7 million Euros of losses).

In the regulated accounts sent to ERSE in April 2018, E-Redes – Distribuição de Eletricidade, S.A. identified the amount to be returned into tariffs related to the depreciation of the properties that were sold in the period 2012-2017. ERSE did not consider this amount in the 2019 rates and submitted the topic for further analysis.

In the Tariffs for 2020, ERSE recognized the principle of profit sharing with the system and assumed the return into the tariffs of approximately 16.6 million Euros referring to half of the net gains obtained from the sale of real estate by E-Redes – Distribuição de Eletricidade, S.A. between 2009 and 2018, having mentioned that the position to be taken by the respective grantors of the Concession Contract for the National Distribution Network (RND) and the electricity distribution network concessions in BT may determine the revision of this amount.

E-Redes did not question the return to the tariff of half of the capital gains generated with the sale of real estate not allocated to any of the activities included in the RND concession and in the concessions of the municipal low voltage electricity distribution networks, having the respective representative on the ERSE Tariff Board voted in favor of this solution.

Subsequent to the publication of the Tariffs for 2020, in 17 December 2019, the Government approved an Order that stipulates that the total value of the gains generated by the sale of real estate by E-Redes – Distribuição de Eletricidade, S.A. between 2009 and 2018, and which were subject to remuneration for the tariffs, "reverts entirely to the grantor", and should be "fully reflected in the electricity tariffs".

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On 17 March 2020, E-Redes – Distribuição de Eletricidade, S.A. initiated an arbitration process at the Commercial Arbitration Center, in which claims, moreover, (i) the principle of sharing benefits in this case, may not result in the granting ownership of all the gains generated from the sale of real estate; (ii) that the maintenance of the alienated properties would entail costs for the system, so that their alienation proves to be correct; (iii) that, in relation to all E-Redes real estate where no specific technical installations for each voltage level are installed, as is the case, it is not possible to make any distinction between the respective allocation to the RND concession, or to the municipal concessions for low voltage electricity distribution networks. The State, represented by the Ministry for the Environment and Climate Action (MAAC), submitted its response on 3 July 2020. In January 2021, the first preliminary hearing was held, followed by the pleadings phase, in which E-Redes presented its initial petition and the State reiterated in its response the arguments already listed, noting that it does not call into question the management carried out, the value of the transactions and that there was never any intention to prevent E-Redes from proceeding with the sale of the assets in question, maintaining, however, that all real estate sold are included in the concession of the RND and that the respective concession contract determines that the proceeds from the sale of properties must revert to the concession.

On 15 December 2020, the Regulator published the tariffs for 2021 and it was considered the return to the system of the remaining amount of 16.6 million Euros referring the net gains obtained from the sale of properties in the period between 2009 and 2018, in accordance with the Dispatch sent by MAAC, despite the ongoing arbitration process.

E-Redes – Distribuição de Eletricidade, S.A. acted in a transparent manner and within the framework of regulatory efficiency standards dictated by ERSE itself, as is evident from the values that have always been evidenced in the published Reports and Accounts and in the Regulated Accounts presented.

#### **Sale of the portfolio of Hydroelectric Projects**

The project for the sale of the portfolio of Hydroelectric Projects located in the Douro basin falls within the scope of EDP's strategic plan for 2019-2022, as presented to the market in March 2019 and reinforced with EDP's Strategic Plan for 2021-2025 presented in February 2021, in particular within the scope of the strategy of portfolio balancing and capital reallocation, as a way to finance new investments, particularly in renewable energy, including in Portugal.

The transaction was concluded on 16 December 2020, through the sale of the entire share capital of the company Camirengia Hidroelétricos S.A. ("Camirengia"), by its sole shareholder, EDP - Energias de Portugal, S.A. ("EDP"), to the company Movhera - Hidroelétricas do Norte, S.A. (previously known as Águas profundas, S.A., company incorporated in Portugal and therefore resident for tax purposes in Portugal, owned by the consortium formed by GDF International SAS, from ENGIE Group, by 40%, Mirova S.A. by 35% and Predica Prevoyance Dialogue du Credit Agricole, S.A. in 25%). The company Camirengia was incorporated under the simple demerger of EDP - Gestão da Produção de Energia, S.A. ("EDP Produção"), under which a complex set of items was carved-out from this company, comprising not only the titles of use of the hydric resources related to the portfolio mentioned above, but also by a multiplicity of assets, liabilities, resources and contractual positions associated and necessary for the development of the exploration activity.

From a strictly operational, regulatory, technical and legal point of view, the demerger was the only viable and feasible option to proceed with the detachment of the portfolio, considering its size and complexity. In this sense, EDP followed the only model, the demerger and the subsequent sale of shares, that guaranteed the continuity of operations and the maintenance of all the commitments (including environmental nature and towards the municipalities) necessary for the portfolio normal operation and also to respond to the need of the buyer of acquiring a functional and autonomous company that would ensure the operation of all activity, without disruption, immediately after the sale - which was also required by the regulator. On the other hand, the contractual model used in the implementation of the transaction is fully in line with market standards.

After its conclusion, the transaction was subject to media attention, based on the assumption that it constitutes a transfer of concessions and that, therefore, would be subject to Stamp Duty (under paragraph 27.2 of the Stamp Duty General Table). In EDP's view, that assumption is not at all applicable, and Stamp Duty is not due, as the transaction did not entail a transfer of concessions, but rather a demerger followed by the sale of the entire share capital of a company (Camirengia) holding the patrimonial assets assigned to the portfolio, operations that are not subject to Stamp Duty.

In this context, on 16 March 2021, the President of the EDP Executive Board of Directors was requested to attend the Environment, Energy and Spatial Planning Commission of the Portuguese Parliament, in order to address the abovementioned transaction, where EDP had the opportunity to clarify all questions addressed by the Members present. In addition, on 1 April 2021, that Commission sent EDP a request for information and questions about the transaction. On 15 April, EDP, committed to contribute to the swift, full and definitive clarification of the questions that were presented, sent to the Portuguese Parliament answers to all the questions raised, and made available all the requested documentation, despite its private and confidential nature, as a testament to the collaborative, transparent and good faith attitude with which EDP has been guiding its relationship with the State and its institutions.

In this spirit of collaboration, transparency and good faith in its relationship with the State and its institutions, EDP proactively contacted the Tax Authority, making itself available to clarify the tax aspects of the operation.

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On 6 July 2021, EDP became aware that DCIAP is investigating the sale of the Douro portfolio, with searches carried out at the premises of EDP and EDP Produção. During the diligence, and basing its action on a cooperative posture, all cooperation and assistance was provided to the authorities.

EDP scrupulously fulfills all of its obligations, including tax obligations, adopting very strict practices in the technical framework of all issues, having made this transaction under the tax framework applicable, assessing the tax rules in force on the date of the transaction, a framework that was also subject to validation by Opinions requested from reputable tax experts.

## 5. Financial Risk Management Policies

The Group monitors regularly the financial risks to which it has exposure to. During the first semester of 2021, considering the COVID-19 pandemic and the impacts on the markets, namely on interest and foreign exchange rates to which the Group has exposure to, there was a revaluation of the risks involved, having concluded that the current Financial Risk Management Policies already incorporate worst case scenarios sufficiently conservative and therefore adequate to the Group profile, not being necessary its revision. However, given that the pandemic duration and global impacts are still unknown, the EDP Group continues to monitor the risks, seeking to anticipate and manage possible impacts not currently contemplated.

### Exchange-rate and interest rate risk management

#### Sensitivity analysis - exchange rate

Regarding the financial instruments that result in an exchange rate risk exposure, a fluctuation of 10% in the EUR/USD exchange rate, as at 30 June 2021 and 2020, would lead to an increase/(decrease) in the EDP Group results and/or equity as follows:

| Thousand Euros | Jun 2021       |        |         |        |
|----------------|----------------|--------|---------|--------|
|                | Profit or loss |        | Equity  |        |
|                | +10%           | -10%   | +10%    | -10%   |
| USD            | -28,743        | 35,131 | -60,316 | 73,720 |

| Thousand Euros | Jun 2020       |       |         |         |
|----------------|----------------|-------|---------|---------|
|                | Profit or loss |       | Equity  |         |
|                | +10%           | -10%  | +10%    | -10%    |
| USD            | -5,708         | 6,976 | -89,449 | 109,326 |

This analysis assumes that all other variables, namely interest rates, remain unchanged.

#### Sensitivity analysis - Interest rates (excluding the Brazilian operations)

Based on the Group's debt portfolio, except for Brazil, and the related derivative financial instruments used to hedge the related interest rate risk, a 50 basis points change in the reference interest rates at 30 June 2021 and 2020 would lead to an increase/(decrease) in the EDP Group results and/or equity as follows:

| Thousand Euros                               | Jun 2021       |                |                |                |
|----------------------------------------------|----------------|----------------|----------------|----------------|
|                                              | Profit or loss |                | Equity         |                |
|                                              | 50 bp increase | 50 bp decrease | 50 bp increase | 50 bp decrease |
| <b>Cash flow effect:</b>                     |                |                |                |                |
| Hedged debt                                  | -10,052        | 10,052         | -              | -              |
| Unhedged debt                                | -2,123         | 2,123          | -              | -              |
| <b>Fair value effect:</b>                    |                |                |                |                |
| Cash flow hedging derivatives                | -              | -              | 5,428          | -5,428         |
| Trading derivatives (accounting perspective) | 4,120          | -4,120         | -              | -              |
|                                              | -8,055         | 8,055          | 5,428          | -5,428         |

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| Thousand Euros                               | Jun 2020       |                |                |                |
|----------------------------------------------|----------------|----------------|----------------|----------------|
|                                              | Profit or loss |                | Equity         |                |
|                                              | 50 bp increase | 50 bp decrease | 50 bp increase | 50 bp decrease |
| <b>Cash flow effect:</b>                     |                |                |                |                |
| Hedged debt                                  | -12,302        | 12,302         | -              | -              |
| Unhedged debt                                | -10,823        | 10,823         | -              | -              |
| <b>Fair value effect:</b>                    |                |                |                |                |
| Cash flow hedging derivatives                | -              | -              | 7,364          | -7,364         |
| Trading derivatives (accounting perspective) | -              | -              | -              | -              |
|                                              | -23,125        | 23,125         | 7,364          | -7,364         |

This analysis assumes that all other variables, namely exchange rates, remain unchanged.

#### Brazil - Sensitivity analysis - exchange rate

Two Brazilian subsidiaries are mainly exposed to the USD/BRL exchange rate, arising from USD debt for which the exposure is completely offset by cross currency interest rate swaps.

#### Brazil - Sensitivity analysis - Interest rates

Based on the portfolio of operations, a 25% change in the interest rates, to which the Brazilian subsidiaries are exposed to, would have an impact to EDP Energias do Brasil Group, at 30 June 2021 and 2020, in the amount of:

| Thousand Euros                      | Jun 2021 |        |
|-------------------------------------|----------|--------|
|                                     | + 25%    | - 25%  |
| Financial instruments - assets      | 4,940    | -4,534 |
| Financial instruments - liabilities | -91,632  | 88,329 |
| Derivative financial instruments    | -5,384   | 4,909  |
|                                     | -92,076  | 88,704 |

| Thousand Euros                      | Jun 2020 |        |
|-------------------------------------|----------|--------|
|                                     | + 25%    | - 25%  |
| Financial instruments - assets      | 8,916    | -8,274 |
| Financial instruments - liabilities | -87,335  | 70,996 |
| Derivative financial instruments    | -4,290   | 4,338  |
|                                     | -82,709  | 67,060 |

## Liquidity risk management

The EDP Group undertakes management of liquidity risk through the engagement and maintenance of credit lines and financing facilities, with a firm underwriting commitment with international reliable financial institutions, as well as term deposits, allowing immediate access to funds. These credit lines are used to complement and backup national and international commercial paper programmes, allowing the EDP Group's short-term financing sources to be diversified (see note 27). Considering the COVID-19 pandemic, the Group assessed the potential impacts on additional liquidity needs, having concluded that the current Liquidity Risk Management Policy remains adequate.

The table below shows the contractual undiscounted cash flows and the estimated interests due, computed using the rates available at 30 June 2021:

| Thousand Euros        | Jun 2022  | Dec 2022 | Dec 2023  | Dec 2024  | Dec 2025  | Following years | Total      |
|-----------------------|-----------|----------|-----------|-----------|-----------|-----------------|------------|
| Bank loans            | 341,902   | 53,309   | 170,001   | 110,782   | 79,681    | 516,330         | 1,272,005  |
| Bond loans            | 1,765,287 | 122,865  | 1,703,104 | 2,177,350 | 1,655,271 | 4,292,697       | 11,716,574 |
| Hybrid Bond           | 25,464    | -        | -         | -         | -         | 2,500,000       | 2,525,464  |
| Commercial paper      | 254,521   | -        | 94,665    | 50,804    | 305,032   | -               | 705,022    |
| Other loans           | 2,459     | 499      | 991       | 1,011     | 1,031     | 23,602          | 29,593     |
| Interest Payments (i) | 533,139   | 206,062  | 486,027   | 422,144   | 254,159   | 627,118         | 2,528,649  |
|                       | 2,922,772 | 382,735  | 2,454,788 | 2,762,091 | 2,295,174 | 7,959,747       | 18,777,307 |

i) The coupons of the hybrid bonds were included taking into consideration the earliest possible call date.

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## Energy market risk management

The main price and volume risk indicator used is the margin at risk (P@R), which estimates the impact of the variation of the different risk factors (price of electricity and hydrological) on the next 24 month's margin, P@R corresponding to the difference between an expected margin and a margin of a pessimistic scenario with a probability to occur of 5% (confidence interval of 95%) considering a time frame of 2 years. Both the volumes which are certain and those, which although uncertain, are expected, namely production of the plants and the corresponding consumption of fuel, are considered. The P@R distribution by business segment is as follows:

| Thousand Euros         |                   | P@R Distribution<br>by business segment |          |
|------------------------|-------------------|-----------------------------------------|----------|
|                        |                   | Jun 2021                                | Dec 2020 |
| Business               | Portfolio         |                                         |          |
| Electricity            | Trading           | 2,666                                   | 5,000    |
| Electricity            | Trading + Hedging | 144,548                                 | 80,412   |
| Gas                    | Hedging           | 95,668                                  | 38,725   |
| Diversification effect |                   | -39,470                                 | -26,668  |
|                        |                   | 203,412                                 | 97,469   |

Regarding credit risk, the quantification of exposure considers the amount and type of transaction (e.g. swap or forward), the rating of the counterparty risk that depends on the probability of default and the expected value of credit to recover, which varies depending on the guarantees received or the existence of netting agreements. The EDP Group's exposure to credit risk rating is as follows:

|                          | Jun 2021 | Dec 2020 |
|--------------------------|----------|----------|
| Credit risk rating (S&P) |          |          |
| AAA to AA-               | 0.00%    | 4.44%    |
| A+ to A-                 | 46.01%   | 26.08%   |
| BBB+ to BBB-             | 41.39%   | 60.95%   |
| No rating assigned       | 12.60%   | 8.53%    |
|                          | 100.00%  | 100.00%  |

## 6. Consolidation Perimeter

During the six-month period ended 30 June 2021, the following changes occurred in the EDP Group consolidation perimeter:

### Companies acquired:

The following acquisitions were classified as asset purchases, out of scope of IFRS 3 – Business Combinations, due to the substance of these transactions, the type of assets acquired and the very early stage of the projects:

- EDP Renováveis, S.A. and EDP Renewables Europe, S.L.U. acquired 100% of the company Aioliki Oitis Energiaki Single-Member LLC;
- EDP Renewables Europe, S.L.U. acquired 100% of the companies Kadmeios Anemos Energiaki, A.E., Voiotikos Anemos Anonimi Energiaki Etaireia and Energopark, S.R.L. and 51% of the companies Enercoplan and Sofrano;
- EDP Energias do Brasil, S.A. acquired 100% of the company Mata Grande Transmissora de Energia LTDA;
- EDP Renewables Italia Holding, S.R.L. acquired 100% of the company C & C Tre Energy S.r.l.;
- A EDP Renewables Polska, Sp. z o.o. acquired 100% of the company Elektrownia Kamienica, Sp. z o.o.; and
- A EDP Renováveis, S.A. acquired 100% of the companies Los Llanos Solar, SpA, Parque Eólico San Andrés, SpA and Parque Eólico Victoria, SpA.

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**Additionally, the following companies were acquired:**

- EDP Energia Itália S.R.L. acquired 100% of the company Enertel Group S.r.l.;
- EDP Ventures Brasil S.A. acquired 28% of the company Blue Sol Participações S.A.;
- EDP Energias do Brasil, SA acquired 100% of the company AES Tietê Inova Soluções de Energia LTDA., which holds 100% of the companies AES Tietê Inova Soluções de Energia I LTDA. and AES Tietê Inova Soluções de Energia II LTDA.;
- EDP Renewables Italia Holding, S.R.L. acquired 100% of the company Aria del Vento;
- EDP Renováveis, SA acquired 100% of Trina Solar Investment First Pte. Ltd., which holds 100% of LYS Energy Investment Pte. Ltd. which owns 100% of Trung Son Energy Development JSC.; and
- In the first quarter of 2021, EDP Renováveis, SA acquired, through a North American subsidiary, an 85% stake in a distributed solar generation portfolio that includes 89 MW of operating capacity and is about to be completed and a portfolio in-state advanced development of about 120 MW, distributed by approximately 200 projects, for an amount of 66 million Euros (79 million US Dollar).  
 This transaction was framed within the scope of IFRS 3 - Business Combination.  
 Regarding the acquisition date, the book value of the net assets of this portfolio amounted to 48 million Euros (58 million US Dollar), and an evaluation is still in progress to determine its fair value allocation (see note 17).

**Sale of companies with loss of control:**

- The companies CIDE HC Energía, S.A. and Comercializador de Referencia Energético, S.L.U. , in which EDP Iberia, S.L. held, directly or indirectly, a 50% financial interest, were sold. This transaction generated a gain which has been registered within the "Other income" caption of the consolidated financial statements in the amount of 20,705 thousand Euros (see note 18);
- In the second quarter of 2021, EDP Renewables North America LLC Sold to Greencoat Fuji LLC by 232,713 thousand Euros the equivalent of 280,500 thousand US Dollars of 68% of its interest in the company 2019 Vento XX LLC with a subsequent loss of share interest in the following companies:
  - Lexington Chenoa Wind Farm LLC
  - Broadlands Wind Farm LLC
 In accordance with the Shareholders Agreement and other relevant contracts, it has been established a shared control of the Company which led to a loss of control over the company and its consolidation by the equity method. This disposal with loss of control generated a gain on a consolidated basis of 100.809 thousand Euros, recorded in the income statement (see note 8). Additionally to the above sale price, it should be considered a contingent consideration, according to the relevant agreements signed, which fair value as of 30 June 2021 is a negative amount of 17 million Euros; and
- On 1 April 2021, EDP Real Estate Global Solutions - Imobiliária e Gestão Participações SA ("EDP RE") agreed to sell the entire stake it held in Portsines - Terminal Multipurpose de Sines, SA ("Portsines") to the other shareholder of the Company, Empresa de Tráfego e Estiva, S.A. for the amount of 7,100 thousand Euros. In this agreement, it was established that EDP RE received all the dividends, referring to the year 2020, paid by Portsines. This agreement resulted in a global gain for EDP RE of 6,237 thousand Euros (see note 18).

**Companies liquidated:**

- The company SGORME - Sociedade Gestora de Operações da Rede de Mobilidade Eléctrica, S.A., in which E-Redes - Energia S.A. held, directly or indirectly, a 91% financial interest, was liquidated;
- The company Dunkerque Éoliennes en Mer, S.A.S., in which EDP Renewables Europe, S.L.U., directly or indirectly held a 32% stake, was liquidated;
- The company Quatro Limited Partnership, in which the companies EDP Renewables Canada Ltd. and Nation Rise Wind Farm GP II Inc., held, directly or indirectly, a 100% stake was liquidated; and
- 2 companies in North America were liquidated.

**Companies merged:**

- The merger of Nation Rise Wind Farm GP II Inc. into EDP Renewables Canada Ltd.

**Companies incorporated:**

- EDP Renewables Chile, SpA; and
- 10 companies incorporated in North America.

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**Other changes:**

- EDP España, S.A.U. acquired 38.24% of the company Ceprastur, A.I.E., which was already 56.76% owned by EDP Renovables España, S.L.U., whereby the Group now holds control over it;
- On April 16, 2021, EDP Renováveis S.A. concluded a capital increase of 1,500,250,000 Euros through the issue of 88,250,000 new shares at a subscription price of 17.00 Euros per share. Following the capital increase, EDP holds the same 720,191,372 shares of EDP Renováveis that it previously held, and its stake was diluted from 82.56% to 74.98% in EDPR and its subsidiaries. This dilution of EDP's holding resulted in a global gain of 548,329 thousand Euros. As it is an operation with an impact on minority interests and, therefore, without loss of control, this gain was recorded in equity. This dilution of EDP's share participation resulted in a global gain of 548,329 thousand Euros. As a current operation with non-controlling interests and therefore with no loss of control, this gain was recorded in equity (see Condensed Consolidated Statements of Changes in Equity, note 25 and 26);
- During the second quarter of 2021, EDPR sold 50.01% of its stake in Nation Rise to Grupo Algonquins of Pikwakanagan First Nation (AOPFN). At the same time, EDPR granted a loan to this Group to acquire this participation. From a consolidated accounting perspective, this sale, as well as the loan granted, is not considered effective. Thus, EDPR continues to consolidate this company at 100% without recognizing any non-controlling interests; and
- In May of 2021, EDP - Soluções Comerciais, S.A. was divided and incorporated in EDP Comercial - Comercialização de Energia, S.A., E-Redes - Distribuição de Eletricidade, S.A., SU Eletricidade, S.A. and EDP Global Solutions - Gestão Integrada de Serviços S.A.

## 7. Revenues and cost of Energy Sales and Services and Other

Revenues from energy sales and services and other, by sector, are as follows:

| Thousand Euros                              | Group     |           | Company   |           |
|---------------------------------------------|-----------|-----------|-----------|-----------|
|                                             | Jun 2021  | Jun 2020  | Jun 2021  | Jun 2020  |
| Electricity and network access              | 5,431,441 | 5,385,865 | 1,092,338 | 974,857   |
| Gas and network access                      | 212,616   | 461,327   | 157,177   | 70,577    |
| Sales of CO2 Licenses                       | -         | -         | -         | 8,164     |
| Revenue from assets assigned to concessions | 334,089   | 273,172   | -         | -         |
| Other                                       | 105,103   | 62,523    | 85,555    | 81,666    |
|                                             | 6,083,249 | 6,182,887 | 1,335,070 | 1,135,264 |

The caption Electricity and network access in Portugal, on a consolidated basis, includes a revenue of 644,879 thousand Euros (revenue in 30 June 2020: 783,786 thousand Euros) regarding tariff adjustments of the period (see note 21). This caption also includes a net revenue of 6,393 thousand Euros (30 June 2020: net revenue of 17,124 thousand Euros) related to recognition of tariff adjustments for the period in Brazil (see note 31).

Additionally, the caption Electricity and network access includes, on a consolidated basis, a positive amount of 2,382 thousand Euros (30 June 2020: positive amount of 8,787 thousand Euros) related to the contractual stability compensation (CMEC) as a result of the power purchase agreements (PPA) termination, including an income of 27,243 thousand Euros related to the CMEC final adjustment (30 June 2020: positive amount of 31,447 thousand Euros), net from the recognised provision due to the final adjustment official approval.

The caption Electricity and network access, on a company basis, includes 472,386 thousand Euros (30 June 2020: 563,278 thousand Euros) related with energy sales under the purchase and sale agreement of evolutive energy between EDP, S.A. and EDP Comercial S.A.

The breakdown of Revenues from energy sales and services and other by segment, are as follows (see note 41 - Operating Segments):

| Thousand Euros                              | Jun 2021                    |          |                                      |           |                | Group     |
|---------------------------------------------|-----------------------------|----------|--------------------------------------|-----------|----------------|-----------|
|                                             | Reported Operating Segments |          |                                      |           | Other Segments |           |
|                                             | Renewables                  | Networks | Client Solutions & Energy Management | Total     |                |           |
| Electricity and network access              | 625,951                     | 577,351  | 4,228,140                            | 5,431,442 | -1             | 5,431,441 |
| Gas and network access                      | -                           | 9        | 212,608                              | 212,617   | -              | 212,617   |
| Revenue from assets assigned to concessions | -                           | 334,087  | 2                                    | 334,089   | -              | 334,089   |
| Other                                       | 31,138                      | 33,333   | 32,380                               | 96,851    | 8,251          | 105,102   |
|                                             | 657,089                     | 944,780  | 4,473,130                            | 6,074,999 | 8,250          | 6,083,249 |

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| Thousand Euros                              | Jun 2020                    |          |                                      |           |                | Group     |
|---------------------------------------------|-----------------------------|----------|--------------------------------------|-----------|----------------|-----------|
|                                             | Reported Operating Segments |          |                                      |           | Other Segments |           |
|                                             | Renewables                  | Networks | Client Solutions & Energy Management | Total     |                |           |
| Electricity and network access              | 686,740                     | 286,179  | 4,412,948                            | 5,385,867 | -3             | 5,385,864 |
| Gas and network access                      | -                           | 6,247    | 455,080                              | 461,327   | -              | 461,327   |
| Revenue from assets assigned to concessions | -                           | 273,171  | 1                                    | 273,172   | -              | 273,172   |
| Other                                       | 19,739                      | 13,173   | 26,683                               | 59,595    | 2,929          | 62,524    |
|                                             | 706,479                     | 578,770  | 4,894,712                            | 6,179,961 | 2,926          | 6,182,887 |

The segment "Client Solutions & Energy Management" includes sales of renewable energy, hydro and wind, carried out by EDP SA's energy management business unit, as part of its intermediation activity.

Revenues from energy sales and services and other by segment are considered globally as "overtime" and not as "at a point in time".

Cost of energy sales and other are as follows:

| Thousand Euros                                                               | Group     |           | Company   |          |
|------------------------------------------------------------------------------|-----------|-----------|-----------|----------|
|                                                                              | Jun 2021  | Jun 2020  | Jun 2021  | Jun 2020 |
| <b>Cost of electricity</b>                                                   | 2,835,084 | 2,584,046 | 1,108,609 | 919,405  |
| <b>Cost of gas</b>                                                           | 179,202   | 454,215   | -         | -        |
| <b>Expenditure with assets assigned to concessions</b>                       | 276,677   | 227,973   | -         | -        |
| <b>Changes in inventories and cost of raw materials and consumables used</b> |           |           |           |          |
| Fuel, steam and ashes                                                        | 75,177    | 59,773    | -         | -        |
| Gas                                                                          | 87,886    | 102,465   | 157,615   | 72,371   |
| CO2 Licenses                                                                 | 77,429    | 59,505    | 383       | 8,165    |
| Other                                                                        | 136,284   | 37,840    | 98,479    | -48,966  |
|                                                                              | 376,776   | 259,583   | 256,477   | 31,570   |
|                                                                              | 3,667,739 | 3,525,817 | 1,365,086 | 950,975  |

Cost of electricity includes, on a company basis, costs of 461,074 thousand Euros (30 June 2020: 501,186 thousand Euros) with the purchase of energy under the agreement for management, purchase and resale of energy signed between EDP, S.A. and EDP Gestão da Produção de Energia, S.A.

Under the terms of concession contracts of EDP Group to which IFRIC 12 is applicable, the construction activities are outsourced to external specialised entities. The revenue and the expenditure with the acquisition of these assets are as follows:

| Thousand Euros                                         | Group    |          |
|--------------------------------------------------------|----------|----------|
|                                                        | Jun 2021 | Jun 2020 |
| <b>Revenue from assets assigned to concessions</b>     | 334,089  | 273,172  |
| <b>Expenditure with assets assigned to concessions</b> |          |          |
| Subcontracts and other materials                       | -208,020 | -176,016 |
| Personnel costs capitalised (see note 10)              | -39,048  | -36,020  |
| Capitalised borrowing costs (see note 12)              | -29,609  | -15,937  |
|                                                        | -276,677 | -227,973 |

Revenue from assets assigned to concessions include 192,366 thousand Euros relative to electricity distribution concessions in Portugal and in Brazil resulting from the application of the mixed model. Additionally, it also includes the revenue related to the asset to be received by EDP Group under the transmission concessions in Brazil (see note 21).

On an individual basis, the change in Revenues and cost of Energy Sales and Services and Other is explained by the high prices observed in the electricity and gas markets.

On a consolidated basis, the variation of the caption Revenues and cost of Energy Sales and Services and Other is explained not only for the fact identified above but also by the changes in consolidation perimeter that occurred when compared to the homologous period.

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## 8. Other Income

Other income, for the Group, are as follows:

| Thousand Euros                                                    | Group          |                |
|-------------------------------------------------------------------|----------------|----------------|
|                                                                   | Jun 2021       | Jun 2020       |
| Income arising from institutional partnerships (see note 30)      | 86,518         | 104,560        |
| Gains on disposals - electricity business assets - Asset Rotation | 118,347        | 157,674        |
| Gains from contractual indemnities and insurance companies        | 20,938         | 13,972         |
| Other                                                             | 113,012        | 67,456         |
|                                                                   | <b>338,815</b> | <b>343,662</b> |

Income arising from institutional partnerships relates to income arising from production and investment tax credits (PTC/ITC), mostly from accelerated tax depreciation, regarding wind farms and solar plants in North America (see note 30).

The caption Gains on disposals - electricity business assets - Asset Rotation includes: i) gains from asset rotation strategy. This strategy aimed at crystallizing the value of a project by selling with loss of control, and reinvesting the proceeds in another projects, targeting greater growth. Typically, the developer may retain the role of O&M supplier. The caption includes the gain in the amount of 100,809 thousand Euros, resulting from the loss of control over the sale of a portfolio of companies in North America (see note 6); and ii) an amount of 17,538 thousand Euros that refers to a change in the fair value of the contingent considerations mainly related to the sale in 2018 to Sumitomo Corporation of 13.5% stake in the companies Éoliennes en Mer Dieppe - Le Tréport, S.A.S. and Éoliennes en Mer Îles d'Yeu et de Noirmoutier, S.A.S., in accordance with the relevant agreements signed (see note 31).

The caption Other includes gains on: 1) reinsurance activity; 2) gains in the adjustment of contingent prices of sale operations and gains on the sale of property, plant and equipment; and 3) a gain of 47 million euros resulting from a favorable decision of the Regional Economic-Administrative Court of the Principality of Asturias in favor of EDP España regarding the fee for using the public hydraulic domain known as "Canon Hidráulico".

## 9. Supplies and Services

Supplies and services are as follows:

| Thousand Euros                         | Group          |                | Company       |               |
|----------------------------------------|----------------|----------------|---------------|---------------|
|                                        | Jun 2021       | Jun 2020       | Jun 2021      | Jun 2020      |
| Consumables and communications         | 13,568         | 14,809         | 3,110         | 4,508         |
| Rents and leases                       | 17,573         | 18,699         | 2,722         | 4,356         |
| Maintenance and repairs                | 156,968        | 175,977        | 9,269         | 14,898        |
| Specialised works:                     |                |                |               |               |
| - Commercial activity                  | 68,157         | 69,649         | 115           | 352           |
| - IT services, legal and advisory fees | 73,378         | 44,734         | 35,737        | 20,884        |
| - Other services                       | 26,191         | 25,462         | 13,523        | 11,212        |
| Provided personnel                     | -              | -              | 4,515         | 4,986         |
| Other supplies and services            | 52,291         | 52,243         | 6,817         | 7,055         |
|                                        | <b>408,126</b> | <b>401,573</b> | <b>75,808</b> | <b>68,251</b> |

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## 10. Personnel Costs and Employee Benefits

Personnel costs and employee benefits are as follows:

| Thousand Euros                                                              | Group    |          | Company  |          |
|-----------------------------------------------------------------------------|----------|----------|----------|----------|
|                                                                             | Jun 2021 | Jun 2020 | Jun 2021 | Jun 2020 |
| <b>Personnel costs</b>                                                      |          |          |          |          |
| Board of Directors remuneration                                             | 8,123    | 9,011    | 2,918    | 3,552    |
| Employees' remuneration                                                     | 246,725  | 241,509  | 23,572   | 21,930   |
| Social charges on remuneration                                              | 59,878   | 57,080   | 5,617    | 5,422    |
| Performance, assiduity and seniority bonus                                  | 43,259   | 37,998   | 8,756    | 7,547    |
| Other costs                                                                 | 10,359   | 8,725    | 797      | 149      |
| Own work capitalised:                                                       |          |          |          |          |
| - Assigned to concessions (see note 7)                                      | -39,048  | -36,020  | -        | -        |
| - Other (see note 14)                                                       | -40,132  | -31,414  | -3,326   | -162     |
|                                                                             | 289,164  | 286,889  | 38,334   | 38,438   |
| <b>Employee benefits</b>                                                    |          |          |          |          |
| Pension plans costs                                                         | 8,843    | 10,548   | 827      | 1,018    |
| Medical plans costs and other benefits (see note 28)                        | 4,952    | 3,711    | 105      | 121      |
| Pension plans past service cost (Curtailment/Plan amendments) (see note 28) | 6,500    | -        | -        | -        |
| Other                                                                       | 23,369   | 20,921   | 1,783    | 1,368    |
|                                                                             | 43,664   | 35,180   | 2,715    | 2,507    |
|                                                                             | 332,828  | 322,069  | 41,049   | 40,945   |

Pension plans costs include 1,113 thousand Euros (30 June 2020: 3,041 thousand Euros) related to defined benefit plans (see note 28) and 7,730 thousand Euros (30 June 2020: 7,507 thousand Euros) related with defined contribution plans.

During the first semester of 2021, EDP Group distributed treasury stocks to employees (554,583 shares) totaling 2,684 thousand Euros.

## 11. Other Expenses

Other Expenses are as follows:

| Thousand Euros                                        | Group    |          |
|-------------------------------------------------------|----------|----------|
|                                                       | Jun 2021 | Jun 2020 |
| Concession rents paid to local authorities and others | 141,917  | 143,432  |
| Direct and indirect taxes                             | 143,118  | 151,694  |
| Donations                                             | 12,472   | 15,252   |
| Other                                                 | 44,471   | 60,645   |
|                                                       | 341,978  | 371,023  |

The caption Concession rents paid to local authorities and others includes essentially the rents paid to the local authorities under the terms of the low tension electricity distribution concession contracts and rents paid to city councils where the power plants are located.

The caption Direct and indirect taxes includes the tax of 7% over electricity generation in Spain, property tax, clawback and other taxes and levies.

The caption Other includes losses on the reinsurance activity and losses on the sale of property, plant and equipment.

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## 12. Financial Income and Expenses

Financial income and expenses, for the Group, are as follows:

| Thousand Euros                                                           | Group           |                 |
|--------------------------------------------------------------------------|-----------------|-----------------|
|                                                                          | Jun 2021        | Jun 2020        |
| <b>Financial income</b>                                                  |                 |                 |
| Interest income from bank deposits and other investments                 | 5,528           | 14,477          |
| Interest from derivative financial instruments                           | 8,220           | 15,731          |
| Interest income on tariff deficit:                                       |                 |                 |
| - Portugal - Electricity (see note 21)                                   | 1,500           | 934             |
| - Brazil - Electricity (see note 31)                                     | 5,544           | 452             |
| Other interest income                                                    | 25,675          | 20,531          |
| Derivative financial instruments                                         | 9,001           | -19,559         |
| Foreign exchange gains                                                   | 91,275          | 42,459          |
| CMEC:                                                                    |                 |                 |
| - Interest on the initial CMEC                                           | 13,668          | 15,285          |
| - Financial effect considered in the calculation                         | 3,595           | 3,896           |
| Other financial income                                                   | 8,919           | 15,147          |
|                                                                          | <b>172,925</b>  | <b>109,353</b>  |
| <b>Financial expenses</b>                                                |                 |                 |
| Interest expense on financial debt                                       | 236,587         | 258,073         |
| Bonds buyback                                                            | -               | 56,897          |
| Capitalised borrowing costs:                                             |                 |                 |
| - Assigned to concessions (see note 7)                                   | -29,609         | -15,937         |
| - Other (see note 14)                                                    | -14,941         | -10,149         |
| Interest from derivative financial instruments                           | 13,040          | 16,717          |
| Interest expense on tariff deficit:                                      |                 |                 |
| - Portugal - Electricity (see note 31)                                   | -               | 19              |
| - Brazil - Electricity (see note 31)                                     | 1,675           | 5,134           |
| Other interest expense                                                   | 10,935          | 11,346          |
| Derivative financial instruments                                         | 10,475          | 5,488           |
| Foreign exchange losses                                                  | 79,625          | 33,369          |
| CMEC                                                                     | 3,842           | 5,211           |
| Unwinding of discounted liabilities                                      | 63,362          | 65,933          |
| Unwinding of lease liabilities (see note 32)                             | 18,629          | 18,872          |
| Net interest on the net pensions plan liability (see note 28)            | 1,624           | 3,373           |
| Net interest on the medical liabilities and other benefits (see note 28) | 6,620           | 7,711           |
| Losses on the sale of the electricity tariff deficit - Portugal          | -               | 1,037           |
| Other financial expenses                                                 | 25,337          | 14,024          |
|                                                                          | <b>427,201</b>  | <b>477,118</b>  |
| <b>Financial income/(expenses)</b>                                       | <b>-254,276</b> | <b>-367,765</b> |

Capitalised borrowing costs includes the interest capitalised in assets under construction according to Group accounting policy. Regarding the rate applicable to borrowing costs related with tangible/intangible assets under construction that is used in the determination of the amount of borrowing costs eligible for capitalisation (see notes 14 and 16), it varies depending on business unit, the country and currency, since EDP Group incorporates in its scope of consolidation a significant number of subsidiaries in several geographies with different currencies.

The costs related to the Unwinding liabilities at discounted value refer essentially to: (i) the financial update of the provision for dismantling and decommissioning of production assets in the amount of 2,452 thousand Euros (30 June 2020: 3,859 thousand Euros) (see note 29); (ii) the implied financial return in institutional partnerships of 37,688 thousand Euros (30 June 2020: 48,079 thousand Euros) (see note 30); and (iii) the financial expenses related to the discount of the liability associated to the concessions of Alqueva/Pedrogão, Investco and Enerpeixe of 17,006 thousand Euros (30 June 2020: 9,600 thousand Euros).

The Derivative financial instruments caption includes income and expenses related with financial assets and liabilities measured and fair value through profit and loss, while the remaining captions of financial income and expenses are registered at amortised cost, based on the effective interest rate method.

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Financial income and expenses, for the Company, are as follows:

| Thousand Euros                                                               | Company        |                |
|------------------------------------------------------------------------------|----------------|----------------|
|                                                                              | Jun 2021       | Jun 2020       |
| <b>Financial income</b>                                                      |                |                |
| Interest income from loans to subsidiaries and related parties (see note 37) | 18,941         | 26,793         |
| Interest from derivative financial instruments                               | 42,112         | 74,985         |
| Derivative financial instruments                                             | 85,120         | 63,797         |
| Income from equity investments (see note 37)                                 | 61,669         | 145,354        |
| Other financial income                                                       | 38,170         | 7,665          |
|                                                                              | <b>246,012</b> | <b>318,594</b> |
| <b>Financial expenses</b>                                                    |                |                |
| Interest expense on financial debt                                           | 92,617         | 102,247        |
| Bonds Buyback                                                                | -              | 56,897         |
| Interest from derivative financial instruments                               | 50,923         | 79,729         |
| Derivative financial instruments                                             | 70,853         | 118,282        |
| Unwinding of lease liabilities (rents due from lease contracts)              | 1,939          | 2,741          |
| Other financial expenses                                                     | 2,279          | 5,263          |
|                                                                              | <b>218,611</b> | <b>365,159</b> |
| <b>Financial income/(expenses)</b>                                           | <b>27,401</b>  | <b>-46,565</b> |

The caption Other financial income includes 3,302 thousand Euros related to nominal interests from bonds issued by EDP Finance B.V., repurchased by EDP S.A. (see notes 22 and 37). The effective interest of these instruments amounts to 275 thousand Euros (includes the recognition of premium and transaction costs associated with the buyback transaction by the effective interest rate method).

The fluctuation of Financial Costs and Profit on an individual basis and in EDP Group is mainly explained by the reduction of the cost of debt, both by a reduction of the average cost of debt and by the debt buyback occurred in 2020, with an impact of 56,897 thousand Euros.

## 13. Income Tax

The following note includes an analysis on the reconciliation between the theoretical and the effective income tax rate applicable at an individual level and at the level of the EDP Group, on a consolidated basis. In general terms, this analysis aims to quantify the impact of the income tax, recognised in the income statement, which includes both current and deferred tax.

### Relevant events for EDP Group with impact in 2021

EDP is monitoring, in the countries where it is present, tax measures designed to help mitigate the economic effects of the COVID-19 outbreak. To date, these measures have not constitute material impacts in the geographies where the EDP Group is present.

The Spanish state budget for 2021 introduced amendments to the participation exemption regime, under which the exemption for dividends and capital gains from domestic and foreign subsidiaries would be limited to 95% of the income. Given the standard Corporate Income Tax (CIT) rate in Spain, the effective tax rate on dividends and capital gains derived by Spanish companies would be 1.25%, not susceptible of elimination under Spanish CIT group taxation.

The statutory corporate income tax rates applicable in the main countries in which EDP Group operates which were updated are as follows:

|                | Jun 2021      | Jun 2020     |
|----------------|---------------|--------------|
| <b>Europe:</b> |               |              |
| France         | 26,5% - 27,5% | 28% - 32.02% |
| Spain          | 24% - 25%     | 25% - 26%    |

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## Corporate income tax provision

Income tax expense is as follows:

| Thousand Euros | Group    |          | Company  |          |
|----------------|----------|----------|----------|----------|
|                | Jun 2021 | Jun 2020 | Jun 2021 | Jun 2020 |
| Current tax    | -19,597  | 2,503    | 34,698   | 28,800   |
| Deferred tax   | -143,086 | -136,684 | 22,145   | -1,166   |
|                | -162,683 | -134,181 | 56,843   | 27,634   |

## Reconciliation between the theoretical and the effective income tax expense

The effective income tax rate is as follows:

| Thousand Euros             | Group    |          | Company  |          |
|----------------------------|----------|----------|----------|----------|
|                            | Jun 2021 | Jun 2020 | Jun 2021 | Jun 2020 |
| Profit before tax and CESE | 711,913  | 684,235  | -137,785 | 13,608   |
| Income tax expense         | -162,683 | -134,181 | 56,843   | 27,634   |
| Effective income tax rate  | 22.9%    | 19.6%    | 41.3%    | -203.1%  |

The difference between the theoretical and the effective income tax expense results from the application of the law provisions, in the various countries where EDP operates, in the determination of the taxable base, as demonstrated below.

The reconciliation between the theoretical and the effective income tax expense for the Group, in June 2021 and 2020, is as follows:

| Thousand Euros                                                               | Jun 2021 | Jun 2020 |
|------------------------------------------------------------------------------|----------|----------|
| <b>Profit before income tax and CESE</b>                                     | 711,913  | 684,235  |
| Theoretical income tax rate *                                                | 29.5%    | 29.5%    |
| <b>Theoretical income tax expense</b>                                        | 210,014  | 201,849  |
| Different tax rates (includes state surcharge) and CIT rate changes          | -1,584   | -3,551   |
| Tax losses and tax credits                                                   | -8,853   | -16,904  |
| Tax benefits                                                                 | -10,133  | -10,416  |
| Differences between accounting and fiscal provisions/depreciations           | -1,273   | 2,153    |
| Accounting/fiscal differences on the recognition/derecognition of assets     | -7,584   | -37,185  |
| Taxable differences attributable to non-controlling interests                | -7,767   | -9,414   |
| Other adjustments and changes in estimates                                   | -10,137  | 7,649    |
| <b>Effective income tax expense as per the Consolidated Income Statement</b> | 162,683  | 134,181  |

\* Average tax rate considering the different tax rates applicable to EDP Group companies in Portugal.

## 14. Property, Plant and Equipment

This caption is as follows, for the Group:

| Thousand Euros                                 | Land and natural resources | Buildings and other constructions | Plant and machinery | Other tangible assets | Assets under construction | Total      |
|------------------------------------------------|----------------------------|-----------------------------------|---------------------|-----------------------|---------------------------|------------|
| Gross Amount                                   | 77,349                     | 390,478                           | 35,813,269          | 571,945               | 3,227,711                 | 40,080,752 |
| Accumulated depreciation and impairment losses | -                          | 172,923                           | 18,970,289          | 432,116               | 82,235                    | 19,657,563 |
| <b>Carrying Amount at 30 June 2021</b>         | 77,349                     | 217,555                           | 16,842,980          | 139,829               | 3,145,476                 | 20,423,189 |
| <b>Balance as at 31 December 2020</b>          | 74,057                     | 200,711                           | 17,032,113          | 137,422               | 2,718,918                 | 20,163,221 |
| Additions                                      | 1,882                      | 642                               | 77,849              | 10,573                | 998,875                   | 1,089,821  |
| Depreciation and impairment                    | -                          | -4,265                            | -446,524            | -21,202               | 7                         | -471,984   |
| Disposals/Write-offs                           | -58                        | -23                               | -12,046             | -530                  | -1,623                    | -14,280    |
| Transfers                                      | -1,199                     | 8,553                             | 364,260             | 12,213                | -775,860                  | -392,033   |
| Exchange Difference                            | 2,664                      | 8,724                             | 294,605             | 542                   | 92,002                    | 398,537    |
| Perimeter Variations                           | 3                          | 3,213                             | -467,277            | 811                   | 113,157                   | -350,093   |
| <b>Balance as at 30 June 2021</b>              | 77,349                     | 217,555                           | 16,842,980          | 139,829               | 3,145,476                 | 20,423,189 |

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Gross amount of Assets under construction are as follows:

| Thousand Euros                        | Jun 2021         | Dec 2020         |
|---------------------------------------|------------------|------------------|
| Wind and solar farms in North America | 1,726,829        | 1,485,274        |
| Wind and solar farms in Europe        | 686,850          | 711,455          |
| Wind and solar farms in South America | 534,829          | 373,541          |
| Hydric Portugal                       | 34,124           | 32,680           |
| Other assets under construction       | 245,079          | 197,468          |
|                                       | <b>3,227,711</b> | <b>2,800,419</b> |

The capitalised costs for Property, plant and equipment for the period, except Land and natural resources, are as follows:

| Thousand Euros                                      | Jun 2021         |
|-----------------------------------------------------|------------------|
| Subcontracts and other materials                    | 997,593          |
| Purchase price allocation                           | 22,588           |
| Dismantling and decommissioning costs (see note 29) | 12,685           |
| Personnel costs (see note 10)                       | 40,132           |
| Borrowing costs (see note 12)                       | 14,941           |
|                                                     | <b>1,087,939</b> |

Additions include the investment in wind and solar farms by North America, Europe and Brazil. In Portugal, the Group is carrying out hydroelectric investments in several power plants (Ribeiradio-Ermida and Alqueva I) and improvements and repairs in thermoelectric power plants (Lares and Ribatejo).

Transfers refers to the transfer of Europe onshore wind to non-current assets held for sale, by the net amount of 392,033 thousand Euros (cost in the amount of 401,130 thousand Euros and accumulated depreciation and impairment losses in the amount of 9,097 thousand Euros) (see note 34).

The movement in Exchange differences in the period results mainly from the appreciation of US Dollar and Brazilian Real, against the Euro.

Perimeter Variations mainly include the acquisition of a solar distributed generation portfolio and the sale of a North America onshore wind portfolio (see note 6).

## 15. Right of use assets

This caption is as follows, for the Group:

| Thousand Euros                                 | Land and natural resources | Buildings and other constructions | Plant and machinery | Other tangible assets | Total            |
|------------------------------------------------|----------------------------|-----------------------------------|---------------------|-----------------------|------------------|
| Gross amount                                   | 757,226                    | 262,373                           | 159,098             | 11,902                | 1,190,599        |
| Accumulated depreciation and impairment losses | 61,516                     | 57,627                            | 18,409              | 8,357                 | 145,909          |
| <b>Carrying Amount at 30 June 2021</b>         | <b>695,710</b>             | <b>204,746</b>                    | <b>140,689</b>      | <b>3,545</b>          | <b>1,044,690</b> |
| <b>Balance as at 31 December 2020</b>          | <b>674,340</b>             | <b>204,998</b>                    | <b>146,034</b>      | <b>4,821</b>          | <b>1,030,193</b> |
| Additions                                      | 88,457                     | 10,442                            | 678                 | 410                   | 99,987           |
| Depreciation and impairment                    | -13,390                    | -11,868                           | -10,692             | -1,379                | -37,329          |
| Disposals/Write-offs                           | -1,312                     | -381                              | -                   | -355                  | -2,048           |
| Transfers                                      | -18,273                    | -                                 | -                   | -                     | -18,273          |
| Exchange Difference                            | 17,234                     | 1,555                             | 4,669               | 57                    | 23,515           |
| Perimeter Variations                           | -51,346                    | -                                 | -                   | -9                    | -51,355          |
| <b>Balance as at 30 June 2021</b>              | <b>695,710</b>             | <b>204,746</b>                    | <b>140,689</b>      | <b>3,545</b>          | <b>1,044,690</b> |

Additions include, essentially, new lease contracts registered, under IFRS16, in North America.

Transfers include the transfer to held for sale of Onshore wind assets (see note 34).

Perimeter Variations mainly include the sale of a North America onshore wind portfolio (see note 6).

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## 16. Intangible Assets

This caption is as follows, for the Group:

| Thousand Euros                                 | Concession rights | CO2 Licenses   | Other intangibles | Intangible assets in progress | Total            |
|------------------------------------------------|-------------------|----------------|-------------------|-------------------------------|------------------|
| Gross amount                                   | 12,563,125        | 27,712         | 2,254,644         | 190,056                       | 15,035,537       |
| Accumulated depreciation and impairment losses | 9,528,204         | -              | 707,981           | -                             | 10,236,185       |
| <b>Carrying Amount at 30 June 2021</b>         | <b>3,034,921</b>  | <b>27,712</b>  | <b>1,546,663</b>  | <b>190,056</b>                | <b>4,799,352</b> |
| <b>Balance as at 31 December 2020</b>          | <b>3,064,184</b>  | <b>198,555</b> | <b>1,565,654</b>  | <b>169,842</b>                | <b>4,998,235</b> |
| Additions                                      | 213               | 86,818         | 8,039             | 43,733                        | 138,803          |
| Depreciation and impairment                    | -176,550          | -              | -42,957           | -                             | -219,507         |
| Disposals/Write-offs                           | -2,564            | -257,661       | -15               | -59                           | -260,299         |
| Transfers                                      | 113,509           | -              | 13,966            | -19,699                       | 107,776          |
| Exchange Difference                            | 32,314            | -              | 1,369             | 815                           | 34,498           |
| Perimeter Variations                           | 3,815             | -              | 607               | -4,576                        | -154             |
| <b>Balance as at 30 June 2021</b>              | <b>3,034,921</b>  | <b>27,712</b>  | <b>1,546,663</b>  | <b>190,056</b>                | <b>4,799,352</b> |

Additions of Intangible assets in progress essentially include the implementation and development of information systems projects.

Disposals/Write-offs in CO2 Licenses essentially includes the delivery in April 2021 of the 2020 consumption licenses.

Transfers essentially refer to the intangible assets assigned to concessions that became operational, in the amount of 114,328 thousand Euros (see note 21).

The capitalised costs of the period related to construction of intangible assets are included in own work capitalised in notes 7, 10 and 12.

## 17. Goodwill

Goodwill for the Group, resulting from the difference between the acquisition price and the fair value of the net assets acquired, at the acquisition date, is organized by segment, and is as follows:

| Thousand Euros                       | Balance at 1 January | Increases     | Decreases | Impairment | Exchange differences | Balance at 30 June |
|--------------------------------------|----------------------|---------------|-----------|------------|----------------------|--------------------|
| Renewables                           | 1,651,582            | 40,205        | -         | -          | 21,584               | 1,713,371          |
| Networks                             | 644,173              | -             | -         | -          | -                    | 644,173            |
| Client Solutions & Energy Management | 10,548               | 9,238         | -         | -          | 744                  | 20,530             |
|                                      | <b>2,306,303</b>     | <b>49,443</b> | <b>-</b>  | <b>-</b>   | <b>22,328</b>        | <b>2,378,074</b>   |

### *Renewables*

Increases refer to preliminary impacts related to certain acquisitions during the period which evaluation, to determine the fair value allocation, is still in progress (see note 6).

### *Client Solutions & Energy Management*

In the first quarter of 2021, EDP Energia Italia S.r.l. acquired 100% of Enertel Group S.r.l. for the amount of 5,980 thousand Euros and generated goodwill in the amount of 5,724 thousand Euros (see note 6).

In the second quarter of 2021, EDP Grid Gestão de Redes Inteligentes de Distribuição, S.A acquired 100% of AES Tietê Inova Soluções de Energia Ltda. for the amount of 15,581 thousand Euros and generated goodwill in the amount of 3,514 thousand Euros (see note 6).

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## 18. Investments in Joint Ventures and Associates

This caption is as follows:

| Thousand Euros                | Group            |                |
|-------------------------------|------------------|----------------|
|                               | Jun 2021         | Dec 2020       |
| Investments in joint ventures | 1,159,966        | 753,056        |
| Investments in associates     | 218,274          | 187,306        |
|                               | <b>1,378,240</b> | <b>940,362</b> |

As at 30 June 2021, for the Group, this caption includes goodwill in investments in joint ventures of 8,047 thousand Euros (31 December 2020: 8,047 thousand Euros) and goodwill in investments in associates of 27,323 thousand Euros (31 December 2020: 24,599 thousand Euros).

The movement in Investments in joint ventures and associates, for the Group, is as follows:

| Thousand Euros                                   | Group            |                |
|--------------------------------------------------|------------------|----------------|
|                                                  | Jun 2021         | Dec 2020       |
| <b>Balance at the beginning of the period</b>    | 940,362          | 1,098,512      |
| Acquisitions/Entries                             | 37,689           | 71,495         |
| Increases/Decreases of share capital             | 370,044          | 126,647        |
| Disposals                                        | -6,263           | -79,833        |
| Share of profit in joint ventures and associates | 6,350            | 6,938          |
| Dividends                                        | -22,398          | -52,739        |
| Exchange differences                             | 40,488           | -187,621       |
| Cash flow hedging reserve                        | 6,995            | -1,642         |
| Transfer to Assets held for sale                 | -                | -10,103        |
| Other                                            | 4,973            | -31,292        |
| <b>Balance at the end of the period</b>          | <b>1,378,240</b> | <b>940,362</b> |

The caption Share of profit in joint ventures and associates includes a positive amount of 6,350 thousand Euros from result of these investments, a gain of 20,705 thousand Euros from the sale of CIDE HC Energía, S.A. and a gain of 6,237 thousand Euros from the sale of the entire stake on Portsines - Terminal Multipurpose de Sines, S.A. ("Portsines") (see note 6).

The caption Increases/Decreases of share capital essentially refers to a capital increase of 268,936 thousand Euros of EDP Renováveis S.A. in OW Offshores, S.L. and to the increase of 101,846 thousand Euros resulting from the sale of 68% stake and loss of control on a portfolio of EDPR companies in North America.

## 19. Equity Instruments at Fair Value

As at 30 June 2021, the movements in Equity Instruments measured at Fair Value are as follows:

| Thousand Euros                                                            | Group          |                |
|---------------------------------------------------------------------------|----------------|----------------|
|                                                                           | Jun 2021       | Dec 2020       |
| Equity Instruments at Fair Value through Other Comprehensive Income (OCI) | 123,094        | 117,111        |
| Equity Instruments at Fair Value through Results (PL)                     | 67,212         | 67,637         |
|                                                                           | <b>190,306</b> | <b>184,748</b> |

As at 30 June 2021, this caption is analysed as follows:

| Thousand Euros                        | Other Comprehensive                           |               | Results                              |                                             |              | Total          |
|---------------------------------------|-----------------------------------------------|---------------|--------------------------------------|---------------------------------------------|--------------|----------------|
|                                       | Mercer and Dunas Funds (Energia RE portfolio) | Other         | EDA - Electricidade dos Açores, S.A. | Feedzai - Consultadoria e Inov. Tecn., S.A. | Other        |                |
| <b>Balance as at 31 December 2020</b> | 89,821                                        | 27,290        | 15,286                               | 46,814                                      | 5,537        | 184,748        |
| Acquisitions                          | -                                             | 1,067         | -                                    | -                                           | 1,366        | 2,433          |
| Disposals                             | -                                             | -59           | -                                    | -1,950                                      | -            | -2,009         |
| Change in fair value (see note 25)    | 3,778                                         | 1,114         | -                                    | -                                           | 125          | 5,017          |
| Other variations                      | -                                             | 83            | -                                    | -                                           | 34           | 117            |
| <b>Balance as at 30 June 2021</b>     | <b>93,599</b>                                 | <b>29,495</b> | <b>15,286</b>                        | <b>44,864</b>                               | <b>7,062</b> | <b>190,306</b> |

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Under IFRS 13 (see note 38), equity instruments at fair value are classified into three levels of fair value: level 1 includes essentially financial investments that are indexed to quoted market prices; level 2 includes the fund of stocks and bonds held by Energia RE; and level 3 covers all other equity instruments at fair value. As at 30 June 2021, there are no equity instruments at fair value within level 1.

## 20. Deferred Tax Assets and Liabilities

EDP Group records the tax effect resulting from temporary differences between the assets and liabilities determined on an accounting basis and on a tax basis. As at a 30 June 2021, on a consolidated basis, the movement by nature of Net Deferred Tax Assets and Liabilities are as follows:

| Net Deferred Tax Assets                                     |                      |              |               |                                                       |                    |
|-------------------------------------------------------------|----------------------|--------------|---------------|-------------------------------------------------------|--------------------|
| Thousand Euros                                              | Balance at 1 January | Mov. Results | Mov. Reserves | Perimeter variations, exchange differences and others | Balance at 30 June |
| Tax losses and tax credits                                  | 1,023,712            | 85,308       | -             | -4,182                                                | 1,104,838          |
| Provisions for social benefits, bad debts and other risks   | 722,690              | -50,405      | -30,150       | -19,601                                               | 622,534            |
| Financial instruments                                       | 95,417               | 25,161       | 155,994       | 95                                                    | 276,667            |
| Property plant and equipment                                | 412,651              | -39,740      | -             | 825                                                   | 373,736            |
| Financial and equity instruments at fair value              | 2,868                | -            | -1,289        | 141                                                   | 1,720              |
| Tariff adjustments and tariff deficit                       | 37,988               | -17,374      | -             | 957                                                   | 21,571             |
| Allocation of fair value to assets and liabilities acquired | 92,469               | -8,790       | -             | 109                                                   | 83,788             |
| Fiscal revaluations                                         | 304,712              | -19,149      | -             | -                                                     | 285,563            |
| Use of public property                                      | 23,658               | 3,048        | -             | 2,179                                                 | 28,885             |
| Other temporary differences                                 | 87,541               | 297          | -815          | 3,424                                                 | 90,447             |
| Assets/liabilities compensation of deferred taxes           | -1,664,163           | -32,533      | -280          | -267,188                                              | -1,964,164         |
|                                                             | 1,139,543            | -54,177      | 123,460       | -283,241                                              | 925,585            |

| Net Deferred Tax Liabilities                                |                      |              |               |                                                       |                    |
|-------------------------------------------------------------|----------------------|--------------|---------------|-------------------------------------------------------|--------------------|
| Thousand Euros                                              | Balance at 1 January | Mov. Results | Mov. Reserves | Perimeter variations, exchange differences and others | Balance at 30 June |
| Provisions for social benefits, bad debts and other risks   | 14,413               | 2,550        | 971           | 1                                                     | 17,935             |
| Financial instruments                                       | 100,911              | 8,608        | 132,482       | 2,524                                                 | 244,525            |
| Property plant and equipment                                | 366,868              | -243         | -2,480        | 10,880                                                | 375,025            |
| Reinvested gains                                            | 3,735                | -15          | -             | -                                                     | 3,720              |
| Financial and equity instruments at fair value              | 8,959                | -406         | -             | -                                                     | 8,553              |
| Tariff adjustments and tariff deficit                       | 149,690              | 85,591       | -198          | 902                                                   | 235,985            |
| Allocation of fair value to assets and liabilities acquired | 1,127,652            | 9,463        | -             | 20,634                                                | 1,157,749          |
| Fiscal revaluations                                         | 54,737               | -1,246       | -             | -                                                     | 53,491             |
| Deferred income relating to CMEC                            | 187,558              | -10,610      | -             | -                                                     | 176,948            |
| Gains from institutional partnerships in wind farms         | 344,092              | 14,159       | 27            | 11,426                                                | 369,704            |
| Use of public property (Brazil)                             | 7,737                | -176         | -             | 596                                                   | 8,157              |
| Fair value of financial assets (Brazil)                     | 47,643               | 6,364        | -             | 4,410                                                 | 58,417             |
| Other temporary differences                                 | 64,642               | 7,403        | 1             | 7,362                                                 | 79,408             |
| Assets/liabilities compensation of deferred taxes           | -1,664,163           | -32,533      | -280          | -267,188                                              | -1,964,164         |
|                                                             | 814,474              | 88,909       | 130,523       | -208,453                                              | 825,453            |

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On a Company basis, EDP, S.A. records the tax effect arising from temporary differences between the assets and liabilities determined on an accounting basis and on a tax basis. As at a 30 June 2021, on a Company basis, the movement by nature of Net Deferred Tax Assets and Liabilities are as follows:

| Net Deferred Tax Assets                                   |                      |              |               |        |                    |
|-----------------------------------------------------------|----------------------|--------------|---------------|--------|--------------------|
| Thousand Euros                                            | Balance at 1 January | Mov. Results | Mov. Reserves | Others | Balance at 30 June |
| Tax losses and tax credits                                | 139,397              | 811          | -             | -606   | 139,602            |
| Provisions for social benefits, bad debts and other risks | 7,817                | -154         | -             | -      | 7,663              |
| Financial instruments                                     | 28,596               | 15,106       | 30,312        | -      | 74,014             |
| Property plant and equipment                              | 3,965                | -17          | -             | -      | 3,948              |
| Other temporary differences                               | 3,273                | -5           | -             | -      | 3,268              |
| Assets/liabilities compensation of deferred taxes         | -59,422              | -85,762      | -             | -      | -145,184           |
|                                                           | 123,626              | -70,021      | 30,312        | -606   | 83,311             |

| Net Deferred Tax Liabilities                                |                      |              |               |        |                    |
|-------------------------------------------------------------|----------------------|--------------|---------------|--------|--------------------|
| Thousand Euros                                              | Balance at 1 January | Mov. Results | Mov. Reserves | Others | Balance at 30 June |
| Financial instruments                                       | 47,681               | -            | 92,166        | -      | 139,847            |
| Allocation of fair value to assets and liabilities acquired | 3,546                | -            | -             | -      | 3,546              |
| Fiscal revaluations                                         | 185                  | -3           | -             | -      | 182                |
| Other temporary differences                                 | 8,010                | -6,401       | -             | -      | 1,609              |
| Assets/liabilities compensation of deferred taxes           | -59,422              | -85,762      | -             | -      | -145,184           |
|                                                             | -                    | -92,166      | 92,166        | -      | -                  |

## 21. Debtors and Other Assets from Commercial Activities

At Group level, Debtors and other assets from commercial activities are as follows:

| Thousand Euros                                                                  | Non-Current |           | Current   |           |
|---------------------------------------------------------------------------------|-------------|-----------|-----------|-----------|
|                                                                                 | Jun 2021    | Dec 2020  | Jun 2021  | Dec 2020  |
| <b>Assets measured at amortised cost:</b>                                       |             |           |           |           |
| Amounts receivable from tariff adjustments - Electricity - Portugal             | 37,925      | 53,816    | 27,357    | 1,036     |
| Amounts receivable from tariff adjustments - Electricity - Brazil (see note 31) | 18,569      | 49,986    | 82,699    | 35,600    |
| Debtors for other goods and services                                            | -           | -         | 68,291    | 29,480    |
| Amounts receivable relating to CMEC                                             | 469,856     | 507,419   | 197,556   | 189,752   |
| Amounts receivable from concessions - IFRIC 12                                  | 463,853     | 359,650   | 793,078   | 755,565   |
| Other assets measured at amortised cost                                         | 109,605     | 64,943    | 215,186   | 175,170   |
| Impairment losses on other assets measured at amortised cost                    | -           | -2,894    | -3,117    | -1,406    |
|                                                                                 | 1,099,808   | 1,032,920 | 1,381,050 | 1,185,197 |
| <b>Trade receivables at amortised cost:</b>                                     |             |           |           |           |
| Trade receivables                                                               | 28,358      | 24,896    | 1,254,715 | 1,363,760 |
| Impairment losses on trade receivables                                          | -3,564      | -8,771    | -244,314  | -253,067  |
|                                                                                 | 24,794      | 16,125    | 1,010,401 | 1,110,693 |
| <b>Assets measured at fair value through other comprehensive income:</b>        |             |           |           |           |
| Amounts receivable from tariff adjustments - Electricity - Portugal             | 454,419     | 267,054   | 227,473   | 156,270   |
| <b>Assets measured at fair value through profit or loss:</b>                    |             |           |           |           |
| Amounts receivable from concessions - IFRIC 12                                  | 656,628     | 547,103   | -         | -         |
| <b>Contract assets:</b>                                                         |             |           |           |           |
| Contract assets receivable from energy sales contracts                          | 1,362       | 600       | 1,134,770 | 1,034,442 |
| Contract assets receivable from concessions - IFRIC 12                          | 911,026     | 805,382   | -         | -         |
|                                                                                 | 912,388     | 805,982   | 1,134,770 | 1,034,442 |
| <b>Other assets:</b>                                                            |             |           |           |           |
| Incremental costs of obtaining contracts with customers                         | 30,181      | 33,600    | -         | -         |
| Other assets from commercial activities                                         | 45,688      | 44,228    | 116,703   | 59,009    |
|                                                                                 | 75,869      | 77,828    | 116,703   | 59,009    |
|                                                                                 | 3,223,906   | 2,747,012 | 3,870,397 | 3,545,611 |

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At Company level, Debtors and other assets from commercial activities are as follows:

| Thousand Euros                                               | Current  |          |
|--------------------------------------------------------------|----------|----------|
|                                                              | Jun 2021 | Dec 2020 |
| <b>Assets measured at amortised cost:</b>                    |          |          |
| Debtors for other goods and services                         | 30,211   | 40,223   |
| Other assets measured at amortised cost                      | 38,720   | 246,349  |
| Impairment losses on other assets measured at amortised cost | -1       | -1       |
|                                                              | 68,930   | 286,571  |
| <b>Trade receivables at amortised cost:</b>                  |          |          |
| Trade receivables                                            | 227,898  | 214,153  |
| Impairment losses on trade receivables                       | -210     | -209     |
|                                                              | 227,688  | 213,944  |
| <b>Contract assets:</b>                                      |          |          |
| Contract assets receivable from energy sales contracts       | 273,119  | 226,040  |
| <b>Other assets:</b>                                         |          |          |
| Other assets from commercial activities                      | 13,298   | 7,371    |
|                                                              | 583,035  | 733,926  |

The movement for the period in Amounts receivable from tariff adjustments - Electricity - Portugal (Non-current and Current) is as follows:

| Thousand Euros                                                                                           | Non-Current | Current  |
|----------------------------------------------------------------------------------------------------------|-------------|----------|
| <b>Balance as at 31 December 2020</b>                                                                    | 320,688     | 157,306  |
| Receipts through the electricity tariff                                                                  | -           | -6,092   |
| Tariff adjustment of the period (see note 7)                                                             | 644,879     | -        |
| Fair value of the tariff deficit measured at fair value through other comprehensive income (see note 25) | -1,404      | 775      |
| Adjustment due to tariff deficit (2019 and 2020)                                                         | -           | -342,771 |
| Financial expenses (see note 12)                                                                         | 1,155       | 345      |
| Transfer to/from tariff adjustment payable (see note 31)                                                 | -27,417     | -290     |
| Transfer from Non-Current to Current                                                                     | -445,557    | 445,557  |
| <b>Balance as at 30 June 2021</b>                                                                        | 492,344     | 254,830  |

As at 30 June 2021, the caption Assets measured at fair value through other comprehensive income includes the amount of the tariff deficit classified and measured at fair value through other comprehensive income. According to IFRS 13, the tariff deficit fair value is classified as level 2 (see note 38).

The following table provides details for the caption Amounts receivable from tariff adjustments - Electricity - Portugal, by nature and year of establishment, as well as presents the amounts of tariff deficit that have been sold during the period ended 30 June 2021:

| Thousand Euros | Deficit | Tariff adj. | Sales | Total   |
|----------------|---------|-------------|-------|---------|
| <b>Year:</b>   |         |             |       |         |
| 2018           | 3,754   | -           | -     | 3,754   |
| 2019           | 1,084   | 5,839       | -     | 6,923   |
| 2020           | 79      | 48,336      | -     | 48,415  |
| 2021           | 676,974 | 11,107      | -     | 688,081 |
|                | 681,892 | 65,282      | -     | 747,174 |

The caption Amounts receivable relating to CMEC is detailed as follows:

| Thousand Euros             | Non-current | Current |
|----------------------------|-------------|---------|
| Initial CMEC               | 320,257     | 31,991  |
| Final adjustment           | 149,599     | 64,373  |
| Revisibility 2014 - 2017 * | -           | 101,192 |
|                            | 469,856     | 197,556 |

\* The revisibility calculation for 2016 to 2017 is still waiting the official approval.

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The caption Amounts receivable from concessions - IFRIC 12 in the amount of 1,913,559 thousand Euros (31 December 2020: 1,662,318 thousand Euros) relates to the financial asset to be received by the EDP Group regarding the electricity distribution concessions in Portugal and Brazil, resulting from the application of the mixed model, and the asset related to electricity transmission concessions in Brazil. The variation of the period includes: (i) the effect of the depreciation of Brazilian Real against Euro in the amount of 65,967 thousand Euros and (ii) transfers from Contract assets receivable from concessions in the amount of 169,668 thousand Euros.

Contract assets receivable from energy sales contracts - Current include contract assets relating to energy delivered and not yet invoiced, amounts receivable from REN regarding the CMEC Revisibility of 2016 and 2017 which are awaiting approval, and accruals from UNGE's energy management business. The impairment losses on Trade receivables includes impairment losses related to Contract assets receivable from energy sales contracts.

The caption Contract assets receivable from concessions - IFRIC 12 refers to the investment in assets under construction assigned to concessions. The variation of the period includes (i) the effect of the depreciation of Brazilian Real against Euro in the amount of 57,827 thousand Euros; (ii) the investment of the period in the amount of 276,423 thousand Euros and (iii) the transfer of assets assigned to concessions which began operation to intangible assets, in the amount of 114,328 thousand Euros (see note 16), and to Amounts receivable from concessions - IFRIC 12, in the amount of 169,668 thousand Euros.

## 22. Other Debtors and Other Assets

Other debtors and other assets are as follows:

| Thousand Euros                                               | Group            |                  | Company          |                  |
|--------------------------------------------------------------|------------------|------------------|------------------|------------------|
|                                                              | Jun 2021         | Dec 2020         | Jun 2021         | Dec 2020         |
| <b>Debtors and other assets - Non-Current</b>                |                  |                  |                  |                  |
| <b>Assets measured at amortised cost:</b>                    |                  |                  |                  |                  |
| Loans to subsidiaries                                        | -                | -                | 2,726,785        | 2,739,230        |
| Loans to related parties                                     | 135,013          | 7,630            | 90               | 90               |
| Guarantees rendered to third parties                         | 105,171          | 96,311           | -                | -                |
| Other financial assets at amortised cost (i)                 | 15,198           | 23,864           | 110,490          | 113,609          |
| <b>Assets measured at fair value through profit or loss:</b> |                  |                  |                  |                  |
| Derivative financial instruments (see note 35)               | 511,947          | 333,600          | 582,853          | 350,400          |
| Contingent price                                             | 130,407          | 113,880          | -                | -                |
| <b>Other assets:</b>                                         |                  |                  |                  |                  |
| Excess of the pension fund financing (see note 28)           | 87,655           | 29,610           | 93               | 93               |
| Other debtors and sundry operations                          | 405,610          | 415,893          | -                | -                |
|                                                              | <b>1,391,001</b> | <b>1,020,788</b> | <b>3,420,311</b> | <b>3,203,422</b> |
| <b>Debtors and other assets - Current</b>                    |                  |                  |                  |                  |
| <b>Assets measured at amortised cost:</b>                    |                  |                  |                  |                  |
| Loans to subsidiaries                                        | -                | -                | 15,332           | 18,186           |
| Dividends attributed by subsidiaries                         | -                | -                | -                | 110,000          |
| Loans to related parties                                     | 107,462          | 415,120          | -                | -                |
| Receivables from the State and concessors                    | -1               | 5,402            | -                | -                |
| Guarantees rendered to third parties                         | 195,764          | 72,150           | 82,199           | 47,102           |
| Subsidiary companies                                         | -                | -                | 193,017          | 103,602          |
| Other financial assets at amortised cost (i)                 | 20,017           | 22,818           | 10,170           | 56,038           |
| <b>Assets measured at fair value through profit or loss:</b> |                  |                  |                  |                  |
| Derivative financial instruments (see note 35)               | 877,045          | 271,828          | 1,447,872        | 421,666          |
| Other financial investments measured at fair value           | 18,255           | 24,157           | -                | -                |
| Contingent price                                             | 5,204            | 12,159           | -                | 7,159            |
| <b>Other assets:</b>                                         |                  |                  |                  |                  |
| Other debtors and sundry operations                          | 52,813           | 27,119           | 89,653           | 89,654           |
|                                                              | <b>1,276,559</b> | <b>850,753</b>   | <b>1,838,243</b> | <b>853,407</b>   |
|                                                              | <b>2,667,560</b> | <b>1,871,541</b> | <b>5,258,554</b> | <b>4,056,829</b> |

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Loans to subsidiaries - Non-Current and Current, for the Company, mainly includes 809,763 thousand Euros (31 December 2020: 807,346 thousand Euros) of loans granted to EDP - Gestão da Produção de Energia, S.A. and 1,503,609 thousand Euros (31 December 2020: 1,503,685 thousand Euros) of loans granted to E-Redes – Distribuição de Eletricidade, S.A. (see note 37).

For the Loans to subsidiaries, EDP S.A. performs an analysis to evaluate impairment based on the general approach. The company uses several inputs on making its assessment of the credit risk related to these assets, such as the analysis of the historical possible delays and/or impairment losses indications, rating companies (when applicable) and market and macroeconomic data that may change the probability of default and the expectation of delays in the receivable amounts. According to the analysis performed, as per 30 June 2021 there are no expected credit losses accounted for related to loans with subsidiaries.

The variation of the caption Loans to related parties - Non Current, on a consolidated basis, is mainly due to new loans granted to OW FS Offshore, S.A. in the amount of 134,083 thousand Euros. The variation of the caption Loans to related parties - Current, on a consolidated basis, is mainly due to the receipt of loans granted to OW FS Offshore, S.A. in the amount of 316,110 thousand Euros.

**(i) Other financial assets at amortised cost**

On a consolidated basis, this caption mainly includes securities issued by Tagus - Sociedade de Titularização de Crédito, SA, in the context of the transmission of the right to receive tariff adjustments (deviations and deficits) from the National Electric System for credit securitisation companies, acquired by SU Eletricidade, S.A. The detail of the balances arising from these operations is as follows:

| Thousand Euros                               | Issue date | Class R Notes | Liquidity Notes | Senior Notes | Total Jun 2021 |
|----------------------------------------------|------------|---------------|-----------------|--------------|----------------|
| Overcost from special regime production 2017 | Dec 2017   | 439           | 187             | 5,020        | 5,646          |
| Overcost from special regime production 2018 | Jun 2018   | 349           | 623             | 13,694       | 14,666         |
| Overcost from special regime production 2019 | Jun 2019   | 468           | 424             | 13,944       | 14,836         |
|                                              |            | 1,256         | 1,234           | 32,658       | 35,148         |

On a company basis, this caption includes the bonds issued by EDP Finance B.V. reacquired on market by EDP, S.A.

During 2021 EDP Finance B.V. repaid, at maturity, in the first quarter 600 million American Dollars of securities issued, of which EDP S.A. had already reacquired 46,783 thousand American Dollars.

The detail of these bonds is as follows:

| Issuer           | Maturity date | Currency | Interest rate  | Nominal value in Currency '000 | Acquired in Currency '000 | Fair Value '000 |
|------------------|---------------|----------|----------------|--------------------------------|---------------------------|-----------------|
| EDP Finance B.V. | 23 Dec 2022   | EUR      | Fixed rate (i) | 93,357                         | 53,357                    | 56,332          |

(i) This issue corresponds to private placements.

The variation of the caption Contingent prices - Non Current mainly results from the update of the fair value of the contingent consideration in connection with the sale in 2020 and 2018 of 29,5% and 13,5% stake of the French companies Éoliennes en Mer Dieppe - Le Tréport, S.A.S and Éoliennes en Mer Îles d'Yeu et de Noirmoutier, SAS to OW Offshore S.L. and Sumitomo Corporation respectively, in accordance with the relevant agreements signed.

The caption Other debtors and sundry operations - Non Current includes the financial consideration paid in advance in 2009 for the exploitation of the hydro power plants of Fridão and other amounts invested in such hydro power plant (see note 4).

The variation of the caption Other debtors and sundry operations - Current is mainly due to the amount receivable regarding the fee for using the public hydraulic domain known as "Canon Hidráulico" (see note 8).

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## 23. Tax Assets

Current tax assets are as follows:

| Thousand Euros        | Group    |          | Company  |          |
|-----------------------|----------|----------|----------|----------|
|                       | Jun 2021 | Dec 2020 | Jun 2021 | Dec 2020 |
| <b>Non-Current:</b>   |          |          |          |          |
| Special taxes Brazil  | 224,005  | 251,770  | -        | -        |
| <b>Current:</b>       |          |          |          |          |
| Income tax            | 234,749  | 125,503  | 179,183  | 44,241   |
| Value added tax (VAT) | 186,105  | 191,587  | 23,403   | 6,196    |
| Special taxes Brazil  | 121,566  | 90,783   | -        | -        |
| Other taxes           | 6,411    | 6,429    | 876      | 877      |
|                       | 548,831  | 414,302  | 203,462  | 51,314   |
|                       | 772,836  | 666,072  | 203,462  | 51,314   |

## 24. Cash and Cash Equivalents

Cash and cash equivalents are as follows:

| Thousand Euros                                                     | Group     |           | Company   |           |
|--------------------------------------------------------------------|-----------|-----------|-----------|-----------|
|                                                                    | Jun 2021  | Dec 2020  | Jun 2021  | Dec 2020  |
| <b>Cash</b>                                                        | 222       | 254       | 41        | 39        |
| <b>Bank deposits</b>                                               |           |           |           |           |
| Current deposits                                                   | 884,215   | 1,461,444 | 198,846   | 1,030,863 |
| Term deposits                                                      | 363,724   | 1,451,681 | -         | 150,000   |
| Specific demand deposits in relation to institutional partnerships | 12,915    | 34,313    | -         | -         |
|                                                                    | 1,260,854 | 2,947,438 | 198,846   | 1,180,863 |
| <b>Operations pending cash settlement</b>                          |           |           |           |           |
| Current deposits                                                   | 200,000   | -         | 570,000   | 118,000   |
| <b>Other operations</b>                                            |           |           |           |           |
| Other short term investments                                       | 78,381    | 770       | 74,994    | -         |
| Group Financial System (see note 37)                               | -         | -         | 1,129,063 | 873,729   |
|                                                                    | 1,539,457 | 2,948,462 | 1,972,944 | 2,172,631 |
| <b>Held for sale operations:</b>                                   |           |           |           |           |
| Cash and cash equivalents reclassified as held for sale            | -8,262    | 5,840     | -         | -         |
|                                                                    | 1,531,195 | 2,954,302 | 1,972,944 | 2,172,631 |

Specific demand deposits in relation to institutional partnerships corresponds to funds required to be held in escrow sufficient to pay the remaining construction related costs of projects in institutional equity partnerships (see note 30), under the Group accounting policy.

As at 30 June 2021, on a company basis, the caption Operations pending cash settlement represents commercial paper issued by EDP, S.A., which is booked as financial debt at the issuance trade date, under the Group accounting policy. This caption of 570,000 thousand Euros (31 December 2020: 118,000 thousand Euros) refers to commercial paper issued on 29 June 2021 in the amount of 320,000 thousand Euros and to commercial paper issued on 30 June 2021 in the amount of 250,000 thousand Euros, acquired by EDP Finance B.V., which settlement dates occurred on 1 and 2 July 2021, respectively.

Other Short Term Investments caption include essentially reverse repos with a term to maturity up to 90 days, daily liquidity and low risk.

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## 25. Reserves and retained earnings

This caption is as follows:

| Thousand Euros                                                                                           | Group     |           | Company   |           |
|----------------------------------------------------------------------------------------------------------|-----------|-----------|-----------|-----------|
|                                                                                                          | Jun 2021  | Dec 2020  | Jun 2021  | Dec 2020  |
| Legal reserve                                                                                            | 782,932   | 739,024   | 782,932   | 739,024   |
| Fair value reserve (cash flow hedge)                                                                     | -125,466  | -6,066    | 359,799   | 84,893    |
| Tax effect of fair value reserve (cash flow hedge)                                                       | 13,514    | 1,698     | -80,994   | -19,140   |
| Fair value reserve of assets measured at fair value through other comprehensive income                   | 18,674    | 14,659    | -         | -         |
| Tax effect of the fair value reserve of assets measured at fair value through other comprehensive income | -3,742    | -2,771    | -         | -         |
| Currency translation reserve - Exchange differences arising on consolidation                             | -490,270  | -699,299  | -         | -         |
| Currency translation reserve - Net investment hedge                                                      | -420,256  | -291,829  | -         | -         |
| Currency translation reserve - Net investment hedge - Cost of hedging                                    | -52,234   | -62,367   | -         | -         |
| Treasury stock reserve (EDP, S.A.)                                                                       | 52,181    | 54,025    | 52,181    | 54,025    |
| Other reserves and retained earnings                                                                     | 4,583,140 | 3,926,711 | 2,015,146 | 1,927,982 |
|                                                                                                          | 4,358,473 | 3,673,785 | 3,129,064 | 2,786,784 |

The movement in Other reserves and retained earnings reflects, essentially, the dilution effect resulting from EDPR's capital increase, in April 2021 by issuing new shares, not accompanied by EDP (see Condensed Consolidated Statements of Changes in Equity and note 6).

*Fair value reserve (financial assets at fair value through other comprehensive income)*

The changes in this consolidated caption for the period are as follows:

| Thousand Euros                        | Group      |
|---------------------------------------|------------|
|                                       | FV reserve |
| <b>Balance as at 31 December 2020</b> | 14,659     |
| Positive changes in fair value        | 5,667      |
| Negative changes in fair value        | -1,404     |
| Changes in perimeter                  | -248       |
| <b>Balance as at 30 June 2021</b>     | 18,674     |

Changes in fair value reserve attributable to the EDP Group during the period ended 30 June 2021 are as follows:

| Thousand Euros                                                | Increases | Decreases |
|---------------------------------------------------------------|-----------|-----------|
| Mercer and Dunas Funds (carteira da Energia RE) (see note 19) | 3,778     | -         |
| SU Eletricidade, S.A. tariff deficit (see note 21)            | 775       | -1,404    |
| Other (see note 19)                                           | 1,114     | -         |
|                                                               | 5,667     | -1,404    |

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*Currency translation reserve - Exchange differences arising on consolidation*

Exchange differences arising on consolidation corresponds to the amounts resulting from changes in the value of net assets of subsidiaries, joint ventures and associated companies resulting from changes in exchange rates. The exchange rates used in the preparation of the financial statements are as follows:

| Currency        |     | Exchange rates |           |           |           |           |           |
|-----------------|-----|----------------|-----------|-----------|-----------|-----------|-----------|
|                 |     | Jun 2021       |           | Dez 2020  |           | Jun 2020  |           |
|                 |     | Close          | Average   | Close     | Average   | Close     | Average   |
| US Dollar       | USD | 1.188          | 1.205     | 1.227     | 1.142     | 1.120     | 1.102     |
| Brazilian Real  | BRL | 5.905          | 6.490     | 6.374     | 5.889     | 6.112     | 5.403     |
| Macao Pataca    | MOP | 9.506          | 9.636     | 9.800     | 9.124     | 8.939     | 8.811     |
| Canadian Dollar | CAD | 1.472          | 1.503     | 1.563     | 1.530     | 1.532     | 1.503     |
| Polish Zloty    | PLN | 4.521          | 4.540     | 4.615     | 4.444     | 4.466     | 4.413     |
| Romanian Leu    | RON | 4.927          | 4.901     | 4.869     | 4.837     | 4.842     | 4.816     |
| Pound Sterling  | GBP | 0.858          | 0.868     | 0.899     | 0.890     | 0.912     | 0.874     |
| Mexican Peso    | MXN | 23.662         | 24.314    | 24.359    | 24.514    | 25.881    | 23.835    |
| Colombian peso  | COP | 4,455.031      | 4,364.846 | 4,191.065 | 4,214.657 | 4,209.227 | 4,061.660 |
| Chinese Yuan    | CNY | 7.674          | 7.796     | 8.023     | 7.874     | 7.922     | 7.751     |
| Corean Won      | WON | 1,341.410      | 1,347.539 | 1,336.000 | 1,345.385 | 1,345.830 | 1,329.270 |
| Japanese Yen    | JPY | 131.430        | 129.868   | 126.490   | 121.846   | 120.660   | 119.288   |

*Currency translation reserve - Net investment hedge and Cost of hedging*

The changes in these captions, net of income tax, for the period are as follows:

| Thousand Euros                        | Net investment hedge | Cost of hedging |
|---------------------------------------|----------------------|-----------------|
| <b>Balance as at 31 December 2020</b> | -291,829             | -62,367         |
| Changes in fair value                 | -128,427             | 10,133          |
| <b>Balance as at 30 June 2021</b>     | -420,256             | -52,234         |

*Dividends*

On 14 April 2021, the Shareholders General Meeting of EDP, S.A. approved the dividends distribution to shareholders of the net profit for the year 2020 in the amount of 753,479 thousand Euros, corresponding to a dividend of 0.19 Euros per share (including the treasury stock dividend). This distribution occurred on 27 April 2021.

## 26. Non-Controlling Interests

This caption is as follows:

| Thousand Euros                                   | Group            |                  |
|--------------------------------------------------|------------------|------------------|
|                                                  | Jun 2021         | Dec 2020         |
| Non-controlling interests in income statement    | 154,315          | 360,501          |
| Non-controlling interests in equity and reserves | 4,380,462        | 3,135,253        |
|                                                  | <b>4,534,777</b> | <b>3,495,754</b> |

The movement by subgroup of the non-controlling interests item is analysed as follows:

| Thousand Euros                        | EDP Renováveis Group | EDP Brasil Group | Other         | Total            |
|---------------------------------------|----------------------|------------------|---------------|------------------|
| <b>Balance as at 31 December 2020</b> | 2,518,461            | 943,167          | 34,126        | 3,495,754        |
| Results                               | 77,472               | 66,358           | 10,485        | 154,315          |
| Dividends                             | -46,919              | -21,252          | -             | -68,171          |
| Currency Exchange differences         | 38,308               | 75,925           | -27           | 114,206          |
| Capital Increases/Decreases           | -20,193              | -50,197          | -             | -70,390          |
| Perimeter variations and Others       | 903,820              | 5,010            | 233           | 909,063          |
| <b>Balance as at 30 June 2021</b>     | <b>3,470,949</b>     | <b>1,019,011</b> | <b>44,817</b> | <b>4,534,777</b> |

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The movement in Perimeter variations and Others reflects, essentially, the dilution effect resulting from EDPR's capital increase, in April 2021 by issuing new shares, not accompanied by EDP, in the amount of 922,152 thousand Euros (see Condensed Consolidated Statements of Changes in Equity and note 6).

## 27. Financial Debt

This caption is as follows:

| Thousand Euros                              | Group             |                   | Company          |                  |
|---------------------------------------------|-------------------|-------------------|------------------|------------------|
|                                             | Jun 2021          | Dec 2020          | Jun 2021         | Dec 2020         |
| <b>Debt and borrowings - Non-current</b>    |                   |                   |                  |                  |
| Bank loans:                                 |                   |                   |                  |                  |
| - EDP Finance B.V. **                       | -7,873            | -8,935            | -                | -                |
| - EDP Brasil Group                          | 243,214           | 200,782           | -                | -                |
| - EDP España Group                          | -                 | 15,067            | -                | -                |
| - EDP Renováveis Group                      | 669,851           | 572,457           | -                | -                |
| - EDP Produção                              | 970               | -                 | -                | -                |
|                                             | 906,162           | 779,371           | -                | -                |
| Non-convertible bond loans:                 |                   |                   |                  |                  |
| - EDP S.A.                                  | 743,320           | 742,779           | 6,193,320        | 6,192,779        |
| - EDP Finance B.V.                          | 7,042,571         | 8,475,687         | -                | -                |
| - EDP Brasil Group                          | 911,282           | 613,880           | -                | -                |
| - EDP España Group                          | 1,052,082         | 1,052,210         | -                | -                |
|                                             | 9,749,255         | 10,884,556        | 6,193,320        | 6,192,779        |
| Hybrid bonds:                               |                   |                   |                  |                  |
| - EDP S.A.                                  | 2,480,622         | 1,737,918         | 2,480,622        | 1,737,918        |
|                                             | 2,480,622         | 1,737,918         | 2,480,622        | 1,737,918        |
| Commercial paper:                           |                   |                   |                  |                  |
| - EDP S.A.                                  | 210,367           | 203,732           | 210,367          | 203,732          |
| - EDP Finance B.V.                          | 189,330           | 183,359           | -                | -                |
| - EDP Brasil Group                          | 50,804            | 62,760            | -                | -                |
|                                             | 450,501           | 449,851           | 210,367          | 203,732          |
| Other loans                                 | 27,131            | 26,741            | -                | -                |
|                                             | 13,613,671        | 13,878,437        | 8,884,309        | 8,134,429        |
| Accrued interest                            | 20,543            | 13,026            | -                | -                |
| Other liabilities:                          |                   |                   |                  |                  |
| - Fair value of the issued debt hedged risk | 109,131           | 132,477           | -                | -                |
| <b>Total Debt and Borrowings</b>            | <b>13,743,345</b> | <b>14,023,940</b> | <b>8,884,309</b> | <b>8,134,429</b> |
| <b>Collateral Deposits - Non-current *</b>  | <b>-24,831</b>    | <b>-22,848</b>    | <b>-</b>         | <b>-</b>         |
|                                             | <b>13,718,514</b> | <b>14,001,092</b> | <b>8,884,309</b> | <b>8,134,429</b> |

\* Deposits constituted as collateral for financial guarantee.

\*\* Deferred discount of origination fees on celebrated RCF, which are currently not used.

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| Thousand Euros                              | Group            |                  | Company          |                  |
|---------------------------------------------|------------------|------------------|------------------|------------------|
|                                             | Jun 2021         | Dec 2020         | Jun 2021         | Dec 2020         |
| <b>Debt and borrowings - Current</b>        |                  |                  |                  |                  |
| Bank loans:                                 |                  |                  |                  |                  |
| - EDP Brasil Group                          | 217,842          | 188,032          | -                | -                |
| - EDP Renováveis Group                      | 104,609          | 77,173           | -                | -                |
| - Other                                     | 3,315            | 3,305            | -                | -                |
|                                             | 325,766          | 268,510          | -                | -                |
| Non-convertible bond loans:                 |                  |                  |                  |                  |
| - EDP S.A.                                  | -                | -                | 250,000          | 1,500,000        |
| - EDP Finance B.V.                          | 1,503,874        | 1,164,278        | -                | -                |
| - EDP Brasil Group                          | 136,005          | 181,219          | -                | -                |
|                                             | 1,639,879        | 1,345,497        | 250,000          | 1,500,000        |
| Commercial paper:                           |                  |                  |                  |                  |
| - EDP S.A.                                  | -                | -                | 1,600,000        | 586,000          |
| - EDP Finance B.V.                          | 200,000          | 155,000          | -                | -                |
| - EDP Brasil Group                          | 16,935           | 123,951          | -                | -                |
| - EDP España Group                          | 35,000           | 100,000          | -                | -                |
|                                             | 251,935          | 378,951          | 1,600,000        | 586,000          |
| Other loans                                 |                  |                  |                  |                  |
| Group Financial System (see note 37)        | -                | -                | 1,023,013        | 1,188,704        |
| - Other                                     | 1,270            | 1,797            | -                | -                |
|                                             | 1,270            | 1,797            | 1,023,013        | 1,188,704        |
| Accrued interest                            | 148,227          | 243,214          | 102,490          | 74,439           |
| Other liabilities:                          |                  |                  |                  |                  |
| - Fair value of the issued debt hedged risk | 20,562           | 24,854           | -                | -                |
| <b>Total Debt and Borrowings</b>            | <b>2,387,639</b> | <b>2,262,823</b> | <b>2,975,503</b> | <b>3,349,143</b> |
| <b>Collateral Deposits - Current *</b>      | <b>-14,593</b>   | <b>-9,221</b>    | <b>-</b>         | <b>-</b>         |
|                                             | <b>2,373,046</b> | <b>2,253,602</b> | <b>2,975,503</b> | <b>3,349,143</b> |

\* Deposits constituted as collateral for financial guarantee.

Non-current Commercial Paper refers to a Commercial Paper program with firm underwriting commitment for a period of over one year, in the amount of 475,000 thousand American Dollars and 300,000 thousand Brazilian Real.

The nominal value of outstanding Bond loans placed with external counterparties issued during 2021, as at 30 June 2021, is as follows:

| Issuer                                                                      | Issue date | Interest rate              | Type of hedge | Conditions / Redemption | Nominal Value in Million Currency | Thousand Euros |         |
|-----------------------------------------------------------------------------|------------|----------------------------|---------------|-------------------------|-----------------------------------|----------------|---------|
|                                                                             |            |                            |               |                         |                                   | Group          | Company |
| Hybrids by EDP S.A.                                                         |            |                            |               |                         |                                   |                |         |
| EDP S.A. (i)                                                                | Jan-21     | Fixed Rate EUR 1.875% (ii) | n.a.          | Aug-81                  | 750 EUR                           | 750,000        | 750,000 |
|                                                                             |            |                            |               |                         |                                   | 750,000        | 750,000 |
| Issued by the EDP Energias do Brasil Group in the Brazilian domestic market |            |                            |               |                         |                                   |                |         |
| EDP São Paulo                                                               | Feb-21     | IPCA + 3.91%               | n.a.          | Jan-26                  | 700 BRL                           | 118,544        | -       |
| EDP Espírito Santo                                                          | Mar-21     | CDI + 1.75%                | n.a.          | Mar-26                  | 275 BRL                           | 46,571         | -       |
| Enerpeixe                                                                   | Feb-21     | IPCA + 3.26%               | n.a.          | Jul-25                  | 500 BRL                           | 84,674         | -       |
| Lajeado Energia                                                             | Jun/21     | CDI + 1.05%                | n.a.          | Dec-22                  | 150 BRL                           | 25,402         | -       |
|                                                                             |            |                            |               |                         |                                   | 275,191        | -       |
|                                                                             |            |                            |               |                         |                                   | 1,025,191      | 750,000 |

(i) There is a call option exercisable at par by EDP at May 2026 and August 2026 and subsequently, on each interest payment date;

(ii) Fixed rate in the first 5.25 years, subsequently updated every 5 years.

Some of the loans contracted by the EDP Group, mainly debt issued under the EMTN, include some usual clauses in this type of operations, namely, "change-of-control", "negative pledge", "pari-passu" and "cross-default" clauses, each one only applicable under a restricted set of circumstances.

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The Group has project finance loans with the usual guarantees for such loans, namely pledges or promissory pledges over shares, bank accounts and assets relating to the projects. As at 30 June 2021, these loans amounted to 685,734 thousand Euros (31 December 2020: 643,984 thousand Euros). At 30 June 2021, the Group confirms the fulfillment of all the covenants of the Project Finance Portfolio under the Facilities Agreements. Additionally, there are 17,561 thousand Euros of other loans that are guaranteed by EDPR.

EDP Group has several credit facilities it uses for liquidity management. EDP Group has short-term credit facilities of 331 million Euros, indexed to Euribor for the agreed period of use with spread conditions agreed in advance, all with a firm underwriting commitment, which as at 30 June 2021 were totally available. Regarding medium-term credit facilities with a firm underwriting commitment, EDP Group has two Revolving Credit Facilities, namely (i) 3,300 million Euros, of which 3,295 million Euros mature in 2024 while the remaining amount matures in 2023; and (ii) 2,240 million Euros, of which 2,095 million Euros mature in 2025 while the remaining amount matures in 2023, both of them totally available as at 30 June 2021.

As at 30 June 2021, future debt and interest payments and origination fees, by type of loan and currency, are as follows:

| Thousand Euros           | Jun 2022  | Dec 2022 | Dec 2023  | Dec 2024  | Dec 2025  | Following years | Total      |
|--------------------------|-----------|----------|-----------|-----------|-----------|-----------------|------------|
| <b>Bank loans:</b>       |           |          |           |           |           |                 |            |
| Euro                     | 42,576    | 13,666   | 31,096    | 25,224    | 11,755    | 970             | 125,287    |
| Brazilian Real           | 168,926   | 24,288   | 105,169   | 46,133    | 38,404    | 254,216         | 637,136    |
| US Dollar                | 98,825    | 8,410    | 17,190    | 19,332    | 19,662    | 242,658         | 406,077    |
| Other                    | 31,575    | 6,945    | 16,546    | 20,093    | 9,860     | 18,486          | 103,505    |
|                          | 341,902   | 53,309   | 170,001   | 110,782   | 79,681    | 516,330         | 1,272,005  |
| <b>Bond loans:</b>       |           |          |           |           |           |                 |            |
| Euro                     | 1,595,627 | 82,883   | 1,614,058 | 1,176,648 | 1,350,000 | 3,227,930       | 9,047,146  |
| Brazilian Real           | 150,261   | 39,982   | 89,046    | 159,234   | 305,271   | 349,520         | 1,093,314  |
| US Dollar                | 19,399    | -        | -         | 841,468   | -         | 715,247         | 1,576,114  |
|                          | 1,765,287 | 122,865  | 1,703,104 | 2,177,350 | 1,655,271 | 4,292,697       | 11,716,574 |
| <b>Hybrid Bonds:</b>     |           |          |           |           |           |                 |            |
| Euro                     | 25,464    | -        | -         | -         | -         | 2,500,000       | 2,525,464  |
|                          | 25,464    | -        | -         | -         | -         | 2,500,000       | 2,525,464  |
| <b>Commercial paper:</b> |           |          |           |           |           |                 |            |
| Euro                     | 235,000   | -        | -         | -         | -         | -               | 235,000    |
| Brazilian Real           | 16,935    | -        | -         | 50,804    | -         | -               | 67,739     |
| US Dollar                | 2,586     | -        | 94,665    | -         | 305,032   | -               | 402,283    |
|                          | 254,521   | -        | 94,665    | 50,804    | 305,032   | -               | 705,022    |
| <b>Other loans:</b>      |           |          |           |           |           |                 |            |
| Euro                     | 2,201     | 499      | 991       | 1,011     | 1,031     | 13,308          | 19,041     |
| Brazilian Real           | 258       | -        | -         | -         | -         | 10,294          | 10,552     |
|                          | 2,459     | 499      | 991       | 1,011     | 1,031     | 23,602          | 29,593     |
| <b>Origination Fees:</b> |           |          |           |           |           |                 |            |
|                          | -1,994    | -4,245   | -32,713   | -7,852    | -6,008    | -64,862         | -117,674   |
|                          | 2,387,639 | 172,428  | 1,936,048 | 2,332,095 | 2,035,007 | 7,267,767       | 16,130,984 |

In accordance with the Group's accounting policies, the financial liabilities whose risks are being hedged by derivative financial instruments and that comply with hedge accounting requirements of IFRS 9, are accounted at fair value. The financial liabilities are booked at amortised cost.

## 28. Employee Benefits

Employee benefits are as follows:

| Thousand Euros                                        | Non-Current |           | Current  |          |
|-------------------------------------------------------|-------------|-----------|----------|----------|
|                                                       | Jun 2021    | Dec 2020  | Jun 2021 | Dec 2020 |
| Provisions for pension liabilities                    | 448,684     | 507,883   | 121,806  | 121,725  |
| Provisions for medical liabilities and other benefits | 594,309     | 630,354   | 73,038   | 82,342   |
|                                                       | 1,042,993   | 1,138,237 | 194,844  | 204,067  |

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The movement in Provisions for employee benefits liabilities for EDP Group is as follows:

| Thousand Euros                                        | Jun 2021       |                   |
|-------------------------------------------------------|----------------|-------------------|
|                                                       | Pensions       | Medical and Other |
| <b>Balance at the beginning of the period</b>         | 629,608        | 712,696           |
| Charge for the period                                 | 2,737          | 11,572            |
| Past service cost (Curtailment/Plan amendments)       | 6,500          | -                 |
| Actuarial (gains)/losses                              | -63,433        | -29,851           |
| Charge-off                                            | -63,984        | -35,894           |
| Surplus/(Deficit) pension funding (see note 22)       | 58,045         | -                 |
| Transfers, reclassifications and exchange differences | 1,017          | 8,824             |
| <b>Balance at the end of the period</b>               | <b>570,490</b> | <b>667,347</b>    |

The components of the consolidated net cost of the plans for employee benefits recognised during the period are as follows:

| Thousand Euros                                  | Jun 2021     |                   |
|-------------------------------------------------|--------------|-------------------|
|                                                 | Pensions     | Medical and Other |
| Current service cost                            | 1,113        | 4,952             |
| Past service cost (Curtailment/Plan amendments) | 6,500        | -                 |
| <b>Operational component (see note 10)</b>      | <b>7,613</b> | <b>4,952</b>      |
| Net interest on the net pensions plan liability | 1,624        | 6,620             |
| <b>Financial component (see note 12)</b>        | <b>1,624</b> | <b>6,620</b>      |
|                                                 | <b>9,237</b> | <b>11,572</b>     |

With reference to 30 June 2021, the net movement of the Provision for pension liabilities period corresponds to a decrease of 59,118 thousands of Euros, of which 60,598 thousands of Euros correspond to the negative net movement seen in Portugal, 1,210 thousands of Euros correspond to the positive net movement seen in Spain and 270 thousands of Euros correspond to the positive net movement seen in Brazil. The movement in the period in Portugal is mainly related to the payment of benefits (negative 60,681 thousand Euros), the recognition of actuarial gains (negative 61,026 thousand Euros) resulting from the valuation of the assets of the portfolio of Pension Plan Fund and the increase of surplus (58,045 thousand Euros).

In turn, the net movement in the Provision period for liabilities for medical care and other benefits corresponds to a decrease of 45,349 thousands of Euros, of which 33,665 thousands of Euros correspond to the negative net movement seen in Portugal, 21,587 thousands of Euros correspond to the negative net movement seen in Spain and 9,903 thousands of Euros correspond to the positive net movement in Brazil. The negative net movement in Portugal is mainly related to the recognition of actuarial gains (negative 29,903 thousand Euros) resulting from the valuation of the assets of the Funds portfolio and the payments made in the period (negative 7,274 thousand Euros). The negative net movement in Spain is mainly due to payments made in the period.

On 30 June 2021, the determination of the cost of current services and net interest was based on the cost estimate for the period actuarially determined on 31 December 2020.

## 29. Provisions

Provisions are as follows:

| Thousand Euros                                                 | Non-Current      |                | Current        |                |
|----------------------------------------------------------------|------------------|----------------|----------------|----------------|
|                                                                | Jun 2021         | Dec 2020       | Jun 2021       | Dec 2020       |
| Provision for legal and labour matters and other contingencies | 100,442          | 97,320         | 3,289          | 2,996          |
| Provision for customer guarantees under current operation      | -                | 2,417          | 12,579         | 19,274         |
| Provision for dismantling and decommissioning                  | 551,732          | 549,378        | 16,792         | 16,792         |
| Provision for other liabilities and charges                    | 367,547          | 343,750        | 104,921        | 221,092        |
|                                                                | <b>1,019,721</b> | <b>992,865</b> | <b>137,581</b> | <b>260,154</b> |

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With reference to 30 June 2021, the movement by nature of the Provisions item at the EDP Group level is presented as follows:

| Thousand Euros                                | Legal, labour and other matters | Guarantees to customers in the context of current activity | Dismantling and Decommissioning | Other risks and charges | Total     |
|-----------------------------------------------|---------------------------------|------------------------------------------------------------|---------------------------------|-------------------------|-----------|
| <b>Balance as at 31 December 2020</b>         | 100,316                         | 21,691                                                     | 566,170                         | 564,842                 | 1,253,019 |
| Perimeter variations (see note 6)             | -401                            | -                                                          | -10,023                         | -                       | -10,424   |
| Charge for the period                         | 7,915                           | -                                                          | -                               | 3,040                   | 10,955    |
| Reversals                                     | -5,896                          | -                                                          | -                               | -1,395                  | -7,291    |
| Charge-off for the period                     | -8,944                          | -                                                          | -9,814                          | -38,808                 | -57,566   |
| Unwinding (see note 12)                       | 6,009                           | -                                                          | 2,452                           | 775                     | 9,236     |
| Increase of the responsibility (see note 14)  | -                               | -                                                          | 12,685                          | -                       | 12,685    |
| Onerous contracts                             | -                               | -9,121                                                     | -                               | -                       | -9,121    |
| Innovative Features Charge-off                | -                               | -                                                          | -                               | -45,091                 | -45,091   |
| Overcompensation revisability CMEC            | -                               | -                                                          | -                               | -36,955                 | -36,955   |
| CMEC                                          | -                               | -                                                          | -                               | 8,734                   | 8,734     |
| "Lesividad"                                   | -                               | -                                                          | -                               | 4,009                   | 4,009     |
| Exchange differences and other                | 4,732                           | 9                                                          | 11,973                          | 13,353                  | 30,067    |
| Reclassification to Liabilities Held for Sale | -                               | -                                                          | -4,919                          | -36                     | -4,955    |
| <b>Balance as at 30 June 2021</b>             | 103,731                         | 12,579                                                     | 568,524                         | 472,468                 | 1,157,302 |

EDP and its subsidiaries' Board of Directors, based on the information provided by its legal advisors and on the analysis of pending law suits, have recognised provisions to cover the losses estimated as probable, related with litigations in progress.

In their ordinary course of business, EDP Group subsidiaries are involved in several litigations and contingencies (of possible risk) of administrative, civil, tax, labour and other natures. These legal, arbitration or other actions, involve customers, suppliers, employees and administrative. In EDP Group and its legal advisors' opinion, the risk of a loss in these actions is not probable, and the outcome will not affect on a material way its consolidated financial position.

The processes whose losses were considered as possible, do not require the recognition of provisions and are periodically reassessed. As at 30 June 2021, there were no significant changes in the losses considered as possible as of 31 December 2020, with the following exception:

i) Within E-Redes – Distribuição de Eletricidade, S.A. (E-Redes) there was a contingency emerging from a lawsuit established by Gás Natural Comercializador, S.A. (GNC), for the undue payment of tariffs for access to networks charged by E-Redes and surplus consumption by Repsol Polimeros, S.A. The situation is related to the attribution of a proper consumption producer status to Repsol Polimeros, S.A. in June 2014, being this energy invoiced only from October 2015 onwards. Taking into account the evolution of the process, the probable contingency amount of 2,308 thousand Euros was updated to 5,579 thousand Euros. In May 2021, the parties entered into an agreement that ended this litigation under which E-Redes undertook to pay GNC the amount of 3,455 thousand Euros, which was fully settled in June 2021.

ii) On 29 July, 2016, the Portuguese Competition Authority (AdC) has notified EDP S.A. and EDP Comercial, S.A. with a notice for alleged violation of competition laws, regarding the process of the commercial campaign done in partnership with Modelo Continente, designated as "Plano EDP Continente". This was an occasional campaign, limited to two years, which was one of several campaigns usually performed by several other market agents. On 5 May, 2017, EDP S.A. and EDP Comercial, S.A. received AdC final decision which applied a fee of 2,900 thousand Euros to EDP S.A. and 25,800 thousand Euros to EDP Comercial. EDP Group is convinced that this campaign has brought real benefits to consumers and competition in markets and that no transgression has been committed. The companies filed their appeal on 19 June 2017 to TCRS. By this court was determined a court hearing that EDP and EDP Comercial would provide security in the amount of 50% of the fine imposed on them by the AdC, and on 19 June 2020, EDP and EDP Comercial provided surety bond and surety in the amounts of 1,450 thousand Euros and 12,900 thousand Euros, respectively. On 30 September, 2020, a judgment was issued by the TCRS, which maintained the conviction of the two companies of the EDP Group, as well as Sonae Group's Companies, having also reduced fines by 10%. Fines were determined at 2,610 thousand Euros and 23,220 thousand Euros for EDP and EDP Comercial, respectively. On 30 October, 2020, EDP and EDP Comercial appealed the condemnatory sentence handed down by the TCRS, to the Lisbon Court of Appeal. On April 6, 2021, the parties were notified of the judgment handed down by the Court of Appeal of Lisbon, through which it decreed the suspension of the proceedings and the preliminary referral of the case to the Court of Justice of the European Union, under the foreseen mechanism Article 267(b) of the Treaty on the Functioning of the European Union. The case was filed at the Registry of the Court of Justice on 26 May, 2021, pending notification of the parties to submit written observations on the questions raised by the Lisbon Court of Appeal. It is expected that the Judgment of the Court of Justice will not be delivered before the end of 2022;

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iii) On 3 September 2018, the Portuguese Competition Authority (AdC) notified EDP Produção with a Statement of Objections, under which EDP Produção is accused of abuse of a dominant position in the secondary regulation band market (a part of the ancillary services market). AdC claims that EDP Produção has deliberately limited the participation of CMEC plants in the secondary regulation market between 2009 and 2014, benefitting its non-CMEC power plants. The alleged benefit, to the detriment of consumers, would be twofold: receiving higher compensation under CMEC annual adjustment regime; profiting from higher market prices in said market. AdC has estimated that the alleged practice of EDP Produção has generated damages to the national electricity system and to consumers of around 140 million Euros. AdC pointed out that the adoption of a Statement of Objections did not determine the result of the investigation, which began in September 2016 and is still in course. On 28 November 2018, EDP Produção presented to AdC its facts about the accusation. On 18 September 2019, AdC has notified EDP Produção of an alleged infraction to competition rules. This contingency was estimated with a value of 48 million Euros and its graduation was assessed as possible. On 30 October 2019, EDP Produção presented an appeal against this decision to the TCRS. On 20 May 2020, EDP Produção was notified of a decision by the TCRS, which, among other things, admitted its Judicial Challenge Appeal, establishing a purely return effect and determining the payment of the fine imposed within 20 days. In this regard, EDP Produção submitted requests, invoking supervening facts for the demonstration of considerable damage, and arguing defects in the decision that determined the attribution of a mere devolution effect to the Judicial Challenge Appeal. On 16 July 2020, EDP was notified of an order which implied the existence of substantial losses if the fine was paid in advance. Thus, the payment order was therefore suspended. On 18 November 2020, EDP Produção was notified of a decision by the Lisbon Court of Appeal, granting the appeal presented by the Public Prosecutor and, consequently, revoking the order of TCRS of 16 July 2020. EDP Produção appealed this judgment to the Constitutional Court on 30 November 2020. On 22 February 2021, EDP Produção was notified of the decision of the Constitutional Court in the sense of not knowing the object of the appeal. The case was returned to the TCRS to establish the effect of the appeal filed, to determine whether EDP Produção must pay a fine or provide a guarantee. By order of the same day, the TCRS has scheduled the trial hearing for 27 September, 7, 11 and 25 October, 4, 8, 18, 22 November and 2 and 6 December 2021; and

iv) On 9 September 2020, Portsines - Terminal Multipurpose de Sines, SA (Portsines) filed an arbitration lawsuit against EDP Produção, to obtain its condemnation in the payment of the amounts relating to port fees, allegedly provided for in the Contract for Provision of Services celebrated between both. In summary, Portsines intends to obtain the condemnation of EDP Produção to the payment of the so-called fixed rate provided for in the Contract, even concerning periods in which there is no unloading of coal destined for the Sines Thermoelectric Power Station, claiming in particular that the referred fee remunerates the investment made by you in said infrastructure and makes its actual use by EDP Produção irrelevant. The amount of the contingency currently amounts to 5,896 thousand Euros. In April 2021 the parties entered into an agreement that provides for the termination of the contract between both parties and that ended the pending cases, that is to say, the Appeal filed by EDP Produção at the Lisbon Court of Appeal, as well as the executions brought by Portsines against the company.

Finally, even if EDP Group classifies its risk as remote, it is important to identify the following litigation:

i) On 27 October 2009 and 5 January 2010, the EDP Group received two tax settlements regarding 2005 and 2006 taxable income for the EDP tax Group, which included an adjustment of 591 million Euros regarding its subsidiary, EDP Internacional SGPS, related to the tax treatment considered by the EDP Group in relation to a capital loss generated with the liquidation of a subsidiary, whose main assets consisted of investments in operating subsidiaries in Brazil, namely EDP Espírito Santo and Enersul. As at 30 June 2021, the amount of this tax contingency amounts to 303 million Euros (31 December 2020: 299 million Euros).

Considering the analysis made, the technical advice received and a favourable binding opinion obtained from the tax authorities in relation to the nature of the transaction occurred in the year of the assessment, the EDP Group considers as remote the risk associated with this matter. Under this analysis, the capital loss is tax deductible for income tax purposes as established in article 75 no. 2 of the Corporate Income Tax Code ("Código do IRC") based on the wording of the law in force at that date (existing article 81).

Given the above, and considering that the EDP Group's tax procedures comply with applicable Portuguese tax legislation at the date of the events, the Group is currently using all available legal means to contest these additional settlements. Thus, following the implied rejection of the hierarchical appeal, EDP presented a judicial claim, on 6 June 2012. In November 2018, EDP Group was notified with a decision in favour. The Treasury filed an appeal on that decision.

### 30. Institutional Partnerships in North America

The caption Institutional partnerships in North America is as follows:

| Thousand Euros                                      | Group     |           |
|-----------------------------------------------------|-----------|-----------|
|                                                     | Jun 2021  | Dec 2020  |
| Deferred income related to benefits provided        | 737,998   | 799,094   |
| Liabilities arising from institutional partnerships | 851,305   | 1,134,448 |
|                                                     | 1,589,303 | 1,933,542 |

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The movements in Institutional partnerships in North America are as follows:

| Thousand Euros                                               | Group            |                  |
|--------------------------------------------------------------|------------------|------------------|
|                                                              | Jun 2021         | Dec 2020         |
| <b>Balance at the beginning of the period</b>                | 1,933,542        | 2,289,784        |
| Proceeds received from institutional investors               | -                | 307,860          |
| Cash paid for deferred transaction costs                     | -135             | -3,310           |
| Cash paid to institutional investors                         | -36,776          | -55,822          |
| Other Income (see note 8)                                    | -86,518          | -201,783         |
| Unwinding (see note 12)                                      | 37,688           | 94,718           |
| Exchange differences                                         | 57,241           | -181,398         |
| Loss of control of companies with Institutional Partnerships | -321,100         | -320,944         |
| Perimeter variations (see note 6)                            | 752              | -                |
| Other                                                        | 4,609            | 4,437            |
| <b>Balance at the end of the period</b>                      | <b>1,589,303</b> | <b>1,933,542</b> |

In the second quarter of 2021, EDP Renováveis has lost control over the Vento XX portfolio upon the completion of the sale of 68% of equity shareholding (see note 6), implying a decrease in the amount of 321,100 thousand Euros in the Institutional partnerships liabilities related to this portfolio.

Under these partnerships, EDP Group provides operating guarantees to institutional investors in wind and solar projects, which are typical of this type of structure. As at 30 June 2021, the liabilities associated with these guarantees are not expected to exceed the amounts already recognized under the caption Liabilities arising from institutional partnerships.

## 31. Trade payables and other liabilities from commercial activities

At Group level, Trade payables and other liabilities from commercial activities are as follows:

| Thousand Euros                                                           | Non-Current      |                  | Current          |                  |
|--------------------------------------------------------------------------|------------------|------------------|------------------|------------------|
|                                                                          | Jun 2021         | Dec 2020         | Jun 2021         | Dec 2020         |
| <b>Contract liabilities:</b>                                             |                  |                  |                  |                  |
| Energy sales contracts - North America                                   | 5,535            | 6 286            | -                | -                |
| Deferred income - CMEC                                                   | 133,195          | 142,482          | 64,469           | 66,053           |
| Amounts received from the Fund for systemic sustainability of the energy | -                | -                | 70,687           | 12,405           |
|                                                                          | <b>138,730</b>   | <b>148,768</b>   | <b>135,156</b>   | <b>78,458</b>    |
| <b>Other liabilities:</b>                                                |                  |                  |                  |                  |
| Investment government grants                                             | 315,569          | 313,235          | -                | -                |
| Customer contract obligations                                            | 202,254          | 202,174          | -                | -                |
| Amounts payable for tariff adjustments - Electricity - Portugal          | 9,405            | 75,093           | 55,909           | 41,479           |
| Amounts payable for tariff adjustments - Electricity - Brazil            | 243,522          | 277,807          | 89,842           | 98,345           |
| Amounts payable - securitisations                                        | -                | -                | 102,865          | 139,192          |
| Amounts payable - CMEC                                                   | -                | -                | 222,361          | 222,245          |
| Amounts payable for concessions                                          | 214,451          | 195,471          | -                | -                |
| Property, plant and equipment suppliers                                  | 2,235            | 2,874            | 554,176          | 1,202,896        |
| Suppliers                                                                | -                | -                | 635,269          | 799,158          |
| Accrued costs related with commercial activities                         | -                | -                | 809,895          | 731,954          |
| Holiday pay, bonus and other charges with employees                      | -                | -                | 129,153          | 168,272          |
| CO2 emission Licenses                                                    | -                | -                | 85,029           | 166,692          |
| Other creditors and sundry operations                                    | 253,172          | 219,584          | 275,317          | 303,522          |
|                                                                          | <b>1,240,608</b> | <b>1,286,238</b> | <b>2,959,816</b> | <b>3,873,755</b> |
|                                                                          | <b>1,379,338</b> | <b>1,435,006</b> | <b>3,094,972</b> | <b>3,952,213</b> |

At Company level, Trade payables and other liabilities from commercial activities are as follows:

| Thousand Euros                                      | Current        |                |
|-----------------------------------------------------|----------------|----------------|
|                                                     | Jun 2021       | Dec 2020       |
| <b>Other liabilities:</b>                           |                |                |
| Suppliers                                           | 281,852        | 390,819        |
| Accrued costs related with commercial activities    | 345,810        | 234,644        |
| Property, plant and equipment suppliers             | 544            | 1,379          |
| Holiday pay, bonus and other charges with employees | 25,651         | 33,133         |
| Other creditors and sundry operations               | 2,499          | 2,584          |
|                                                     | <b>656,356</b> | <b>662,559</b> |

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The caption Deferred income - CMEC is detailed as follows:

| Thousand Euros   | Non-current | Current |
|------------------|-------------|---------|
| Initial CMEC     | 62,846      | 34,632  |
| Final adjustment | 70,349      | 29,837  |
|                  | 133,195     | 64,469  |

Investment government grants are amortised through the recognition of a revenue in the income statement over the useful life of the related assets, which amounts to 10,546 thousand Euros as at 30 June 2021.

The movement for the period in Amounts payable for tariff adjustments - Electricity - Portugal (Non-current and Current) is as follows:

| Thousand Euros                                           | Non-Current | Current |
|----------------------------------------------------------|-------------|---------|
| <b>Balance at the beginning of the period</b>            | 75,093      | 41,479  |
| Payment through the electricity tariff                   | -           | -23,551 |
| Transfer to/from tariff adjustment payable (see note 21) | -27,417     | -290    |
| Transfer from Non-Current to Current                     | -38,271     | 38,271  |
| <b>Balance at the end of the period</b>                  | 9,405       | 55,909  |

The captions Amounts payable and Amounts Receivable for tariff adjustments - Electricity - Brazil, refer to tariff adjustments recognised in EDP São Paulo - Distribuição de Energia S.A. and EDP Espírito Santo - Distribuição de Energia S.A.

| Thousand Euros                                                                  | Non-current |          | Current  |          |
|---------------------------------------------------------------------------------|-------------|----------|----------|----------|
|                                                                                 | Jun 2021    | Dec 2020 | Jun 2021 | Dec 2020 |
| Amounts payable for tariff adjustments - Electricity - Brazil                   | 243,522     | 277,807  | 89,842   | 98,345   |
| Amounts receivable from tariff adjustments - Electricity - Brazil (see note 21) | -18,569     | -49,986  | -82,699  | -35,600  |
|                                                                                 | 224,953     | 227,821  | 7,143    | 62,745   |

The movement for the period in Amounts payable and Amounts Receivable for tariff adjustments - Electricity - Portugal (Non-current and Current) is as follows:

| Thousand Euros                                                        | Jun 2021 |
|-----------------------------------------------------------------------|----------|
| <b>Balance at the beginning of the period</b>                         | 290,566  |
| Tariff adjustment of the period (see note 7)                          | -6,393   |
| Payment/Receipt through the electricity tariff                        | -45,414  |
| Interest expense/income (see note 12)                                 | -3,869   |
| Effect of exchange differences of the Brazilian Real against the Euro | -2,794   |
| <b>Balance at the end of the period</b>                               | 232,096  |

The movement includes the recognition of 34,399 thousand Euros (203,127 thousand Brazilian Real) of the refund and the 3,366 thousand Euros (19,876 thousand Brazilian Real) of unwinding over the amount resulting from the non-inclusion, in 2019, of the amounts of VAT borne in the basis of calculation of PIS and COFINS (1,756,597 thousand Brazilian Real as at 31 December 2019, of which 268,341 thousand Brazilian Reals were returned in 2020 and 2021 through the electricity tariff and unwinding in 2020 and 2021 of 18,788 thousand Brazilian Real).

The caption Amounts payable for concessions includes the concession rights for the operation of the hydric domain of Alqueva and Pedrógão transferred by EDIA in the amount of 136,229 thousand Euros (31 December 2020: 131,577 thousand Euros) and the financial compensation for the use of the public domain related to concession agreements of Investco, S.A. and Enerpeixe, S.A. in Brazil in the amount of 78,223 thousand Euros (31 December 2020: 63,894 thousand Euros).

The caption Property, plant and equipment suppliers - Current refers mainly to the amounts due related with the construction of windfarms and solar parks in North America in the amount of 363,012 thousand Euros (31 December 2020: 789,771 thousand Euros) and in Europe in the amount of 42,090 thousand Euros (31 December 2020: 218,810 thousand Euros).

The caption CO2 emission licenses includes the CO2 consumptions during 2021 in Portugal and Spain, in the amount of 18,596 thousand Euros and 66,433 thousand Euros, respectively (31 December 2020: 103,469 thousand Euros and 63,223 thousand Euros). The variation that occurred includes the consumption for the year. The CO2 emission licences related with the consumptions in a given year are delivered to the regulatory authorities until April of the following year.

The caption Other creditors and sundry operations - Non-current includes the amount of 50,459 thousand Euros related with the reinsurance activity (31 December 2020: 55,155 thousand Euros). The caption Other creditors and sundry operations - Current includes the amount of 14,317 thousand Euros related to tariff adjustment payable (31 December 2020: 14,317 thousand Euros).

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## 32. Other Liabilities and Other Payables

Other liabilities and other payables are as follows:

| Thousand Euros                                                    | Group            |                  | Company          |                |
|-------------------------------------------------------------------|------------------|------------------|------------------|----------------|
|                                                                   | Jun 2021         | Dec 2020         | Jun 2021         | Dec 2020       |
| <b>Other liabilities and other payables - Non-Current</b>         |                  |                  |                  |                |
| <b>Liabilities measured at amortised cost:</b>                    |                  |                  |                  |                |
| Loans from non-controlling interests                              | 431,399          | 409,978          | -                | -              |
| Lease Liabilities                                                 | 996,433          | 955,036          | 146,453          | 149,588        |
| <b>Liabilities measured at fair value through profit or loss:</b> |                  |                  |                  |                |
| Derivative financial instruments (see note 35)                    | 590,613          | 227,228          | 588,104          | 263,309        |
| Amounts payable and contingent prices for acquisitions/sales      | 151,536          | 143,567          | 84,393           | 84,393         |
| <b>Other Liabilities:</b>                                         |                  |                  |                  |                |
| Other creditors and sundry operations                             | 4,824            | 3,639            | -                | -              |
|                                                                   | <b>2,174,805</b> | <b>1,739,448</b> | <b>818,950</b>   | <b>497,290</b> |
| <b>Other liabilities and other payables - Current</b>             |                  |                  |                  |                |
| <b>Liabilities measured at amortised cost:</b>                    |                  |                  |                  |                |
| Loans from non-controlling interests                              | 125,302          | 180,446          | -                | -              |
| Dividends attributed to related companies                         | 16,691           | 55,561           | -                | -              |
| Group companies                                                   | -                | -                | 5,789            | 3,873          |
| Lease Liabilities                                                 | 80,963           | 100,642          | 12,461           | 12,384         |
| <b>Liabilities measured at fair value through profit or loss:</b> |                  |                  |                  |                |
| Derivative financial instruments (see note 35)                    | 1,004,062        | 169,654          | 1,096,508        | 346,612        |
| Amounts payable and contingent prices for acquisitions/sales      | 105,234          | 67,039           | 25,349           | 25,349         |
| <b>Other Liabilities:</b>                                         |                  |                  |                  |                |
| Other creditors and sundry operations                             | 14,846           | 16,775           | 195,220          | 35,119         |
|                                                                   | <b>1,347,098</b> | <b>590,117</b>   | <b>1,335,327</b> | <b>423,337</b> |
|                                                                   | <b>3,521,903</b> | <b>2,329,565</b> | <b>2,154,277</b> | <b>920,627</b> |

The caption Loans from non-controlling interests Current and Non-Current mainly includes:

| Thousand Euros                                                          |                                               | Jun 2021       |
|-------------------------------------------------------------------------|-----------------------------------------------|----------------|
| ACE Portugal (CTG Group)                                                | Fixed rate of 3.75%                           | 29,834         |
| ACE Poland (CTG Group)                                                  | Fixed rate of a range between 1.33% and 7.23% | 89,263         |
| ACE Italy (CTG Group)                                                   | Fixed rate of 4.5%                            | 47,696         |
| CITIC CWEI Renewables (CTG Group)                                       | Fixed rate of 5.5%                            | 20,153         |
| Sonatrach                                                               | Fixed rate of 5.6%                            | 78,399         |
| Macquarie Super Core Infrastructure Fund SD Holdings S.À.R.L. ("MSCIF") | Fixed rate of a range between 0.50% and 2.73% | 280,161        |
|                                                                         |                                               | <b>545,506</b> |

The variation of the caption Amounts payable and contingent prices for acquisitions/sales is mainly due to the recognition of contingent prices in the amount of 30,697 thousand Euros as a result of the acquisition of a portfolio of distributed solar generation in North America in the first trimester of 2021 and the recognition of contingent prices in the amount of 27,383 thousand Euros due to the sale of windfarms in North America in June 2021, the recognition of the costs actually incurred in the construction of the windfarm projects as foreseen in the context of the sale of North America projects in 2020 (decrease of 8,034 thousand Euros) and the review of the fair value of contingent prices recognised as at 31 December 2020 (see note 8).

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The movements in Lease Liabilities - Non Current and Current are as follows:

| Thousand Euros                                 | Jun 2021  |
|------------------------------------------------|-----------|
| <b>Balance at the beginning of the period</b>  | 1,055,678 |
| Charge for the period                          | 99,293    |
| Unwinding of lease liabilities (see note 12)   | 18,629    |
| Lease payments (principal and interests)       | -46,924   |
| Exchange differences                           | 23,831    |
| Perimeter variations and other regularisations | -73,111   |
| <b>Balance at the end of the period</b>        | 1,077,396 |

The perimeter variations and other regularisations include the decrease of 52,937 thousand Euros regarding lease liabilities of windfarms in North America sold in June 2021 and the reclassification of 18,037 thousand Euros regarding lease liabilities of windfarms in Europe classified as non current assets held for sale.

The nominal value of Lease Liabilities, by maturity, is as follows:

| Thousand Euros    | Jun 2021                        |                  |                    |                     |                    |
|-------------------|---------------------------------|------------------|--------------------|---------------------|--------------------|
|                   | Capital outstanding by maturity |                  |                    |                     |                    |
|                   | Total                           | Less than 5 year | From 5 to 10 years | From 10 to 15 years | More than 15 years |
| Lease Liabilities | 1,706,105                       | 481,771          | 332,339            | 298,853             | 593,142            |

### 33. Tax Liabilities

Tax liabilities are as follows:

| Thousand Euros        | Group    |          | Company  |          |
|-----------------------|----------|----------|----------|----------|
|                       | Jun 2021 | Dec 2020 | Jun 2021 | Dec 2020 |
| <b>Non Current</b>    |          |          |          |          |
| Special tax Brazil    | 145,646  | 122,743  | -        | -        |
| <b>Current</b>        |          |          |          |          |
| Income tax            | 107,526  | 47,859   | 14,723   | 15,044   |
| Withholding tax       | 52,603   | 35,730   | 1,220    | 1,256    |
| Value Added Tax (VAT) | 119,093  | 141,399  | 734      | 3,777    |
| Special taxes Brazil  | 66,909   | 71,911   | -        | -        |
| CESE                  | 51,698   | -        | -        | -        |
| Other taxes           | 114,624  | 101,735  | 1,173    | 1,145    |
|                       | 512,453  | 398,634  | 17,850   | 21,222   |
|                       | 658,099  | 521,377  | 17,850   | 21,222   |

### 34. Non-Current Assets and Liabilities Held for Sale

This caption is as follows:

| Thousand Euros                                     | Group    |          |
|----------------------------------------------------|----------|----------|
|                                                    | Jun 2021 | Dec 2020 |
| <b>Assets held for sale</b>                        |          |          |
| Electricity generation assets - Offshore wind      | 15,752   | 12,306   |
| Electricity supply (B2C) assets - Spain            | -        | 9,942    |
| Electricity generation assets - Onshore wind       | 473,405  | -        |
|                                                    | 489,157  | 22,248   |
| <b>Liabilities held for sale</b>                   |          |          |
| Electricity generation liabilities - Offshore wind | -        | 111      |
| Electricity generation assets - Onshore wind       | 187,516  | -        |
|                                                    | 187,516  | 111      |
|                                                    | 301,641  | 22,137   |

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The assets and liabilities associated with Moray West Holdings Limited remain classified as non-current assets and liabilities held for sale under the sale plan that the EDPR Group has entered into in the past.

In the second quarter of 2020, the EDP Group agreed to sell a portfolio of two CCGTs power plants (Castejón I & III), with 843 MW of installed capacity located in Navarra, North of Spain and the B2C energy supply business in Spain, which includes 1.2 million clients in free market, and the 50% stake in our joint venture with CIDE for electricity supply in this segment (CHC Energia). This transaction was partially completed in December 2020. Furthermore, following CIDE's exercise of its preferential right for the acquisition of EDP's 50% shareholding in CHC Energia, EDP and CIDE have reached an agreement for the acquisition by CIDE which was completed in the first quarter of 2021 (see note 6).

During the second quarter of 2021, EDPR Group started the process of selling onshore wind portfolios in Europe. Assets and liabilities associated with these portfolios were presented in non-current assets and liabilities held for sale.

As at 30 June 2021 the following reclassifications were made to held for sale:

| Thousand Euros                              | Renewables   |               | Total    |
|---------------------------------------------|--------------|---------------|----------|
|                                             | Onshore wind | Offshore wind |          |
| <b>Assets</b>                               |              |               |          |
| Property, plant and equipment (see note 14) | -392,033     | -             | -392,033 |
| Right-of-use assets (see note 15)           | -18,273      | -             | -18,273  |
| Other assets                                | -54,837      | -3,446        | -58,283  |
| Cash and cash equivalents (see note 24)     | -8,262       | -             | -8,262   |
| Assets Held for Sale                        | 473,405      | 3,446         | 476,851  |
|                                             | -            | -             | -        |
| <b>Liabilities</b>                          |              |               |          |
| Financial debt                              | -154,714     | -             | -154,714 |
| Provisions (see note 29)                    | -4,955       | -             | -4,955   |
| Other liabilities                           | -27,847      | 111           | -27,736  |
| Liabilities Held for Sale                   | 187,516      | -111          | 187,405  |
|                                             | -            | -             | -        |

These reclassifications were made only for financial statement presentation purposes, without impact on the measurement of these assets and liabilities, as it is expected that the fair value less costs to sell is higher than its book value, in accordance with IFRS 5.

## 35. Derivative Financial Instruments

In accordance with IFRS 9, the Group classifies derivative financial instruments as fair value hedge of a recognised asset or liability (Fair value hedge), as cash flow hedge of recognised liabilities and highly probable future transactions (Cash flow hedge), as net investment hedge in foreign operations (Net investment hedge), or as held for trading, if or when they are not eligible for hedge accounting.

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The fair value of the derivative financial instruments in EDP Group is as follows:

| Thousand Euros                              | Jun 2021         |                   | Dec 2020       |                 |
|---------------------------------------------|------------------|-------------------|----------------|-----------------|
|                                             | Assets           | Liabilities       | Assets         | Liabilities     |
| <b>Net Investment hedge</b>                 |                  |                   |                |                 |
| Cross-currency interest rate swaps          | 46,796           | -37,289           | 83,532         | -23,822         |
| Currency forwards                           | 430              | -20,951           | 5,544          | -38             |
| <b>Fair value hedge</b>                     |                  |                   |                |                 |
| Interest rate swaps                         | 47,500           | -                 | 70,515         | -               |
| Cross-currency interest rate swaps          | 12,474           | -1,257            | 27,320         | -3,974          |
| <b>Cash flow hedge</b>                      |                  |                   |                |                 |
| Interest rate swaps                         | 141              | -13,330           | 2,287          | -24,852         |
| Swaps related to gas commodity              | 377,992          | -573,687          | 153,253        | -156,716        |
| Electricity swaps                           | 74,274           | -191,014          | 24,219         | -34,235         |
| Currency forwards for commodities           | 57,152           | -13,283           | 54,046         | -22,770         |
| <b>Trading</b>                              |                  |                   |                |                 |
| Interest rate swaps                         | -                | -5,346            | -              | -6,054          |
| Cross-currency interest rate swaps          | 6,542            | -5,888            | 1,089          | -432            |
| Commodity swaps and forwards                | 357,126          | -363,557          | 146,877        | -97,339         |
| Currency forwards                           | 5,354            | -7,691            | 3,006          | -4,528          |
| CO2 forwards                                | 5,274            | -30,055           | -              | -3,843          |
| Currency forwards associated to commodities | 396,617          | -329,572          | 29,592         | -18,279         |
| Commodity options                           | 1,320            | -1,755            | 4,148          | -               |
|                                             | <b>1,388,992</b> | <b>-1,594,675</b> | <b>605,428</b> | <b>-396,882</b> |

The management of financial risk of EDP, S.A. and other EDP Group companies, is carried out centrally by EDP, S.A. (note 5). On this basis, EDP, S.A. negotiates derivative financial instruments with external entities to hedge its own individual business risks, as well as for other companies of the Group, performing for these entities' as an intermediate in their contracting.

The fair value of the derivative financial instruments at Company level is as follows:

| Thousand Euros                              | Jun 2021         |                   | Dec 2020       |                 |
|---------------------------------------------|------------------|-------------------|----------------|-----------------|
|                                             | Assets           | Liabilities       | Assets         | Liabilities     |
| <b>Cash flow hedge</b>                      |                  |                   |                |                 |
| Swaps related to gas commodity              | 30,491           | -213,633          | 27,101         | -80,913         |
| Electricity swaps                           | 184,781          | -12,615           | 57,387         | -2,434          |
| Currency forwards for commodities           | 49,142           | -3,777            | 39,768         | -7,766          |
| <b>Trading</b>                              |                  |                   |                |                 |
| Interest rate swaps                         | 40,578           | -43,202           | 69,493         | -73,850         |
| Cross-currency interest rate swaps          | 96,864           | -79,222           | 96,906         | -88,240         |
| Commodity swaps                             | 1,544,034        | -1,251,777        | 417,217        | -305,455        |
| Currency forwards                           | 11,010           | -9,902            | 6,847          | -6,700          |
| Commodity forwards                          | 35,135           | -51,943           | 3,341          | -7,535          |
| Currency forwards associated to commodities | 34,316           | -13,655           | 46,111         | -32,960         |
| Commodity options                           | 4,374            | -4,886            | 7,895          | -4,068          |
|                                             | <b>2,030,725</b> | <b>-1,684,612</b> | <b>772,066</b> | <b>-609,921</b> |

The fair value of derivative financial instruments is booked in Other debtors and other assets (see note 22) and Other liabilities and other payables (see note 32), according to its nature.

As at 30 June 2021, the following market inputs were considered for the fair value calculation:

| Instrument                  | Fair value indexed to the following market inputs                                                                                                                                                                                          |
|-----------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Cross-curr. int. rate swaps | Interest rates: Euribor 3M, Euribor 6M, Libor 3M, Libor 6M, Daily CDI, Wibor 3M, Wibor 6M, CAD Libor 3M, Robor 3M and Colombia Overnight Interbank; and exchange rates: EUR/GBP, EUR/BRL, EUR/PLN, EUR/CAD, EUR/RON, EUR/COP, and EUR/USD. |
| Interest rate swaps         | Interest rates: Euribor 3M, Euribor 6M, Wibor 6M, US Libor 3M and CAD Libor 3M.                                                                                                                                                            |
| Currency forwards           | Exchange rates: EUR/USD, EUR/PLN, EUR/BRL, EUR/GBP, EUR/HUF, BRL/USD, BRL/CNY, COP/USD and MXN/USD.                                                                                                                                        |
| Commodity swaps             | Market quotes of commodities: Brent, NBP Natural Gas, Electricity, Henry Hub, TTF, Coal, CO2 and JKM.                                                                                                                                      |

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## 36. Commitments

Operating guarantees granted by EDP Group, not included in the consolidated statement of financial position nor in the Notes, are as follows:

| Thousand Euros              | Group            |                  | Company          |                |
|-----------------------------|------------------|------------------|------------------|----------------|
|                             | Jun 2021         | Dec 2020         | Jun 2021         | Dec 2020       |
| <b>Operating guarantees</b> |                  |                  |                  |                |
| EDP S.A.                    | 506,665          | 440,724          | 506,665          | 440,724        |
| EDP España Group            | 92,621           | 87,851           | -                | -              |
| EDP Brasil Group            | 169,865          | 159,325          | -                | -              |
| EDP Renováveis Group        | 1,551,997        | 1,444,576        | 1,551,997        | -              |
|                             | <b>2,321,148</b> | <b>2,132,476</b> | <b>2,058,662</b> | <b>440,724</b> |

The operating guarantees which are not included in the consolidated statement of financial position or in the Notes, as at 31 December 2020 and 2019, mainly refer to Power Purchase Agreements (PPA), interconnection, permits and market participation guarantees.

Additionally to the above guarantees, an amount of 200 thousand Euros refer to guarantees of operational nature related to the Spanish portfolio of companies that were sold in 2020 although EDPR assumes temporarily the responsibility under such guarantees until these are effectively replaced. Further, additionally to the above guarantees, an amount of 95,149 thousand Euros of guarantees of operational nature refer to certain European companies that are classified as held-for-sale as at 30 June 2021 (see note 34).

In addition to the guarantees identified above, EDP Group provides financial and operating guarantees related to liabilities assumed by joint ventures and associates in the amount of 501,796 thousand Euros and 223,530 thousand Euros, respectively (31 December 2020: 492,364 thousand Euros and 309,806 thousand Euros).

The remaining financial and operating guarantees granted by EDP Group have underlying liabilities that are already reflected in its consolidated statement of financial position and/or disclosed in the Notes.

In the Group, the commitments relating to future cash outflows not reflected in the measurement of the lease liabilities and purchase obligations are disclosed, by maturity, as follows:

| Thousand Euros                                                                 | Jun 2021                        |                  |                   |                   |                   |
|--------------------------------------------------------------------------------|---------------------------------|------------------|-------------------|-------------------|-------------------|
|                                                                                | Capital outstanding by maturity |                  |                   |                   |                   |
|                                                                                | Total                           | Less than 1 year | From 1 to 3 years | From 3 to 5 years | More than 5 years |
| Future cash outflows not reflected in the measurement of the lease liabilities | 45,779                          | 8,557            | 9,618             | 4,581             | 23,023            |
| Purchase obligations                                                           | 24,582,637                      | 5,171,917        | 4,388,013         | 2,727,304         | 12,295,403        |
|                                                                                | <b>24,628,416</b>               | <b>5,180,474</b> | <b>4,397,631</b>  | <b>2,731,885</b>  | <b>12,318,426</b> |

At Company level, the commitments relating to future cash outflows not reflected in the measurement of the lease liabilities and purchase obligations are disclosed, by maturity, as follows:

| Thousand Euros       | Jun 2021                        |                  |                   |                   |                   |
|----------------------|---------------------------------|------------------|-------------------|-------------------|-------------------|
|                      | Capital outstanding by maturity |                  |                   |                   |                   |
|                      | Total                           | Less than 1 year | From 1 to 3 years | From 3 to 5 years | More than 5 years |
| Purchase obligations | 5,814,408                       | 353,450          | 702,393           | 667,348           | 4,091,217         |
|                      | <b>5,814,408</b>                | <b>353,450</b>   | <b>702,393</b>    | <b>667,348</b>    | <b>4,091,217</b>  |

## 37. Related Parties

### Balances with EDP Pension and Medical and Death Subsidy Funds

Following the decision and implementation of the autonomisation of the Medical Plan and Death Subsidy Plan in Portugal, EDP Group expects to make additional contributions in the coming years, and until the end of 2027, totaling around 150 million Euros, of which around 23 million Euros in 2021, in line with the financing plan approved by the Supervisory Authority of Insurance and Pension Funds (ASF).

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**Balances and transactions with subsidiaries, joint ventures and associates**

In their ordinary course of business, EDP Group companies establish commercial transactions and operations with other Group companies, whose terms reflect current market conditions.

The credits and debits over subsidiaries, joint ventures and associates, at Company level, are as follows:

**Credits held**

| Thousand Euros                                 | 30 June 2021                     |                                      |               |           |
|------------------------------------------------|----------------------------------|--------------------------------------|---------------|-----------|
|                                                | Intra-Group<br>Financial<br>Mov. | Loans and<br>Interests<br>receivable | Other Credits | Total     |
| EDP Comercial, S.A.                            | -                                | 46,210                               | 211,882       | 258,092   |
| E-Redes – Distribuição de Eletricidade, S.A    | -                                | 1,503,609                            | 12,696        | 1,516,305 |
| EDP Finance B.V.                               | -                                | 111,294                              | 1,491         | 112,785   |
| EDP Produção, S.A.                             | -                                | 809,763                              | 505,058       | 1,314,821 |
| Hidrocantábrico Distribucion Eléctrica, S.A.U. | -                                | -                                    | 37,372        | 37,372    |
| EDP Renováveis, S.A.                           | -                                | -                                    | 45,325        | 45,325    |
| EDP Servicios Financieros España, S.A.U.       | 1,023,195                        | -                                    | 10,705        | 1,033,900 |
| SU Electricidade, S.A.                         | 105,868                          | 300,375                              | 3,286         | 409,529   |
| EDP Renewables Europe, S.L.U.                  | -                                | -                                    | 170,042       | 170,042   |
| EDP Clientes, S.A.                             | -                                | -                                    | 386,499       | 386,499   |
| Other                                          | -                                | 82,250                               | 238,643       | 320,893   |
|                                                | 1,129,063                        | 2,853,501                            | 1,622,999     | 5,605,563 |

The amount of 111,294 thousand Euros refers to one private placement by EDP S.A. of one bond issued by EDP Finance B.V.

**Debits held**

| Thousand Euros                              | 30 June 2021                     |                                   |                 |           |
|---------------------------------------------|----------------------------------|-----------------------------------|-----------------|-----------|
|                                             | Intra-Group<br>Financial<br>Mov. | Loans and<br>Interests<br>payable | Other<br>Debits | Total     |
| E-Redes – Distribuição de Eletricidade, S.A | 1 367                            | -                                 | 12,044          | 13,411    |
| EDP Finance B.V.                            | -                                | 7,377,732                         | 40,673          | 7,418,405 |
| EDP Renováveis Servicios Financieros, S.A.  | -                                | -                                 | 38,184          | 38,184    |
| EDP Produção, S.A.                          | 867,674                          | -                                 | 512,093         | 1,379,767 |
| EDP Renováveis, S.A.                        | -                                | -                                 | 34,274          | 34,274    |
| SU Electricidade, S.A.                      | -                                | -                                 | 87,686          | 87,686    |
| EDP España, S.A.U.                          | -                                | -                                 | 86,230          | 86,230    |
| EDP Clientes, S.A.                          | -                                | -                                 | 193,156         | 193,156   |
| EDP GÁS.COM - Comércio de Gás Natural, S.A. | 36,190                           | -                                 | 43,065          | 79,255    |
| Other                                       | 117,782                          | -                                 | 108,304         | 226,086   |
|                                             | 1,023,013                        | 7,377,732                         | 1,155,709       | 9,556,454 |

At 30 June 2021, the amount of 7,377,732 thousand Euros includes five intragroup bonds issued by EDP Finance BV and acquired by EDP S.A., with fixed and variable rate and a term to maturity up to 10 years.

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Expenses and income related to Subsidiaries, Joint Ventures and Associates, at Company level, are as follows:

**Expenses**

| Thousand Euros                           | 30 June 2021                           |                            |              |         |
|------------------------------------------|----------------------------------------|----------------------------|--------------|---------|
|                                          | Interest on Intra-Group Financial Mov. | Interest on Loans Obtained | Other Losses | Total   |
| EDP Finance B.V.                         | -                                      | 47,423                     | 16,749       | 64,172  |
| EDP Produção, S.A.                       | -                                      | -                          | 477,256      | 477,256 |
| EDP España, S.A.U.                       | -                                      | -                          | 23,839       | 23,839  |
| EDP Clientes, S.A.                       | -                                      | -                          | 20,109       | 20,109  |
| EDP Servicios Financieros España, S.A.U. | 1,161                                  | -                          | -            | 1,161   |
| Other                                    | 7                                      | -                          | 49,860       | 49,867  |
|                                          | 1,168                                  | 47,423                     | 587,813      | 636,404 |

**Income**

| Thousand Euros                               | 30 June 2021                           |                           |             |           |
|----------------------------------------------|----------------------------------------|---------------------------|-------------|-----------|
|                                              | Interest on Intra-Group Financial Mov. | Interest on Loans Granted | Other Gains | Total     |
| EDP Comercial, S.A.                          | 4                                      | 280                       | 484,264     | 484,548   |
| E-Redes – Distribuição de Eletricidade, S.A. | 7                                      | 8,772                     | 19,125      | 27,904    |
| EDP Produção, S.A.                           | -                                      | 6,622                     | 135,786     | 142,408   |
| EDP Finance B.V.                             | -                                      | 3,302                     | 21,398      | 24,700    |
| EDP Renewables Europe, S.L.U.                | -                                      | -                         | 96,485      | 96,485    |
| EDP Renováveis, S.A.                         | -                                      | -                         | 126,354     | 126,354   |
| EDP GÁS.COM - Comércio de Gás Natural, S.A.  | -                                      | 109                       | 98,663      | 98,772    |
| SU Eletricidade, S.A.                        | 45                                     | 2,190                     | 4,609       | 6,844     |
| Other                                        | -                                      | 912                       | 207,494     | 208,406   |
|                                              | 56                                     | 22,187                    | 1,194,178   | 1,216,421 |

Other gains include income from equity investments of 61,669 thousand Euros (see note 12).

Assets, liabilities and transactions with related companies, for the Group, are as follows:

**Assets and Liabilities**

| Thousand Euros                                      | 30 June 2021 |             |           |
|-----------------------------------------------------|--------------|-------------|-----------|
|                                                     | Assets       | Liabilities | Net Value |
| <b>Joint Ventures</b>                               |              |             |           |
| OW Offshore, S.L.                                   | 399,483      | 130         | 399,353   |
| SCNET - Sino-Portuguese Centre                      | -            | 1,080       | -1,080    |
| HC Tudela Cogeneración, S.L.                        | 7,601        | 1,596       | 6,005     |
| Empresa de Energia São Manoel, S.A.                 | 20,010       | 502         | 19,508    |
| Other                                               | 891          | 851         | 40        |
|                                                     | 427,985      | 4,159       | 423,826   |
| <b>Associates</b>                                   |              |             |           |
| Parque Eólico Sierra del Madero, S.A.               | 5,621        | -           | 5,621     |
| Parque Eólico Belmonte, S.A.                        | 1,008        | -           | 1,008     |
| Centrais Elétricas de Santa Catarina, S.A. - Celesc | 2,992        | -           | 2,992     |
| Solar Works! B.V.                                   | 2,313        | -           | 2,313     |
| Unión de Generadores de Energía, S.L.               | 2            | 221         | -219      |
| Other                                               | 1,925        | 34          | 1,891     |
|                                                     | 13,861       | 255         | 13,606    |
|                                                     | 441,846      | 4,414       | 437,432   |

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### Transactions

| Thousand Euros                               | 30 June 2021     |                  |                    |                    |
|----------------------------------------------|------------------|------------------|--------------------|--------------------|
|                                              | Operating Income | Financial Income | Operating Expenses | Financial Expenses |
| <b>Joint Ventures</b>                        |                  |                  |                    |                    |
| Companhia Energética do JARI - CEJA          | 100              | -                | 1,101              | -                  |
| HC Tudela Cogeneración, S.L.                 | 2,605            | 7                | 2,098              | -                  |
| Empresa de Energia São Manoel, S.A.          | 13,784           | -                | 3,052              | -                  |
| Empresa de Energia Cachoeira Caldeirão, S.A. | 448              | -                | -                  | -                  |
| Other                                        | 510              | 1                | 403                | -                  |
|                                              | 17,447           | 8                | 6,654              | -                  |
| <b>Associates</b>                            |                  |                  |                    |                    |
| Eos Pax Ila, S.L.                            | 336              | -                | -                  | -                  |
| Eólica de São Julião, Lda                    | 1,011            | -                | -                  | -                  |
| Parque Eólico Belmonte, S.A.                 | 283              | 12               | -                  | -                  |
| Parque Eólico Sierra del Madero, S.A.        | 4                | 119              | -                  | -                  |
| Other                                        | 339              | 69               | 10                 | -                  |
|                                              | 1,973            | 200              | 10                 | -                  |
|                                              | 19,420           | 208              | 6,664              | -                  |

During 2021, EDP Group contributed with 9,450 thousand Euros of donations to Fundação EDP (see note 11).

## 38. Fair Value of Financial Assets and Liabilities

The fair value of financial assets and liabilities is as follows:

| Thousand Euros                                                  | Jun 2021        |            |            | Dec 2020        |            |            |
|-----------------------------------------------------------------|-----------------|------------|------------|-----------------|------------|------------|
|                                                                 | Carrying amount | Fair value | Difference | Carrying amount | Fair value | Difference |
| <b>Assets</b>                                                   |                 |            |            |                 |            |            |
| Equity instruments at fair value                                | 190,306         | 190,306    | -          | 184,748         | 184,748    | -          |
| Investment property                                             | 22,779          | 22,779     | -          | 21,378          | 21,378     | -          |
| Debtors/other assets from commercial                            | 7,094,303       | 7,094,303  | -          | 6,292,623       | 6,292,623  | -          |
| Other debtors and other assets                                  | 1,278,568       | 1,278,568  | -          | 1,266,113       | 1,266,113  | -          |
| Derivative financial instruments                                | 1,388,992       | 1,388,992  | -          | 605,428         | 605,428    | -          |
| Collateral deposits/financial debt                              | 39,424          | 39,424     | -          | 32,069          | 32,069     | -          |
| Cash and cash equivalents                                       | 1,531,195       | 1,531,195  | -          | 2,954,302       | 2,954,302  | -          |
|                                                                 | 11,545,567      | 11,545,567 | -          | 11,356,661      | 11,356,661 | -          |
| <b>Liabilities</b>                                              |                 |            |            |                 |            |            |
| Financial debt                                                  | 16,130,984      | 16,861,906 | 730,922    | 16,286,763      | 17,100,948 | 814,185    |
| Suppliers and accruals                                          | 1,189,445       | 1,189,445  | -          | 2,002,054       | 2,002,054  | -          |
| Institutional partnerships                                      | 1,589,303       | 1,589,303  | -          | 1,933,542       | 1,933,542  | -          |
| Trade payables and other liabilities from commercial activities | 2,969,296       | 2,969,296  | -          | 2,869,756       | 2,869,756  | -          |
| Other liabilities and other payables                            | 1,927,228       | 1,927,228  | -          | 1,932,683       | 1,932,683  | -          |
| Derivative financial instruments                                | 1,594,675       | 1,594,675  | -          | 396,882         | 396,882    | -          |
|                                                                 | 25,400,931      | 26,131,853 | 730,922    | 25,421,680      | 26,235,865 | 814,185    |

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According to IFRS 13 requirements, EDP Group established the way it obtains the fair value of its financial assets and liabilities. The levels used are defined as follows:

| Thousand Euros                                                                                  | Jun 2021 |           |         | Dec 2020 |           |         |
|-------------------------------------------------------------------------------------------------|----------|-----------|---------|----------|-----------|---------|
|                                                                                                 | Level 1  | Level 2   | Level 3 | Level 1  | Level 2   | Level 3 |
| <b>Financial assets</b>                                                                         |          |           |         |          |           |         |
| Equity instruments at fair value through other comprehensive income (see note 19)               | -        | 93,599    | 29,495  | -        | 89,821    | 27,290  |
| profit or loss (see note 19)                                                                    | -        | -         | 67,212  | -        | -         | 67,637  |
| Tariff deficit at fair value through other comprehensive income (see note 21)                   | -        | 681,892   | -       | -        | 423,324   | -       |
| Amounts receivable from concessions-IFRIC 12 at fair value through profit or loss (see note 21) | -        | 656,628   | -       | -        | 547,103   | -       |
| Investment property                                                                             | -        | 22,779    | -       | -        | 21,378    | -       |
| Derivative financial instruments (see note 35)                                                  | -        | 1,388,992 | -       | -        | 605,428   | -       |
|                                                                                                 | -        | 2,843,890 | 96,707  | -        | 1,687,054 | 94,927  |
| <b>Financial liabilities</b>                                                                    |          |           |         |          |           |         |
| Derivative financial instruments (see note 35)                                                  | -        | 1,594,675 | -       | -        | 396,882   | -       |
|                                                                                                 | -        | 1,594,675 | -       | -        | 396,882   | -       |

## 39. Relevant or Subsequent Events

### Notes buyback

On 1 July 2021, as a result of a "Tender Offer", EDP SA acquired €647M of the "2.625% NOTES DUE JANUARY 18, 2022", "2.3750% NOTES DUE MARCH 23, 2023", "1.8750% NOTES DUE SEPTEMBER 29, 2023" and "1.125% NOTES DUE FEBRUARY 12, 2024", both issued by EDP's subsidiary, EDP Finance BV.

### Sale of 503 million Euros of Portuguese tariff deficit

On 20 July 2021, EDP Serviço Universal, S.A., the last resort supplier of the Portuguese electricity system, agreed the non-recourse sale of the 2021 tariff deficit, related with special regime generation, for a total amount of 503 million Euros.

### EDP enters the UK onshore market with a 544 MW wind and solar portfolio

On 20 July 2021, EDP announced, through its owned subsidiary EDP Renováveis, has reached agreements to acquire a 544 MW wind and solar portfolio in the UK.

The Transaction has been reached through two separate agreements with Vento Ludens and Wind2 for a total consideration of up to 71 million GBP.

### Asset rotation deal for wind farms in Portugal

On 21 July de 2020, EDP, through its owned subsidiary EDP Renováveis, signed a Sale and Purchase Agreement with Onex Renewables, to sell a 100% equity stake in a 221 MW wind portfolio wich covers 5 wind farms in Portugal.

The total enterprise value of the transaction amounts to 530 million Euros, which translates to an implied enterprise value of 2.4 million Euros/MW. The transaction is subject to regulatory and other precedent conditions.

### Asset rotation in Brazil

In July 2021, the requirements defined in IFRS 5 - Non-current assets held for sale were met, for the classification of a group of assets and liabilities corresponding to 437 KM of Transmission Lines in Brazil as non-current assets and liabilities held for sale. Because these conditions were not fulfilled at 30 June 2021, assets and liabilities were not classified as such in the financial statements as at 30 June 2021.

### Power purchase agreement for a solar project in USA

On 27 July 2021, EDP announced that has closed a 25-year Power Purchase Agreement to sell the green energy produced by a 200 MW solar project located in the State of Arizona and is expected to enter in operation in 2023.

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## 40. EDP Branch in Spain

The aim of EDP - Energias de Portugal - Sociedade Anónima, Sucursal en España is to manage and coordinate the energy interests of subsidiaries depending from EDP Group in Spain, organised through managing and monitoring structures, in order to ensure the maximum synergy and value creation in the operations and activities in Spain, also assuming itself as an organizational platform to lead the Iberian integration of shared and support services (back and middle offices). On this basis, interests in EDP Servicios Financieros (España), S.A.U. and EDP España, S.A.U. are directly allocated to the assets of EDP Sucursal, as well as the majority interest in EDP Renováveis, S.A.

The Spanish branch of EDP has offices in Madrid and Oviedo. From a formal and legal point of view, the representation of the Spanish branch of EDP before third parties is ensured through the permanent representatives, which are members of the Executive Board of Directors of EDP, mandated for that purpose.

The structure of direction, coordination, management and representation of the Spanish branch of EDP is composed by an Executive Committee, a Management Committee and by direct representation on Iberian scope EDP Management Committees.

The Executive Committee is composed essentially by five permanent representatives, a Corporate General Director (Group Controller for the activities in Spain) and by first line directors of the business units in Spain, which constitute the main direction and coordination body of the Branch, being responsible for the coordination of the activities of the permanent representatives and of the Management Committee. The Management Committee is chaired by the Corporate General Director and is composed by the natural extension of the Departments of the Corporate Centre of EDP in Spain, namely the Department of M&A ("Direcção de Projectos e Novos Negócios"), Department of Legal Affairs ("Direcção de Assessoria Jurídica"), Department of Internal Audit ("Direcção de Auditoria"), Department of Administration and Finance ("Direcção de Administração e Finanças"), Department of Human Resources ("Direcção de Recursos Humanos"), Department of EDP Spain Foundation ("Direcção da Fundação EDP Espanha"), Department of Regulation ("Direcção de Regulação"), IT Department ("Direcção de Sistemas de Informação") and Department of Environment, Sustainability, Innovation and Quality ("Direcção de Ambiente, Sustentabilidade, Inovação e Qualidade") ensuring in a homogeneous way the functions of these departments transversally to the Spanish territory, being provided with 213 human resources as at 30 June 2021, including 129 in its own payroll. Lastly, the Spanish branch of EDP has direct representation on Iberian scope EDP Management Committees, particularly the Energy Planning, Price and Volume, Markets, Distribution Networks, Commercial and Production Committees.

The Statement of Financial Position of the Branch is as follows:

| Thousand Euros                                     | EDP Branch       |                  |
|----------------------------------------------------|------------------|------------------|
|                                                    | Jun 2021         | Dec 2020         |
| Investments in subsidiaries:                       |                  |                  |
| - EDP Renováveis, S.A.                             | 4,154,431        | 4,154,431        |
| - EDP España, S.A.U.                               | 2,105,002        | 2,105,002        |
| - EDP Servicios Financieros (España), S.A.U.       | 482,695          | 482,695          |
| - EDP International Investments and Services, S.L. | 988,849          | 988,849          |
| Deferred tax assets                                | 52,408           | 53,020           |
| Other debtors and others assets                    | 8,839            | 9,358            |
| <b>Total Non-Current Assets</b>                    | <b>7,792,224</b> | <b>7,793,355</b> |
| Other debtors and others assets                    | 114,205          | 176,365          |
| Tax receivable                                     | 48,542           | 39,515           |
| Cash and cash equivalents                          | 1,023,434        | 854,129          |
| <b>Total Current Assets</b>                        | <b>1,186,181</b> | <b>1,070,009</b> |
| <b>Total Assets</b>                                | <b>8,978,405</b> | <b>8,863,364</b> |
| Equity                                             | 8,868,191        | 8,809,855        |
| Employee benefits                                  | 1,616            | 1,592            |
| Other liabilities and other payables               | 245              | 685              |
| <b>Total Non-Current Liabilities</b>               | <b>1,861</b>     | <b>2,277</b>     |
| Financial debt                                     | 1,161            | -                |
| Employee benefits                                  | 806              | 891              |
| Other liabilities and other payables               | 105,450          | 46,251           |
| Tax payable                                        | 936              | 4,090            |
| <b>Total Current Liabilities</b>                   | <b>108,353</b>   | <b>51,232</b>    |
| <b>Total Liabilities</b>                           | <b>110,214</b>   | <b>53,509</b>    |
| <b>Total Equity and Liabilities</b>                | <b>8,978,405</b> | <b>8,863,364</b> |

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## **41. Investigation process about CMEC and DPH**

Following the enactment of an EU legislation package regarding the construction of the Internal Energy Market, aimed at, among others, promoting the liberalization of the electricity sector, the existence of long-term Power Purchase Agreements (“Contratos de Produção de Energia” – CAE), and the Portuguese legal framework involving a “single buyer”, ceased to be compatible with EU law.

Accordingly, Decree-Law no. 240/2004, of 27 December, was enacted in the context of the liberalization of the Portuguese energy sector, establishing the early termination of the CAEs entered into in 1996 and, at the same time, approving the methodology to be used in accomplishing said termination, as well as the compensation due to energy producers in that respect.

This methodology was subjected to the European Commission’s (EC) prior approval, expressed in the Decision concerning State aid N161/2004, which deemed it effective and strictly necessary. Additionally, the enactment of the aforementioned Decree-Law by the Portuguese Government was the object of a legislative authorization, granted by the Portuguese Parliament.

In that context, and according to the approved methodology, EDP and REN - Rede Eléctrica Nacional, S.A. (REN) signed the CAE early termination agreements in 2005, their entry into force having taken place on 1 July 2007, after being amended earlier that same year. Both termination agreements were ratified by the member of the Portuguese Government responsible for the energy sector.

Pursuant to the provisions of the 2005 CAE termination agreements, on 8 March 2008 the Portuguese Government, REN and EDP Produção entered into a number of concession agreements formalizing EDP’s right of use over the Public Hydro Domain (“Domínio Público Hídrico” – DPH) until the end of the operational life of the hydroelectric plants subject to the so-called Costs for the Maintenance of the Contractual Balance mechanism (“Custos de Manutenção do Equilíbrio Contratual” – CMEC). Decree-Law 226-A/2007, of 31 May, introduced a new obligation to EDP, unforeseen in the 2004 legislation or in the 2005 termination agreements, which consisted in the payment by EDP of an amount concerning the “economic and financial balance” of each power plant. Pursuant to this legal framework, and following assessments carried out by two independent financial institutions appointed by the Government, EDP Produção was ordered to pay EUR 759 million, as consideration for the extension of its right of use over the DPH. This included approximately EUR 55 million due for the Hydro Resources Tax.

In 2012, the EC and Portuguese authorities (the Central Department of Criminal Investigation and Prosecution, a part of the Public Prosecutor’s Office – “Departamento Central de Investigação e Ação Penal”, DCIAP) received complaints regarding (i) the methodology adopted for the early termination of the CAEs and the implementation of the CMEC mechanism; and (ii) EDP’s right of use over the DPH.

So far as the complaint received by the EC is concerned, this institution addressed a clarification request to the Portuguese Government over the early termination of the CAEs, and its replacement by the CMEC framework.

The EC decided, in September 2013, that the compensation attributed to EDP Produção in the context of the early termination of the CAEs did not exceed the amount required to reimburse the investment costs meant to be recovered throughout the operational life of the assets in question. Furthermore, it certified that the execution of the CMEC framework respected the terms that were notified to the EC, and approved, in 2004. Accordingly, the EC has at this stage concluded its investigation regarding the early termination of the CAEs. Having found no evidence of non-compliance with the framework in force in Portugal (approved by the EC itself in 2004) or at the EU level, it decided not to pursue an in-depth investigation on the matter.

Simultaneously, in September 2013, the EC decided to undertake an in-depth investigation exclusively in respect of the right of use over the DPH matter.

These in-depth investigation proceedings over EDP’s right of use over the DPH were formally concluded in May 2017, with the EC having decided that the consideration paid by EDP was in line with market conditions. It further concluded that the financial methodology followed to determine the price to be paid by EDP for the right of use over the DPH was appropriate and resulted in a fair market price, expressly adding that the accusations that such price had been underappreciated were baseless, and resulted from an inaccurate financial calculation methodology.

In 2 June 2017, EDP was made aware of the investigation being carried out by the DCIAP since 2012 regarding the amounts due to EDP for the early termination of the CAEs and the right of use over the DPH. On that date, the authorities carried out a search in EDP’s offices, as well as REN’s (as network operator) and a consultant. At that time, DCIAP informed, by way of a public press release, that investigations were ongoing, and the alleged facts could amount to active and passive corruption, and economic participation in business deals. The DCIAP further informed, in said press release, that some members of EDP’s Executive Board of Directors, as well as former directors who executed the relevant agreements, were suspects in that investigation.

On 6 July 2020, a measure of constraint to suspend the exercise of functions in EDP’s Executive Board of Directors was proposed by the Public Prosecutor’s Office, and applied by the court, to António Mexia and João Manso Neto (then Chairman and member of the board, respectively), while the investigation remained in the inquiry stage. On the same day, the General and Supervisory Board and the Executive Board of Directors resolved to appoint then Chief Financial Officer Miguel Stilwell de Andrade as interim Chairman, for the duration of the impediment of the current Chairman of the Executive Board of Directors, in addition to his functions at the time.

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On 13 July 2020, and as in due course disclosed to the market ( [https://www.edp.com/sites/default/files/2020-07/20200713\\_Notifica%C3%A7%C3%A3o%20do%20DCIAP\\_EN\\_0.pdf](https://www.edp.com/sites/default/files/2020-07/20200713_Notifica%C3%A7%C3%A3o%20do%20DCIAP_EN_0.pdf) ), EDP was notified by the Portuguese Authorities to appoint a legal representative to appear at the Central Department of Criminal Investigation and Prosecution for questioning and constitution of EDP as defendant, for the facts related to the hiring by EDP Group of the father of the then Secretary of State Artur Trindade. Such diligence has already occurred and EDP was named as a defendant in the context of such judicial procedure and is now waiting for further developments of the procedure.

On 30 November 2020, and as communicated to the market on that same date, EDP received formal notices of both suspended members of the Executive Board of Directors, informing it of their unavailability to be re-appointed to serve in EDP's corporate bodies for the 2021-2023 term of office.

On 19 January 2021, an Extraordinary General Shareholders' Meeting was held, and a new management team was appointed to the Executive Board of Directors, for the 2021-2023 triennium.

EDP reaffirms that no irregularities exist regarding the matters at hand and believes the amounts due by the early termination of the CAEs and the proceedings regarding the DPH, in particular the amounts paid, were fair and according to market conditions.

EDP remains determined in the pursuit of its corporate purpose and in the fulfilment of its clients, shareholders, employees, and remaining stakeholders' highest expectations. EDP is committed to the accomplishment of its strategic goals, and no impact to its consolidated financial statements is expected to arise as a consequence of the above.

Regarding the judicial procedure, it is still under investigation and till the present date there are no relevant developments regarding the reason that uphold EDP as a defendant.

## 42. Operating Segments

In accordance with IFRS 8, an operating segment is a Group component:

- (i) that engages in business activities from which it may earn revenues and incur expenses;
- (ii) whose operating results are reviewed regularly by the Group's chief operating decision maker to make decisions about resources to be allocated to the segment and assess its performance; and
- (iii) for which discrete financial information is available.

The Group develops a set of regulated and liberalised activities in the energy sector, with special emphasis in generation, distribution and supply of electricity.

The Executive Board of Directors regularly reviews segmental reports, using Operating Profit to assess and release each business operating performance, as well as to allocate resources.

The new Board of Directors, elected in January, considered that the last resort suppliers should be monitored in the Client Solutions & Management segment along with the other suppliers. Therefore the comparative data for this segment and the Networks segment (where it was allocated in 2020) have been amended accordingly.

The management of financial activities of all EDP Group entities (except Brazil) is undertaken centrally by the Financial Department at holding level, in accordance with policies approved by the Executive Board of Directors. As a result of this management, all financial operations and financial results are disclosed only at Group level.

The Renewables segment corresponds to the activity of generation of electricity from renewable sources, mainly hydro, wind and solar. This segment includes, but not limited to, the following companies:

- EDP - Gestão da Produção de Energia, S.A. (hydro activity);
- EDP España, S.A.U. (hydro activity);
- EDP Renováveis, S.A. and all subsidiaries of the EDPR Group;
- Enerpeixe, S.A.;
- Investco, S.A.;
- Lajeado Energia, S.A.

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The Networks segment corresponds to the activities of electricity distribution and transmission. This segment includes, but not limited to, the following companies:

- E-Redes – Distribuição de Eletricidade, S.A.;
- Electra de Llobregat Energía, S.L.;
- Hidrocantábrico Distribución Eléctrica, S.A.U.;
- Viesgo Distribución Eléctrica, S.L.;
- Barras Eléctricas Galaico-Asturianas, S.A.;
- EDP Espírito Santo Distribuição de Energia S.A.;
- EDP São Paulo Distribuição de Energia S.A.;
- EDP Transmissão, S.A.;
- EDP Transmissão Aliança SC, S.A.;
- EDP Transmissão SP-MG, S.A.

The Client Solutions & Energy Management segment includes the following activities: generation of electricity from non-renewable sources, mainly coal and gas; electricity and gas supply, including last resort suppliers and related energy solutions services to clients; and energy management businesses responsible for management of purchases and sales of energy in Iberian and Brazilian markets, and also for the related hedging transactions. This segment includes, but not limited to, the following companies:

- EDP - Gestão da Produção de Energia, S.A. (thermal activity);
- EDP España, S.A.U. (thermal and intermediation activities);
- UNGE - Unidade de Negócio de Gestão de Energia Ibérica (EDP, S.A.);
- Porto do Pecém Geração de Energia, S.A.;
- EDP Comercial - Comercialização de Energia, S.A.;
- EDP - Comercialização e Serviços de Energia, Ltda;
- SU Eletricidade, S.A.;
- EDP Gás Serviço Universal, S.A.

### **Segment Definition**

The amounts reported in each operating segment result from the aggregation of the subsidiaries and business units defined in each segment perimeter and the elimination of transactions between companies of the same segment.

The statement of financial position captions of each subsidiary and business unit, as well as income statement captions for each operating segment, are determined based on the amounts booked directly in the companies that compose the segment, including the elimination of balances between companies of the same segment, and excluding the allocation in the segments of the adjustments between segments.

In each business segment, Assets include the Property, Plant and Equipment, Right-of-use assets, Intangible Assets and Goodwill. The remaining assets are presented in the "Reconciliation of information between Operating Segments and Financial Statements".

Under IFRS 8, the EDP Group discloses as Operating investment, additions in non-current assets, except for financial instruments, deferred tax assets and post-employment benefit assets. Therefore, in each business segment, the Operating Investment caption includes increases in Property, Plant and Equipment; Intangible Assets; and Amounts receivable from concessions - IFRIC 12 under the financial asset model, excluding CO2 licenses and Green certificates, net of increases in Government grants, customers contributions for investment and sales of properties in the period. Goodwill is disclosed in note 17.

In consolidated financial statements, Joint Ventures and associated companies are accounted under the equity method, in accordance with the Group accounting policy disclose in note 2. These equity accounted investees are disclosed by business segment under IFRS 8 and presented in the business segment correspondent to its operating activity.

EDP Group Operating Segments Information as at 30 June 2021

| Thousand Euros                                                         | Renewables | Networks  | Client Solutions & Energy Management | Total Segments |
|------------------------------------------------------------------------|------------|-----------|--------------------------------------|----------------|
| <b>Revenues from energy sales and services and other</b>               |            |           |                                      |                |
| Revenues inter-segments                                                | 1,290,706  | 1,760,149 | 4,433,101                            | 7,483,956      |
| Revenues from third parties                                            | 633,617    | 815,369   | -40,029                              | 1,408,957      |
|                                                                        | 657,089    | 944,780   | 4,473,130                            | 6,074,999      |
| <b>Gross Profit</b>                                                    | 1,138,365  | 976,680   | 299,582                              | 2,414,627      |
| Other income                                                           | 276,690    | 26,613    | 19,359                               | 322,662        |
| Supplies and services                                                  | -176,497   | -156,387  | -113,661                             | -446,545       |
| Personnel costs and employee benefits                                  | -103,447   | -104,841  | -64,403                              | -272,691       |
| Other costs                                                            | -115,027   | -156,144  | -52,366                              | -323,537       |
| Impairment losses on trade receivables and debtors                     | 185        | -5,827    | -6,859                               | -12,501        |
| Joint ventures and associates                                          | -12,811    | 99        | 21,412                               | 8,700          |
| <b>Gross Operating Profit</b>                                          | 1,007,458  | 580,193   | 103,064                              | 1,690,715      |
| Provisions                                                             | -542       | -1,333    | -553                                 | -2,428         |
| Amortisation and impairment                                            | -378,523   | -230,888  | -95,980                              | -705,391       |
| <b>Operating Profit</b>                                                | 628,393    | 347,972   | 6,531                                | 982,896        |
| <b>Assets</b>                                                          | 21,210,276 | 5,963,595 | 2,246,942                            | 29,420,813     |
| <b>Financial assets - Investments in joint ventures and associates</b> | 1,129,933  | 190       | 13,446                               | 1,143,569      |
| <b>Operating Investment</b>                                            | 978,806    | 330,619   | 46,160                               | 1,355,585      |

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Reconciliation of information between Operating Segments and Financial Statements for 30 June 2021

| Thousand Euros                                                                                  |                   |
|-------------------------------------------------------------------------------------------------|-------------------|
| <b>Total Revenues from energy sales and services and other of Reported Segments</b>             | <b>7,483,956</b>  |
| Revenues from energy sales and services and others from Other Segments                          | 113,772           |
| Adjustments and Inter-segments eliminations*                                                    | -1,514,479        |
| <b>Total Revenues from energy sales and services and other of EDP Group</b>                     | <b>6,083,249</b>  |
| <b>Total Gross Profit of Reported Segments</b>                                                  | <b>2,414,627</b>  |
| Gross Profit from Other Segments                                                                | 113,829           |
| Adjustments and Inter-segments eliminations*                                                    | -112,946          |
| <b>Total Gross Profit of EDP Group</b>                                                          | <b>2,415,510</b>  |
| <b>Total Gross Operating Profit of Reported Segments</b>                                        | <b>1,690,715</b>  |
| Gross Operating Profit from Other Segments                                                      | 2,978             |
| Adjustments and Inter-segments eliminations*                                                    | -1,529            |
| <b>Total Gross Operating Profit of EDP Group</b>                                                | <b>1,692,164</b>  |
| <b>Total Operating Profit of Reported Segments</b>                                              | <b>982,896</b>    |
| Operating Profit from Other Segments                                                            | -20,331           |
| Adjustments and Inter-segments eliminations*                                                    | 3,624             |
| <b>Total Operating Profit of EDP Group</b>                                                      | <b>966,189</b>    |
| <b>Total Assets of Reported Segments</b>                                                        | <b>29,420,813</b> |
| Assets Not Allocated                                                                            | 14,105,751        |
| Financial Assets                                                                                | 2,250,082         |
| Trade Receivables and Other Debtors                                                             | 7,094,303         |
| Inventories                                                                                     | 372,605           |
| Tax Assets                                                                                      | 1,698,421         |
| Other Assets                                                                                    | 2,690,340         |
| Assets from Other Segments                                                                      | 665,513           |
| Inter-segments assets eliminations*                                                             | -62,782           |
| <b>Total Assets of EDP Group</b>                                                                | <b>44,129,295</b> |
| <b>Total Equity accounted Investments in joint ventures and associates of Reported Segments</b> | <b>1,143,569</b>  |
| Equity accounted Investments in joint ventures and associates from Other Segments               | 234,671           |
| <b>Total Equity accounted Investments in joint ventures and associates of EDP Group</b>         | <b>1,378,240</b>  |
| <b>Total Operating Investment of Reported Segments</b>                                          | <b>1,355,585</b>  |
| Operating Investment from Other Segments                                                        | 37,460            |
| <b>Total Operating Investment of EDP Group</b>                                                  | <b>1,393,045</b>  |
| Dismantling/discommission of PP&E                                                               | 12,684            |
| CO2 Emission Licenses and Green Certificates                                                    | 93,223            |
| Concession Rights - IFRIC 12 **                                                                 | -276,423          |
| Investment Grants                                                                               | -131              |
| Other Investments                                                                               | 6,226             |
| <b>Total Fixed Assets additions of EDP Group (Notes 14 and 16)</b>                              | <b>1,228,624</b>  |

|                                                           | Total of Reported Segments | Other Segments | Adjustments and Inter-segments eliminations* | Total of EDP Group |
|-----------------------------------------------------------|----------------------------|----------------|----------------------------------------------|--------------------|
| <b>Other income</b>                                       | 322,662                    | 25,779         | -9,626                                       | <b>338,815</b>     |
| <b>Supplies and services</b>                              | -446,545                   | -79,616        | 118,035                                      | <b>-408,126</b>    |
| <b>Personnel costs and employee benefits</b>              | -272,691                   | -61,872        | 1,735                                        | <b>-332,828</b>    |
| <b>Other costs</b>                                        | -323,537                   | -19,671        | 1,230                                        | <b>-341,978</b>    |
| <b>Impairment losses on trade receivables and debtors</b> | -12,501                    | -20            | -                                            | <b>-12,521</b>     |
| <b>Equity method in joint ventures and associates</b>     | 8,700                      | 24,550         | 42                                           | <b>33,292</b>      |
| <b>Provisions</b>                                         | -2,428                     | -1,236         | -                                            | <b>-3,664</b>      |
| <b>Amortisation and impairment</b>                        | -705,391                   | -22,073        | 5,153                                        | <b>-722,311</b>    |

\* Mainly related with intragroup balances and transactions eliminations.

\*\* See Note 21 - Debtors and Other Assets from Commercial Activities

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**EDP Group Operating Segments Information as at 30 June 2020 \***

| Thousand Euros                                                                                   | Renewables        | Networks         | Client Solutions & Energy Management | Total Segments    |
|--------------------------------------------------------------------------------------------------|-------------------|------------------|--------------------------------------|-------------------|
| <b>Revenues from energy sales and services and other</b>                                         |                   |                  |                                      |                   |
| Revenues inter-segments                                                                          | 1,379,908         | 1,607,592        | 4,906,218                            | 7,893,718         |
| Revenues from third parties                                                                      | 673,429           | 1,028,822        | 11,506                               | 1,713,757         |
|                                                                                                  | 706,479           | 578,770          | 4,894,712                            | 6,179,961         |
| <b>Gross Profit</b>                                                                              | <b>1,260,617</b>  | <b>835,178</b>   | <b>571,660</b>                       | <b>2,667,455</b>  |
| Other income                                                                                     |                   |                  |                                      |                   |
| Supplies and services                                                                            | 301,519           | 14,825           | 10,364                               | 326,708           |
| Personnel costs and employee benefits                                                            | -171,525          | -147,684         | -139,391                             | -458,600          |
| Other costs                                                                                      | -94,688           | -99,223          | -72,725                              | -266,636          |
| Impairment losses on trade receivables and debtors                                               | -129,107          | -153,281         | -60,893                              | -343,281          |
| Joint ventures and associates                                                                    | -127              | -14,437          | -25,598                              | -40,162           |
|                                                                                                  | -3,261            | 4,442            | 3,015                                | 4,196             |
| <b>Gross Operating Profit</b>                                                                    | <b>1,163,428</b>  | <b>439,820</b>   | <b>286,432</b>                       | <b>1,889,680</b>  |
| Provisions                                                                                       | 123               | -20,599          | -30,553                              | -51,029           |
| Amortisation and impairment                                                                      | -379,512          | -175,320         | -185,659                             | -740,491          |
| <b>Operating Profit</b>                                                                          | <b>784,039</b>    | <b>243,901</b>   | <b>70,220</b>                        | <b>1,098,160</b>  |
| <b>Assets (31 December 2020)</b>                                                                 | <b>20,501,380</b> | <b>5,977,238</b> | <b>2,384,400</b>                     | <b>28,863,018</b> |
| <b>Financial assets - Investments in joint ventures and associates Assets (31 December 2020)</b> | <b>716,417</b>    | <b>91</b>        | <b>10,871</b>                        | <b>727,379</b>    |
| <b>Operating Investment (30 June 2020)</b>                                                       | <b>600,315</b>    | <b>258,169</b>   | <b>30,227</b>                        | <b>888,711</b>    |

\*Includes reexpression caused by the change in monitoring of last resort suppliers

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Reconciliation of information between Operating Segments and Financial Statements for 30 June 2020

| Thousand Euros                                                                                                     |                   |
|--------------------------------------------------------------------------------------------------------------------|-------------------|
| <b>Total Revenues from energy sales and services and others of Reported Segments</b>                               | <b>7,893,718</b>  |
| Revenues from energy sales and services and others from Other Segments                                             | 111,424           |
| Adjustments and Inter-segments eliminations*                                                                       | -1,822,255        |
| <b>Total Revenues from energy sales and services and others of EDP Group</b>                                       | <b>6,182,887</b>  |
| <b>Total Gross Profit of Reported Segments</b>                                                                     | <b>2,667,455</b>  |
| Gross Profit from Other Segments                                                                                   | 112,669           |
| Adjustments and Inter-segments eliminations*                                                                       | -123,054          |
| <b>Total Gross Profit of EDP Group</b>                                                                             | <b>2,657,070</b>  |
| <b>Total Gross Operating Profit of Reported Segments</b>                                                           | <b>1,889,680</b>  |
| Gross Operating Profit from Other Segments *                                                                       | -15,853           |
| Adjustments and Inter-segments eliminations*                                                                       | -2,865            |
| <b>Total Gross Operating Profit of EDP Group</b>                                                                   | <b>1,870,962</b>  |
| <b>Total Operating Profit of Reported Segments</b>                                                                 | <b>1,098,160</b>  |
| Operating Profit from Other Segments                                                                               | -34,530           |
| Adjustments and Inter-segments eliminations*                                                                       | -11,630           |
| <b>Total Operating Profit of EDP Group</b>                                                                         | <b>1,052,000</b>  |
| <b>Total Assets of Reported Segments (31 December 2020)</b>                                                        | <b>28,863,018</b> |
| Assets Not Allocated                                                                                               | 13,508,470        |
| Financial Assets                                                                                                   | 3,193,367         |
| Trade Receivables and Other Debtors                                                                                | 6,292,623         |
| Inventories                                                                                                        | 323,945           |
| Tax Assets                                                                                                         | 1,805,615         |
| Other Assets                                                                                                       | 1,892,920         |
| Assets from Other Segments                                                                                         | 630,695           |
| Inter-segments assets eliminations*                                                                                | -55,400           |
| <b>Total Assets of EDP Group (31 December 2020)</b>                                                                | <b>42,946,783</b> |
| <b>Total Equity accounted Investments in joint ventures and associates of Reported Segments (31 December 2020)</b> | <b>727,379</b>    |
| Equity accounted Investments in joint ventures and associates from Other Segments                                  | 212,983           |
| <b>Total Equity accounted Investments in joint ventures and associates of EDP Group (31 December 2020)</b>         | <b>940,362</b>    |
| <b>Total Operating Investment of Reported Segments (30 June 2020)</b>                                              | <b>888,711</b>    |
| Operating Investment from Other Segments                                                                           | 30,815            |
| <b>Total Operating Investment of EDP Group (30 June 2020)</b>                                                      | <b>919,526</b>    |
| Discomission of Property, plant and equipment                                                                      | 6,730             |
| CO2 Licenses and Green Certificates                                                                                | 71,946            |
| Concession Rights - IFRIC 12                                                                                       | -210,128          |
| Other Investments                                                                                                  | 3,056             |
| <b>Total Fixed Assets additions of EDP Group (30 June 2020)</b>                                                    | <b>791,130</b>    |

|                                                           | Total of Reported Segments | Other Segments | Adjustments and Inter-segments eliminations* | Total of EDP Group |
|-----------------------------------------------------------|----------------------------|----------------|----------------------------------------------|--------------------|
| <b>Other income</b>                                       | <b>326,708</b>             | <b>28,241</b>  | <b>-11,287</b>                               | <b>343,662</b>     |
| <b>Supplies and services</b>                              | <b>-458,600</b>            | <b>-71,785</b> | <b>128,812</b>                               | <b>-401,573</b>    |
| <b>Personnel costs and employee benefits</b>              | <b>-266,636</b>            | <b>-57,969</b> | <b>2,536</b>                                 | <b>-322,069</b>    |
| <b>Other costs</b>                                        | <b>-343,281</b>            | <b>-27,870</b> | <b>128</b>                                   | <b>-371,023</b>    |
| <b>Impairment losses on trade receivables and debtors</b> | <b>-40,162</b>             | <b>14</b>      | <b>-</b>                                     | <b>-40,148</b>     |
| <b>Joint ventures and associates</b>                      | <b>4,196</b>               | <b>847</b>     | <b>-</b>                                     | <b>5,043</b>       |
| <b>Provisions</b>                                         | <b>-51,029</b>             | <b>-127</b>    | <b>-</b>                                     | <b>-51,156</b>     |
| <b>Amortisation and impairment</b>                        | <b>-740,491</b>            | <b>-18,551</b> | <b>-8,764</b>                                | <b>-767,806</b>    |

\* Mainly related with intragroup balances and transactions eliminations

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43. Reconciliation of Changes in the responsibilities of Financing activities at 30 June 2021

| Thousand Euros                                                              | Group                                                                               |                               |                                             |                                                       |                             |                                                |
|-----------------------------------------------------------------------------|-------------------------------------------------------------------------------------|-------------------------------|---------------------------------------------|-------------------------------------------------------|-----------------------------|------------------------------------------------|
|                                                                             | Financial debt and Derivative financial instruments (including Collateral Deposits) |                               |                                             |                                                       |                             | Loans from non-controlling interests (Note 32) |
|                                                                             | Loans obtained (Note 27)                                                            | Collateral Deposits (Note 27) | Derivative financial instruments (Note 35)* | Institutional partnerships in North America (Note 30) | Lease Liabilities (Note 32) |                                                |
| <b>Balance as at 31 de December 2020</b>                                    | <b>16,286,763</b>                                                                   | <b>-32,069</b>                | <b>-129,593</b>                             | <b>1,933,542</b>                                      | <b>1,055,678</b>            | <b>590,424</b>                                 |
| <b>Cash flows:</b>                                                          |                                                                                     |                               |                                             |                                                       |                             |                                                |
| Receipts relating to financial debt (including Collateral Deposits)         | 1,598,039                                                                           | -                             | -                                           | -                                                     | -                           | -                                              |
| (Payments) relating to financial debt (including Collateral Deposits)       | -1,833,810                                                                          | -5,492                        | -                                           | -                                                     | -                           | -                                              |
| Interest and similar costs of financial debt including hedge derivatives    | -289,298                                                                            | -                             | 28,972                                      | -                                                     | -                           | -                                              |
| Receipts/(payments) relating to loans from non-controlling interests        | -                                                                                   | -                             | -                                           | -                                                     | -                           | -35,939                                        |
| Interest and similar costs relating to loans from non-controlling interests | -                                                                                   | -                             | -                                           | -                                                     | -                           | -9,231                                         |
| Receipts/(payments) relating to derivative financial instruments            | -                                                                                   | -                             | 17,835                                      | -                                                     | -                           | -                                              |
| Receipts/(payments) from institutional partnerships                         | -                                                                                   | -                             | -                                           | -36,911                                               | -                           | -                                              |
| Lease (payments)                                                            | -                                                                                   | -                             | -                                           | -                                                     | -48,462                     | -                                              |
| Perimeter variations                                                        | 86 397                                                                              | -                             | 520                                         | - 320 348                                             | - 52 937                    | 168                                            |
| Exchange differences                                                        | 266 286                                                                             | - 1 863                       | 1 258                                       | 57 241                                                | 20 046                      | 1 855                                          |
| Fair value changes                                                          | -20,716                                                                             | -                             | 49,360                                      | -                                                     | -                           | -                                              |
| Interests and accrued and deferred costs                                    | 192,037                                                                             | -                             | 4,818                                       | 4,609                                                 | -                           | 9,424                                          |
| Unwinding                                                                   | -                                                                                   | -                             | -                                           | 37,688                                                | 18,629                      | -                                              |
| ITC/PTC recognition                                                         | -                                                                                   | -                             | -                                           | -86,518                                               | -                           | -                                              |
| New lease contracts/Increments in rent values                               | -                                                                                   | -                             | -                                           | -                                                     | 102,249                     | -                                              |
| Reclassification to Liabilities held for sale                               | -154,714                                                                            | -                             | -655                                        | -                                                     | -17,807                     | -                                              |
| <b>Balance as at 30 June 2021</b>                                           | <b>16,130,984</b>                                                                   | <b>-39,424</b>                | <b>-27,485</b>                              | <b>1,589,303</b>                                      | <b>1,077,396</b>            | <b>556,701</b>                                 |

\* The Group considers as financing activities all derivative financial instruments excluding derivatives related with commodities.

| Thousand Euros                                                           | Company                                             |                                             |                             |                 |
|--------------------------------------------------------------------------|-----------------------------------------------------|---------------------------------------------|-----------------------------|-----------------|
|                                                                          | Financial debt and Derivative financial instruments |                                             |                             | Group companies |
|                                                                          | Loans obtained (Note 27)                            | Derivative financial instruments (Note 35)* | Lease Liabilities (Note 32) |                 |
| <b>Balance as at 31 December 2020</b>                                    | <b>11,483,572</b>                                   | <b>-4,456</b>                               | <b>161,972</b>              | <b>3,873</b>    |
| <b>Cash flows:</b>                                                       |                                                     |                                             |                             |                 |
| Receipts relating to financial debt (including Collateral Deposits)      | 1,970,220                                           | -                                           | -                           | -               |
| (Payments) relating to financial debt (including Collateral Deposits)    | -1,456,220                                          | -                                           | -                           | -               |
| Interest and similar costs of financial debt including hedge derivatives | -68,862                                             | -6,214                                      | -                           | -               |
| Receipts/(payments) relating to loans from related parties               | -165,691                                            | -                                           | -                           | -               |
| Receipts/(payments) relating to derivative financial instruments         | -                                                   | 5,083                                       | -                           | -               |
| Lease (payments)                                                         | -                                                   | -                                           | -6,312                      | -               |
| Exchange differences                                                     | 6,635                                               | -                                           | -                           | -               |
| Fair value changes                                                       | -                                                   | -19,350                                     | -                           | -               |
| Unwinding                                                                | -                                                   | -                                           | 1 938                       | -               |
| Interests and accrued and deferred costs                                 | 90,158                                              | 8,811                                       | -                           | 1,916           |
| New lease contracts/Increments in rent values                            | -                                                   | -                                           | 1,316                       | -               |
| <b>Balance as at 30 June 2021</b>                                        | <b>11,859,812</b>                                   | <b>-16,126</b>                              | <b>158,914</b>              | <b>5,789</b>    |

\* The Group considers as financing activities all derivative financial instruments excluding derivatives related with commodities.

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#### **44. Explanation Added for Translation**

These financial statements are a free translation of the financial statements originally issued in Portuguese in accordance with International Financial Reporting Standards as adopted by the European Union. In the event of discrepancies, the Portuguese language version prevails.

*edp*

Pioneering  
the new  
green normal

**Changing tomorrow now.**

# 05

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## ANNEXES

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| Sustainability Indicators | 140 |
| Concepts and Definitions  | 144 |
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## Sustainability Indicators

| ENVIRONMENTAL INDICATORS                            | UN                                   | 1H21           | 1H20           | 1H19           | 1H18           |
|-----------------------------------------------------|--------------------------------------|----------------|----------------|----------------|----------------|
| <b>ENVIRONMENTAL CERTIFICATION (ISO 14001)</b>      |                                      |                |                |                |                |
| ISO 14001 Certification <sup>1</sup>                | %                                    | 94             | 96             | 96             | 88             |
| <b>PRIMARY ENERGY CONSUMPTION</b>                   |                                      |                |                |                |                |
|                                                     | TJ                                   | 44,626         | 45,733         | 94,894         | 98,842         |
| Coal                                                | TJ                                   | 24,515         | 14,917         | 60,954         | 75,580         |
| Fuel oil                                            | TJ                                   | 9              | 18             | 229            | 182            |
| Natural gas                                         | TJ                                   | 14,281         | 27,344         | 26,584         | 16,258         |
| Residual gases                                      | TJ                                   | 5,673          | 3,336          | 6,940          | 6,616          |
| Diesel oil                                          | TJ                                   | 59             | 48             | 83             | 88             |
| Fuel for fleet                                      | TJ                                   | 88             | 71             | 105            | 117            |
| <b>ENERGY INTENSITY<sup>2</sup></b>                 | <b>MJ/EUR</b>                        | <b>8.2</b>     | <b>7.4</b>     | <b>13.4</b>    | <b>13.1</b>    |
| <b>ELECTRICITY CONSUMPTION</b>                      |                                      |                |                |                |                |
| Generation self-consumption                         | MWh                                  | 1,460,017      | 1,568,295      | 1,636,794      | 1,886,968      |
| Administrative service                              | MWh                                  | 15,081         | 14,053         | 21,573         | 16,579         |
| Grid losses                                         | %                                    | 8.3            | 11.8           | 9.4            | 9.1            |
| <b>GHG EMISSION</b>                                 |                                      |                |                |                |                |
| Direct emissions (scope 1)                          | ktCO <sub>2eq</sub>                  | 3,571          | 3,045          | 7,461          | 8,455          |
| Stationary combustion <sup>3</sup>                  | ktCO <sub>2eq</sub>                  | 3,561          | 3,037          | 7,451          | 8,444          |
| SF6 Emissions                                       | ktCO <sub>2eq</sub>                  | 4.10           | 3.77           | 2.99           | 2.93           |
| Company fleet                                       | ktCO <sub>2eq</sub>                  | 6              | 5              | 7              | 8              |
| Natural gas consumption                             | ktCO <sub>2eq</sub>                  | 0.18           | 0.01           | 0.02           | 0.00           |
| Indirect emissions (scope 2) <sup>4</sup>           | ktCO <sub>2eq</sub>                  | 314            | 464            | 388            | 376            |
| Electricity consumption in office buil              | ktCO <sub>2eq</sub>                  | 0.02           | 0.30           | 2.47           | 1.04           |
| Electricity losses                                  | ktCO <sub>2eq</sub>                  | 310            | 453            | 374            | 366            |
| Renewable plants self-consumption                   | ktCO <sub>2eq</sub>                  | 3.2            | 10.4           | 11.6           | 9.8            |
| <b>GHG EMISSIONS INTENSITY<sup>5</sup></b>          | <b>kgCO<sub>2</sub>/EUR</b>          | <b>0.6</b>     | <b>0.5</b>     | <b>1.1</b>     | <b>1.2</b>     |
| <b>CO<sub>2</sub> AVOIDED EMISSIONS<sup>6</sup></b> | <b>ktCO<sub>2</sub></b>              | <b>12,899</b>  | <b>14,430</b>  | <b>14,237</b>  | <b>18,336</b>  |
| <b>SPECIFIC OVERALL EMISSIONS</b>                   |                                      |                |                |                |                |
| CO <sub>2</sub> <sup>3,7</sup>                      | g/kWh                                | 120            | 96             | 221            | 222            |
| NO <sub>x</sub>                                     | g/kWh                                | 0.1            | 0.1            | 0.2            | 0.2            |
| SO <sub>2</sub>                                     | g/kWh                                | 0.1            | 0.1            | 0.2            | 0.3            |
| Particulate matter                                  | g/kWh                                | 0.02           | 0.02           | 0.02           | 0.03           |
| <b>WATER COLLECTED</b>                              | <b>10<sup>3</sup>x m<sup>3</sup></b> | <b>139,725</b> | <b>150,964</b> | <b>660,612</b> | <b>672,354</b> |
| Salt and estuary                                    | 10 <sup>3</sup> x m <sup>3</sup>     | 134,337        | 145,356        | 652,650        | 662,189        |
| Fresh                                               | 10 <sup>3</sup> x m <sup>3</sup>     | 5,389          | 5,608          | 7,963          | 10,165         |
| <b>WASTE MATERIALS</b>                              | <b>t</b>                             | <b>122,557</b> | <b>94,309</b>  | <b>343,295</b> | <b>368,475</b> |
| Waste                                               | t                                    | 105,913        | 79,944         | 118,328        | 157,357        |
| Hazard waste                                        | %                                    | 2.4            | 2.2            | 2.0            | 1.6            |
| Non-hazard waste                                    | %                                    | 86.8           | 95.9           | 92.9           | 64.6           |
| By-products                                         | t                                    | 16,645         | 14,365         | 224,967        | 211,118        |
| Gypsum                                              | t                                    | 13,357         | 11,964         | 72,407         | 68,165         |
| Fly ash                                             | t                                    | 3,017          | 2,401          | 118,670        | 114,470        |
| Slag                                                | t                                    | 271            | 0              | 33,890         | 28,483         |
| <b>SUSTAINABLE MOBILITY</b>                         |                                      |                |                |                |                |
| Light-duty fleet electrification                    | %                                    | 12.3           | 8.9            | 9.7            | n/a            |
| Electric charging points                            | #                                    | 2,556          | 1,073          | 544            | n/a            |
| Customers with electric mobility soluti             | #                                    | 33.2           | 14.4           | 8.8            | n/a            |

Note: n.a. - not applicable; n/a - not available

<sup>1</sup> Aggregated certification indicator due to assets with potential environmental impacts.

<sup>2</sup> Primary energy consumption by turnover.

<sup>3</sup> The stationary emissions do not include those produced by the burning of ArcelorMittal steel gases in EDP's power plants in Spain.

<sup>4</sup> Calculation according with GHG Protocol based location methodology.

<sup>5</sup> Scope 1 and Scope 2 emissions by turnover.

<sup>6</sup> CO<sub>2</sub> emissions that would have occurred if the electricity generated by renewable energy sources were produced by thermal power plants. For each country, it is obtained by multiplying the net renewable energy production by the emission factor of the thermoelectric mix of that country.

<sup>7</sup> Includes only stationary combustion emissions.

| SOCIAL INDICATORS                   | UN    | 1H21          | 1H20          | 1H19          | 1H18          |
|-------------------------------------|-------|---------------|---------------|---------------|---------------|
| <b>EMPLOYMENT</b>                   |       |               |               |               |               |
| Employees                           | #     | 12,147        | 11,641        | 11,570        | 11,566        |
| Executive Board of Directors        | #     | 5             | 9             | 9             | 9             |
| Senior Management                   | #     | 921           | 861           | 812           | 796           |
| Supervisors                         | #     | 847           | 814           | 769           | 741           |
| Specialists                         | #     | 5,061         | 4,588         | 4,378         | 4,175         |
| Technicians                         | #     | 5,313         | 5,369         | 5,602         | 5,846         |
| Male employees                      | %     | 74            | 74            | 75            | 76            |
| Female employees                    | %     | 26            | 26            | 25            | 24            |
| Employees by types of contract      | #     | 12,147        | 11,641        | 11,570        | 11,566        |
| <b>Executive bodies</b>             | #     | <b>58</b>     | <b>61</b>     | <b>57</b>     | <b>55</b>     |
| Male                                | #     | 43            | 54            | 53            | 50            |
| Female                              | #     | 15            | 7             | 4             | 5             |
| <b>Permanent workforce</b>          | #     | <b>12,033</b> | <b>11,542</b> | <b>11,467</b> | <b>11,446</b> |
| Male                                | #     | 8,905         | 8,557         | 8,611         | 8,675         |
| Female                              | #     | 3,128         | 2,985         | 2,856         | 2,771         |
| <b>Fixed-term contracts</b>         | #     | <b>56</b>     | <b>38</b>     | <b>46</b>     | <b>65</b>     |
| Male                                | #     | 35            | 24            | 24            | 32            |
| Female                              | #     | 21            | 14            | 22            | 33            |
| Employees by occupational contract  | #     | 12,147        | 11,641        | 11,570        | 11,566        |
| <b>Full-Time</b>                    | #     | <b>12,100</b> | <b>11,598</b> | <b>11,528</b> | <b>11,526</b> |
| Male                                | #     | 8,977         | 8,630         | 8,683         | 8,753         |
| Female                              | #     | 3,123         | 2,968         | 2,845         | 2,773         |
| <b>Part-time</b>                    | #     | <b>47</b>     | <b>43</b>     | <b>42</b>     | <b>40</b>     |
| Male                                | #     | 6             | 5             | 5             | 4             |
| Female                              | #     | 41            | 38            | 37            | 36            |
| New employees                       | #     | 830           | 624           | 641           | 581           |
| Male                                | #     | 548           | 405           | 465           | 423           |
| Female                              | #     | 282           | 219           | 176           | 158           |
| F/M new admissions rate             | x     | 0.5           | 0.5           | 0.4           | 0.4           |
| Employees leaving                   | #     | 863           | 642           | 702           | 672           |
| Male                                | #     | 667           | 502           | 537           | 524           |
| Female                              | #     | 196           | 140           | 165           | 148           |
| Turnover                            | %     | 7.00          | 5.51          | 6.07          | 5.33          |
| Average age of workforce            | years | 42            | 42            | 43            | 44            |
| Absenteeism rate                    | %     | 2.64          | 2.67          | 2.81          | 3.11          |
| Pay ratio by gender (F/M)           | x     | 1.04          | 1.05          | 1.05          | 1.03          |
| <b>TRAINING</b>                     |       |               |               |               |               |
| Total hours of training             | hours | 168,752       | 101,355       | 187,562       | 195,264       |
| Average training per employee (h/p) | h/p   | 14            | 9             | 16            | 17            |
| Employees with training             | %     | 94            | 79            | 76            | 82            |

| SOCIAL INDICATORS                                               | UN  | 1H21       | 1H20       | 1H19       | 1H18       |
|-----------------------------------------------------------------|-----|------------|------------|------------|------------|
| <b>HEALTH AND SAFETY (H&amp;S)</b>                              |     |            |            |            |            |
| <b>Employees</b>                                                |     |            |            |            |            |
| Accidents with lost workdays <sup>1</sup>                       | #   | 11         | 8          | 14         | 11         |
| Fatal work-related injuries                                     | #   | 0          | 0          | 0          | 1          |
| Total lost days due to accidents <sup>2</sup>                   | #   | 641        | 597        | 976        | 1,016      |
| Frequency rate <sup>3</sup>                                     | Tf  | 0.94       | 0.71       | 1.27       | 1.09       |
| Severity rate <sup>4</sup>                                      | Tg  | 55         | 53         | 88         | 93         |
| Overall severity rate <sup>5</sup>                              | Tgt | 60         | 588        | 114        | 657        |
| <b>Contractors</b>                                              |     |            |            |            |            |
| Accidents with lost workdays <sup>1</sup>                       | #   | 71         | 34         | 36         | 54         |
| Fatal work-related injuries                                     | #   | 5          | 1          | 0          | 3          |
| Hours worked                                                    | #   | 34,343,149 | 24,068,750 | 21,616,110 | 21,325,527 |
| Frequency rate <sup>3</sup>                                     | Tf  | 2.07       | 1.54       | 1.72       | 2.68       |
| Severity rate <sup>4</sup>                                      | Tg  | 112        | 104        | 103        | 99         |
| Overall severity rate <sup>5</sup>                              | Tgt | 989        | 348        | 97         | 953        |
| <b>EDP employees and contractors</b>                            |     |            |            |            |            |
| Frequency rate <sup>3</sup>                                     | Tf  | 1.78       | 1.26       | 1.56       | 2.14       |
| Severity rate <sup>4</sup>                                      | Tg  | 97         | 87         | 98         | 97         |
| Overall severity rate <sup>5</sup>                              | Tgt | 753        | 425        | 102        | 853        |
| Near accidents                                                  | #   | 284        | 166        | 220        | 197        |
| <b>People outside the activity</b>                              |     |            |            |            |            |
| Fatal electrical accidents involving third parties <sup>6</sup> | #   | 10         | 9          | 3          | 6          |
| <b>VOLUNTEER INVESTMENT IN THE COMMUNITY (LBG METHODOLOGY)</b>  |     |            |            |            |            |
| Volunteer investment/EBITDA                                     | %   | 0.40       | 0.39       | 0.28       | 0.33       |

<sup>1</sup> Accidents occurred at the place and working time or on a journey, with 1 or more days of absence and fatal accidents.

<sup>2</sup> Sum of the number of absence calendar days resulting of work accidents occurred in the reference period, plus the number of days lost by accidents in the previous period, which lasted until the reference period without interruption. The lost time is measured from the day following the accident to the day right before the return to work.

<sup>3</sup> Number of accidents at work with absence/fatalities, per million hours worked.

<sup>4</sup> Number of calendar days lost due to work accident per million hours worked, in the reference period.

<sup>5</sup> Number of calendar days lost due to work accidents per million hours worked, in the reference period, including days for permanent disability and a portion of 6,000 days for each fatal accident.

<sup>6</sup> Accidents involving persons outside EDP's activity.

| ECONOMIC INDICATORS                                                       | UN   | 1S21      | 1S20      | 1S19      | 1S18      |
|---------------------------------------------------------------------------|------|-----------|-----------|-----------|-----------|
| ECONOMIC VALUE GENERATED                                                  | 000€ | 6,628,282 | 6,640,944 | 7,703,142 | 8,039,787 |
| Economic value distributed                                                | 000€ | 6,073,124 | 5,826,169 | 7,008,813 | 7,502,360 |
| Economic value accumulated                                                | 000€ | 555,158   | 814,775   | 694,329   | 537,427   |
| ENERGY EFFICIENCY AND SUPPLEMENTARY ENERGY SERVICES REVENUES <sup>1</sup> | 000€ | 494,259   | 506,268   | 522,960   | 508,188   |
| Energy efficiency services revenues                                       | 000€ | 115,900   | 118,105   | 79,317    | 71,036    |
| Supplementary energy services revenues <sup>2</sup>                       | 000€ | 378,359   | 388,163   | 443,643   | 437,152   |
| FINES AND PENALTIES                                                       | 000€ | 3,864     | 2,639     | 5,735     | 3,844     |
| ENVIRONMENTAL MATTERS                                                     | 000€ | 140,337   | 109,431   | 184,434   | 90,246    |
| Investments                                                               | 000€ | 39,861    | 21,981    | 46,937    | 18,398    |
| Expenses                                                                  | 000€ | 100,476   | 87,450    | 137,497   | 71,848    |
| SOCIAL MATTERS                                                            |      |           |           |           |           |
| Personnal costs                                                           | 000€ | 289,165   | 286,889   | 287,892   | 293,005   |
| Employee benefits                                                         | 000€ | 43,663    | 35,180    | 35,767    | 31,889    |
| Direct training investment                                                | 000€ | 1,468     | 1,026     | 1,489     | 2,243     |
| Direct training investment per employee                                   | €/p  | 121       | 88        | 129       | 194       |
| HC ROI per employee                                                       | €/p  | 6.03      | 7.06      | 6.74      | 6.91      |

<sup>1</sup> Energy Efficiency and Supplementary Energy Services: services provided under energy supply, installation of more efficient and/or building retrofit, and sustainable mobility, which generate revenues for the company.

<sup>2</sup> Supplementary Energy Services Revenues include the following categories: Energy Management, Maintenance and Operation, Property/Facility Management, Energy and/or Equipment Supply, Provision of Service (example: steam) and other.

# CONCEPTS AND DEFINITIONS

## A

### ADJUSTED NET DEBT

Net Debt adjusted by Regulatory Receivables.

### ADJUSTED NET DEBT/EBITDA

Number of times/years needed to pay the Adjusted Net Debt with the EBITDA generated by the Company.

### ASSET ROTATION

Strategy aimed at crystallizing the value of a project by selling a stake in an asset and reinvesting the proceeds in another asset, targeting greater growth. Typically the developer retain the role as an O&M supplier.

### AVERAGE COST OF DEBT

Considers (Interest expense on financial debt +/- Income and Expenses with Interest from derivative financial instruments) / Average Financial Gross Debt in the period (Total debt and borrowings - Accrued Interest - Fair value of the issued debt hedged risk). Includes 50% of the interest expense and of the nominal amount of hybrid debt.

## C

### CAGR (COMPOUND ANNUAL GROWTH RATE)

Annual growth rate over a specified period of time longer than one year

### CAPEX (CAPITAL EXPENDITURE)

Capex includes increases in Property, Plant and Equipment and in Intangible Assets, excluding CO<sub>2</sub> licenses and Green certificates, net of increases in Government grants, Customers contributions for investment and Sales of properties in the period.

### CDI (INTERBANK DEPOSIT CERTIFICATE RATE)

Brazilian [reference interest rate](#) constructed from the daily average overnight interbank loans. The CDI rate is commonly used as the reference in short-term securities.

### CDS (CLEAN DARK SPREAD)

Theoretical gross margin of a coal-fired power plant per unit of electricity after deducting variable production costs (fuel, emission allowances, transport charges, variable O&M, per-unit taxes, etc.).

### CESE (EXTRAORDINARY CONTRIBUTION TO THE ENERGY SECTOR)

Extraordinary contribution created in 2014, in Portugal, with the objective of financing mechanisms that promote the energy sector systemic sustainability. This contribution focuses generally on the economic operators that develop the following activities: (i) generation, transportation or distribution of electricity; (ii) transportation, distribution, storage or wholesale supply of natural gas; and (iii) refining, treatment, storage, transportation, distribution and wholesale supply of crude oil and oil products.

### CLAWBACK

Mechanism of financial compensation established by the Portuguese government on electricity generators operating in Portugal. This mechanism has as its objective the restitution to the electricity system of part of the income derived from the tax differences in electricity generation between Portugal and Spain.

### COD (COMMERCIAL OPERATION DATE)

Date upon which the project starts operating officially, after the testing and commissioning period.

**CONTRACTING LEVEL**

Ratio that returns the percentage of market commitment of Brazilian electricity distribution companies that is properly covered by energy purchase contracts registered in CCEE. Non-compliance generates penalties provided for in the rules and procedures of commercialization. The penalties apply when the ratio is above 105% or below 95%.

**CSS (CLEAN SPARK SPREAD)**

Theoretical gross margin of a gas-fired power plant per unit of electricity after deducting variable production costs (fuel, emission allowances, transport charges, variable O&M, per-unit taxes, etc.).

**D****D/E (DEBT-TO-EQUITY RATIO)**

Debt-to-equity (D/E) ratio is calculated by dividing a company's total liabilities by its shareholder equity. The ratio is used to evaluate a company's financial leverage being an important metric used in corporate finance. It is a measure of the degree to which a company is financing its operations through debt versus wholly-owned funds.

**DEC**

Equivalent interruption time of energy per consumed unit. Refers only to medium voltage.

**DIVIDEND PAY-OUT RATIO**

Measures the percentage of a company's net income that is given to shareholders in the form of dividends (Total Dividends per Share of period "n" / Earnings per Share of period "n-1").

**DIVIDEND YIELD**

Considers the ratio between gross dividend per share and its share price.

**DPS (DIVIDEND PER SHARE)**

Dividend per share (DPS) is the sum of declared dividends issued by a company for every ordinary outstanding share. DPS is calculated by dividing the total dividends paid out by a business, including interim dividends, over a period of time by the number of outstanding ordinary shares issued.

**E****EBIT**

Earnings before Interest and Tax: EBITDA deducted from provisions, amortisations and impairments.

**EBITDA**

Earnings before Interest, Tax, Depreciations and Amortizations: Gross Profit - Supplies and services - Personnel costs and employee benefits +/- Other income/expenses.

**EBITDA@risk**

Estimated loss of EBITDA, in a given period of time and for a given confidence interval. Usually it is used an horizon of 12 months and a level of confidence of 95%.

**EOLICITY**

Indicator that allows to quantify the deviation of the total value of energy produced by wind in a given period, in relation to an average wind regime.

**ENERGY BOX**

Energy Box is a household energy manager that does much more than metering energy, being endowed with technology that supports the supply of electricity services, namely, in remote communications.

**EPS (EARNINGS PER SHARE)**

The portion of a company's net profit allocated to each outstanding share of common stock.

## F

### FEC

Equivalent interruption frequency of energy per consumed unit. Refers only to medium voltage.

### FEED IN TARIFFS

Remuneration framework that guarantees that a company will receive a set price, applied to all of the electricity they generate and provide to the grid.

### FFO

Funds from Operations: EBITDA – Interest on debt and on TEI liabilities – Current taxes +/- Income from equity investments +/- other residual adjustments resulting from accruals/deferrals.

### FFO/NET DEBT

Funds from Operations (FFO) over Net Debt. For this purpose, Net Debt includes Nominal Debt of the company + Pension and Medical care liabilities post tax + Tax Equity financial liabilities + Present value of leasing and other financial commitments.

### FOREX

Foreign Exchange ([forex](#) or FX) is the trading of one [currency](#) for another. For example, one can swap the U.S. dollar for the euro. Foreign exchange transactions can take place on the foreign exchange market, also known as the [Forex Market](#).

## G

### GC (GREEN CERTIFICATE)

Tradable commodity resulting from electricity generated using renewable energy sources.

### GHG (GREENHOUSE GASES)

Gases that trap the heat of the sun in the Earth's atmosphere, producing the greenhouse effect. The two major greenhouse gases are water vapor and carbon dioxide. Lesser greenhouse gases include methane, ozone, chlorofluorocarbons, and nitrogen oxides.

### GROSS PROFIT

Includes Revenues from energy sales and services and other minus Cost of energy sales and other.

### GSF (GENERATION SCALING FACTOR)

Ratio of the deficit of hydroelectric companies' actual generation volumes to their assured energy delivery.

### GW (GIGAWATT)

Unit of electric power equal to 1,000 MW.

### GWh

Equal to 1,000 MW used continuously for one hour.

## H

### HEDGING

Risk management strategy used in limiting or offsetting probability of loss from fluctuations in the prices of commodities, currencies, indexes or securities.

**HYDRO COEFFICIENT**

Indicator that allows to quantify the deviation of the total value of hydroelectric energy produced in a given period, in relation to an average hydro regime. Values above "1" translate a period with inflows and energy generated above the average ("wet" period) and below "1" the reverse ("dry" period).

**I****ICEIT (INSTALLED CAPACITY EQUIVALENT INTERRUPTION TIME)**

Indicator that represents the equivalent interruption time of installed power per geographical area of the operator of the distribution network in a given period, excluding extraordinary events (the extraordinary weather events that exceed the conditions for which was dimensioned).

**IGP-M (GENERAL MARKET PRICE INDEX)**

Index used to comprehensively measure the fluctuation of prices of goods and services practiced in the Brazilian market. Calculated by FGV (Getúlio Vargas Foundation), this index is used to update the prices of some goods and services, namely electricity.

**INSTALLED CAPACITY**

Installed Capacity is the sum of capacity (MW) installed in power plants owned by companies fully consolidated.

**INSTALLED CAPACITY EQUITY**

Installed Capacity Equity also includes the respective share of the MW installed in power plants owned by company's equity consolidated.

**IPCA (EXTENDED NATIONAL CONSUMER PRICE INDEX)**

Is the name given to the Consumer Price Index in Brazil being a measure that examines the weighted average of prices of a basket of consumer goods and services, such as transportation, food and medical care.

**ITC (INVESTMENT TAX CREDIT)**

Tax incentive in the US in the form of an one-shot tax credit that covers a percentage of the investment.

**K****KRI (KEY RISK INDICATOR)**

Risk indicator that follows a variable risk factor, allowing the early warning of changes in risk exposure and the identification of potential risks or opportunities.

**L****LIQUIDITY**

Total amount of Cash and Equivalents, Credit Lines available and Financial assets at fair value through profit or loss.

**LOSSES**

The total losses of electric energy are calculated by the differential between the energy entered in the electrical network and the distributed energy ( $\% \text{ Global losses} = (\text{Energy Input} - \text{Distributed Energy}) / \text{Distributed Energy}$ ). They consist of technical losses related to the magnetization of the power transformers, the Joule effect, the consumption of meters, etc. and non-technical losses related to theft, fraud, anomalies in counting equipment or in systems

**M****MW (MEGAWATT)**

Unit of electric power equal to  $10^6$  watts.

**MWh**

Equal to  $10^6$  watts of electricity used continuously for one hour.

## N

### **NCF (NET CAPACITY FACTOR)**

The ratio of a plant's actual output over a period of time to its potential output if it were possible for it to operate at full nameplate capacity continuously, over the same period of time. Also known as Load Factor.

### **NET DEBT**

A metric that shows a company's overall debt situation calculated using company's total debt less cash on hand. From 2017 onwards it includes Financial Debt, Cash and Equivalents, Short-term financial assets at fair-value and fair value hedge and collateral deposits associated to financial debt and 50% of the amount related with the issuance of a subordinated debt instrument (hybrid). Until 31 December 2016, it included the fair value of derivatives designated for Net Investments hedge.

### **NET INVESTMENTS**

Considers Capex + organic Financial Investments - Asset Rotations + granted and/or sold shareholder loans.

## O

### **OPEX (OPERATING EXPENDITURE)**

Includes Supplies and Services and Personnel costs and Employee Benefits.

### **OPEX/GROSS PROFIT**

Efficiency ratio that compares the cost to operate with the income generated computed by OPEX (excluding Restructuring costs) over Gross Profit (including income from institutional partnerships in EDPR-NA).

### **ORGANIC CASH-FLOW**

Cash generated from organic activities. Includes cash flows from operating activities (excluding changes in Regulatory Receivables), net of maintenance CAPEX, interest payments associated with debt, payments to institutional partnerships in the US and payments to minorities (such as dividends, capital distributions and payments of capital/interests on shareholder loans), not excluding gains arising from Sell-Down.

## P

### **PLD (SETTLEMENT PRICE FOR THE DIFFERENCES)**

Price used to value the energy exchanged in the spot market. This price is calculated weekly for each submarket and load periods, based on the marginal cost of generation. It is limited by a minimum and maximum value.

### **PPA (POWER PURCHASE AGREEMENT)**

A legal contract between an electricity generator (provider) and a power purchaser (host). The power purchaser buys energy, and sometimes also capacity and/or ancillary services, from the electricity generator.

### **PTC (PRODUCTION TAX CREDIT)**

The result of the Energy Policy Act of 1992, a commercial tax credit in the US that applies to wholesale electrical generators of wind energy facilities based upon the amount of energy generated in a year.

### **PUMPING**

Pumping activity is the act of pushing back to the dam reservoir the water that had already been turbinated before. This action intends to increase the hydro output and thus generate higher operational results as water is pushed back when electricity market prices are low and turbinated again when those prices reach higher levels.

## R

### **RAB (REGULATORY ASSET BASE)**

Corresponds to the net book value of the distribution companies' regulated fixed assets (gross value less accumulated depreciation, net of reimbursements).

**RECURRING**

Which occurs periodically or repeatedly. It aims to normalize indicators into more predictable ones and which can be counted on in the future with a high degree of certainty. Indicators such as EBITDA, Net Profit, FFO, Organic Cash-Flow are referred to as recurring when adjusted by one-off events. One-off events include non-recurrent amounts materially relevant resulting from, for instance, impairments and capital gains/losses on assets, retroactive regulatory changes, HR and debt restructuring costs and CESE.

**REGULATORY RECEIVABLES**

Amounts pending to be received from the electricity system and related with tariff adjustments and tariff deficits from regulated activities in Iberia and Brazil (Generation in Portugal and Spain, Distribution and Last Resort Supply of electricity in Portugal and Distribution in Brazil).

**RENEWABLE ENERGY**

Energy that is derived from resources that are regenerative or that cannot be depleted including wind energy, solar, biomass, geothermal, and moving water.

**REC (RENEWABLE ENERGY CREDIT)**

Represents the property rights to the environmental, social, and other non-power qualities of renewable electricity generation. A REC can be sold separately from the electricity associated with a renewable energy generation source.

**RESERVOIR LEVEL**

Volume of water stored in a dam reservoir measured in total amount of electrical power it can produce if turbinated (GWh).

**RESIDUAL INCOME**

Is the amount of net income generated in excess of the minimum rate of return. Residual income concepts have been used in a number of contexts, including as a measurement of internal corporate performance whereby a company's management team evaluates the return generated relative to the company's minimum required return.

**ROE (RETURN ON EQUITY)**

Earnings before non-controlling interests over average total equity of the period.

**ROIC (RETURN ON INVESTED CAPITAL)**

ROIC gives a sense of how a company uses its money to generate returns.  $ROIC = \frac{\text{EBIT Adjusted}}{\text{Invested Capital}}$ . EBIT Adjusted is EBIT + share of net profit in joint ventures and associates + impairments + provisions +/- capital losses/gains (except related to sell downs) + HR restructuring costs – Price Purchase Allocation amortizations – other one-off events. Invested Capital includes net fixed assets – assets under construction + working capital.

**ROIC CASH (CASH RETURN ON INVESTED CAPITAL)**

Similar to ROIC but focuses on cash return rather than profit. EBIT adjusted is  $\text{EBIT} - (\text{nominal tax rate} \times \text{EBIT}) + \text{share of net profit in joint ventures and associates}$ . Invested Capital as in ROIC.

**ROIC LEVELIZED**

Similar to ROIC but focuses on the average life of Invested Capital rather than in accounted Invested Capital. EBIT Adjusted as in ROIC. Invested Capital assumes 50% amortization of assets for all businesses except networks.

**ROR (RATE OF RETURN)**

Corresponds to the rate to be applied to the distribution companies' RAB accepted for capital remuneration purposes, with the respective formula defined by the Regulator at the beginning of each regulatory period.

**RPS (RENEWABLE PORTFOLIO STANDARD)**

Regulation in the US that places an obligation in certain states on electricity supply companies to source a specific percentage of their energy from renewable sources.

## S

**SAIDI (SYSTEM AVERAGE INTERRUPTION DURATION INDEX)**

Is the average outage duration for each served customer.

**SELL-DOWN**

Strategy aimed at developing and selling a majority stake in an asset, crystallizing the value of a project, and reinvesting the proceeds in another asset, targeting greater growth. Typically, the developer may retain the role of O&M supplier.

**SOLAR PV (PHOTOVOLTAIC)**

Generation of electricity by means of solar power through photovoltaics, consisting on an arrangement of several components, including solar panels to absorb and convert sunlight into electricity, a solar inverter, cables and other electrical accessories.

**SUPPLY POINTS**

Points of the grid where the delivering or reception of electricity is made to the customer, producer or other grid installation.

**SUSTAINABILITY INDEX**

The Sustainability Index (SI) is a measurement system of sustainability performance, composed by 33 indicators organized in 3 dimensions: Economic, Environmental and Social. The weights assigned to each dimension of the sustainable development reflect the importance given by RobecoSAM (investment specialist focused exclusively on Sustainability Investing).

## T

**TEI (TAX EQUITY INVESTORS)**

Tax Equity Investors are the agents that are willing to trade on PTC.

**TSR (TOTAL SHAREHOLDER RETURN)**

Measures the return that the stock provides to the shareholder, including dividends paid and the stock price appreciation.

## V

**VALUE@RISK**

Estimated loss of the asset value, in a given period of time and for a given confidence interval. Usually it is used a horizon of 12 months and a level of confidence of 95%.

## W

**WATT (W)**

The rate of energy transfer equivalent to one ampere under an electrical pressure of one volt. One watt equals 1/746 horsepower, or one joule per second. It is the product of voltage and current (amperage). Watts are the yardstick for measuring power.

*edp*

**Changing tomorrow now.**

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Conselho Geral e de Supervisão

## STATEMENT

Pursuant article 246, No. 1, item c) of Portuguese Securities Code (CVM), to the best knowledge of each of the signatories, as Members of the General and Supervisory Board of EDP – Energias de Portugal, S.A. (EDP), the information referred in article 246º No. 1, item a) of CVM (“condensed financial statements”) regarding 2021 first semester, has been prepared in accordance with the accounting standards applicable, providing 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, pursuant article 246º, No. 2 of CVM, the 2021 interim report faithfully states the events that have occurred on the referred period, trend of the business, the performance and position of EDP and subsidiaries included in the consolidation, their impact on the respective financial statements and contains a description of the principal risks and uncertainties for the coming six months of the 2021 financial year.

Lisbon, 29<sup>th</sup> July 2021

João Luís Ramalho de Carvalho Talone – Chairman

Shengliang Wu (as representative of China Three Gorges International Limited)

Li Li (as representative of China Three Gorges Brasil Energia Ltda.)

Felipe Fernández Fernández (as representative of DRAURSA, S.A.)

João Carvalho das Neves

Laurie Lee Fitch

Helena Sofia Silva Borges Salgado Fonseca Cerveira Pinto

Zili Shao

Dingming Zhang (as representative of China Three Gorges Corporation)

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

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

Fernando Maria Masaveu Herrero

María del Carmen Fernández Rozado

Esmeralda da Silva Santos Dourado

Sandrine Dixson-Declève

Luís Maria Viana Palha da Silva

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### STATEMENT

With reference to the first half of 2021 financial year, and according to No. 1, item c) of article 246º of the Portuguese Securities Code, the signers hereby, acting as members of the Executive Board of Directors, declare that, to the best of their knowledge, the condensed set of financial statements, was prepared according to the applicable accounting standards, presenting a fairly position of the assets, liabilities, financial position and results of EDP – Energias de Portugal, S.A. and its subsidiaries companies included in the consolidation perimeter, and that the Interim Management Report includes a fair review of the information required pursuant to No. 2 of the aforementioned article.

Lisbon, 29 July 2021

A handwritten signature in black ink, appearing to read 'Miguel Stilwell de Andrade', written over a horizontal line.

Miguel Stilwell de Andrade, Chairman

A handwritten signature in black ink, appearing to read 'Miguel Nuno Simões Nunes Ferreira Setas', written over a horizontal line.

Miguel Nuno Simões Nunes Ferreira Setas

A handwritten signature in blue ink, appearing to read 'Rui Manuel Rodrigues Lopes Teixeira', written over a horizontal line.

Rui Manuel Rodrigues Lopes Teixeira

A handwritten signature in black ink, appearing to read 'Vera de Moraes Pinto Pereira Carneiro', written over a horizontal line.

Vera de Moraes Pinto Pereira Carneiro

A handwritten signature in black ink, appearing to read 'Ana Paula Garrido de Pinha Marques', written over a horizontal line.

Ana Paula Garrido de Pinha Marques



EDP – Energias de Portugal, S.A.  
Miguel Tiago Perestrelo da Câmara Ribeiro Ferreira  
Senior Accounting Officer  
Corporate Centre

### STATEMENT

With reference to the first half of 2021 financial year, and according to No. 1, item c) of article 246º of the Portuguese Securities Code, I hereby declare that, to the best of my knowledge, the condensed set of financial statements, was prepared according to the applicable accounting standards, presenting a fairly position of the assets, liabilities, financial position and results of EDP – Energias de Portugal, S.A. and its subsidiaries companies included in the consolidation perimeter, and that the Interim Management Report includes a fair review of the information required pursuant to No. 2 of the aforementioned article.

Lisbon, 29 July 2021

A handwritten signature in blue ink, consisting of a large, sweeping loop followed by several smaller, stylized strokes.



## ***Review Report on the Condensed Consolidated Financial Statements***

***(Free translation from the original in Portuguese. In the event of discrepancies, the Portuguese language version prevails)***

### ***Introduction***

We have reviewed the accompanying condensed consolidated financial statements of EDP – Energias de Portugal, S.A. (the Entity), which comprise the condensed consolidated statement of financial position as at June 30, 2021 (which shows total assets of Euros 44,129,295 thousand and total equity of Euros 14,346,588 thousand, including a consolidated net profit attributable to equity holders of EDP of Euros 343,316 thousand), the condensed consolidated income statement, the condensed consolidated statement of comprehensive income, the condensed consolidated statement of changes in equity and the condensed consolidated statement of cash flows for the six month period then ended, and the accompanying explanatory notes to these condensed consolidated financial statements.

### ***Management's responsibility***

The Management is responsible for the preparation of the condensed consolidated financial statements in accordance with International Accounting Standard 34 – Interim Financial Reporting as adopted by the European Union, as well as to create and maintain appropriate systems of internal control to enable the preparation of condensed consolidated financial statements that are free from material misstatement, whether due to fraud or error.

### ***Auditor's Responsibility***

Our responsibility is to express a conclusion on the accompanying condensed consolidated financial statements. We conducted our review in accordance with ISRE 2410 – Review of Interim Financial Information Performed by the Independent Auditor of the Entity and other technical and ethical standards and recommendations issued by the Institute of Statutory Auditors. Those standards require that we conduct the review in order to conclude whether anything has come to our attention that causes us to believe that the condensed consolidated financial statements are not prepared, in all material respects, in accordance with International Accounting Standard 34 – Interim Financial Reporting as adopted by the European Union.

A review of financial statements is a limited assurance engagement. The procedures performed mainly consist of making inquiries and applying analytical procedures, and evaluating the evidence obtained.

The procedures performed in a review are substantially less than those performed in an audit conducted in accordance with International Standards on Auditing (ISAs). Accordingly, we do not express an opinion on these consolidated financial statements.

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**PricewaterhouseCoopers & Associados – Sociedade de Revisores Oficiais de Contas, Lda.**

Sede: Palácio Sottomayor, Rua Sousa Martins, 1 - 3º, 1069-316 Lisboa, Portugal

Receção: Palácio Sottomayor, Avenida Fontes Pereira de Melo, nº16, 1050-121 Lisboa, Portugal

Tel: +351 213 599 000, Fax: +351 213 599 999, [www.pwc.pt](http://www.pwc.pt)

Matriculada na CRC sob o NIPC 506 628 752, Capital Social Euros 314.000

Inscrita na lista das Sociedades de Revisores Oficiais de Contas sob o nº 183 e na CMVM sob o nº 20161485

PricewaterhouseCoopers & Associados – Sociedade de Revisores Oficiais de Contas, Lda. pertence à rede de entidades que são membros da PricewaterhouseCoopers International Limited, cada uma das quais é uma entidade legal autónoma e independente.

**Conclusion**

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed consolidated financial statements of EDP – Energias de Portugal, S.A. as at June 30, 2021 are not prepared, in all material respects, in accordance with International Accounting Standard 34 – Interim Financial Reporting as adopted by the European Union.

July 29, 2021

PricewaterhouseCoopers & Associados  
- Sociedade de Revisores Oficiais de Contas, Lda.  
represented by:

***Signed on the original***

João Rui Fernandes Ramos, R.O.C.



## ***Review Report on the Condensed Financial Statements***

***(Free translation from the original in Portuguese. In the event of discrepancies, the Portuguese language version prevails)***

### ***Introduction***

We have reviewed the accompanying condensed financial statements of EDP – Energias de Portugal, S.A. (the Entity), which comprise the condensed company statement of financial position as at June 30, 2021 (which shows total assets of Euros 22,860,054 thousand and total equity of Euros 8,158,144 thousand, including a loss for the period of Euros 80,942 thousand), the condensed company income statement, the condensed company statement of comprehensive income, the condensed company statement of changes in equity and the condensed company statement of cash flows for the six month period then ended, and the accompanying explanatory notes to these condensed financial statements.

### ***Management's responsibility***

The Management is responsible for the preparation of the condensed financial statements in accordance with International Accounting Standard 34 – Interim Financial Reporting as adopted by the European Union, as well as to create and maintain appropriate systems of internal control to enable the preparation of condensed financial statements that are free from material misstatement, whether due to fraud or error.

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A review of financial statements is a limited assurance engagement. The procedures performed mainly consist of making inquiries and applying analytical procedures, and evaluating the evidence obtained.

The procedures performed in a review are substantially less than those performed in an audit conducted in accordance with International Standards on Auditing (ISAs). Accordingly, we do not express an opinion on these financial statements.

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***Conclusion***

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed financial statements of EDP – Energias de Portugal, S.A. as at June 30, 2021 are not prepared, in all material respects, in accordance with International Accounting Standard 34 – Interim Financial Reporting as adopted by the European Union.

July 29, 2021

PricewaterhouseCoopers & Associados  
- Sociedade de Revisores Oficiais de Contas, Lda.  
represented by:

***Signed on the original***

João Rui Fernandes Ramos, R.O.C.

# CONTACTS

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## STAKEHOLDERS

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*edp*