# Investor Presentation

Lisbon, November 2021

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# We have started this journey in Renewables over 2 decades ago and are committed to continue to lead the Energy Transition

edp

***Leading the energy transition to create superior value***

Changing
Tomorrow
Now

| *By 2025* | *By 2030* |
|---|---|
| **€24 Bn** CAPEX in energy transition | **>50 GW** renewables additions |
| **4 GW/yr** renewables deployed | **100%** renewables generation |
| **Double** solar+wind installed capacity | **100%** energy transition EBITDA |
| **Coal free** | **Carbon neutral** |

# Strategic commitments on track as we step up to the challenge to deliver superior value creation

| | Key figures and targets | 9M21 |
|---|---|---|
| **Accelerated and sustainable growth** | **€24 Bn** CAPEX in energy transition[1] | **€2.7 Bn** (95% in RES + Networks) |
| | **20 GW** gross additions[1] | **8.1GW secured (41%)** with 3.9 GW added YTD+U/C |
| | **€8 Bn** asset rotation | **~€2.6 Bn** signed (~33% target) |
| | Improve **financial strength** | **~-€0.1 Bn** Net Det |
| **Future-proof organization** | Contracting major equipment **upfront at fixed price** | |
| | Scale-up organization to **support growth** | |
| **ESG excellence and attractive returns** | **Coal free** by 2025 | **Coal Revenues** 5% |
| | **Carbon neutral** by 2030 | **76%** Renewables Generation |
| | **€0.19/share** dividend floor | **€0.19/share** dividend paid April 26th |

(1) 2021-25.

# We will grow our presence across technologies, with differentiating value propositions

**Global leadership**

Top 4 global player

**Differentiation**

Capture repowering, hybridization, and technological developments

Wind onshore

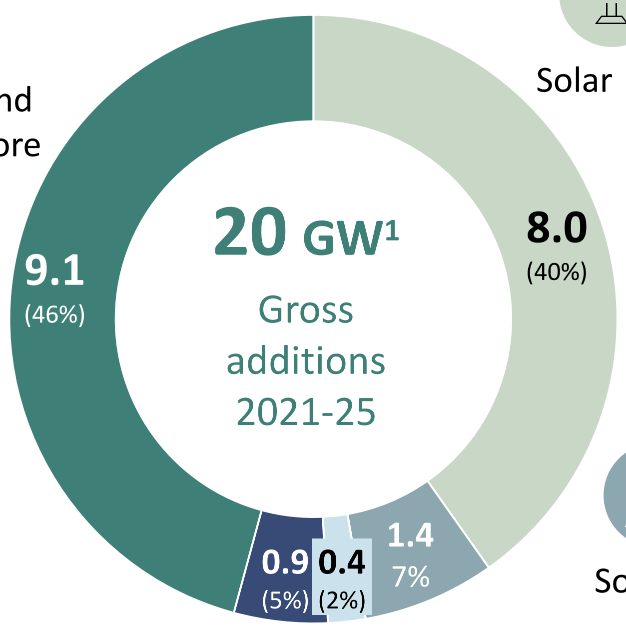
**Future growth**

Long-term opportunity with medium-term value crystallization

**Diversified risk**

Leveraging scale and risk diversification through Ocean Winds *(50/50 JV with Engie)*

Wind offshore




Storage

**Capture flexibility value**

Further develop existing capabilities to meet increasing flexibility needs

Solar

**Strong visibility**

Extensive pipeline with additions ramping up quickly

**Cost competitiveness**

Focus on procurement synergies and scale

Solar DG

**Differentiation**

Leverage distinctive go-to-market capabilities

Hydro

*Mostly maintenance investments*

**Cash generator**

Manage portfolio for efficiency and value capture

**Flexibility provider**

Mature technology, with unique flexibility capacity through pumping capabilities (2.4 GW)

Renewable $H_2$

**New route to market**

Leverage existing capabilities to capture new growth

1. EBITDA + Equity GWs

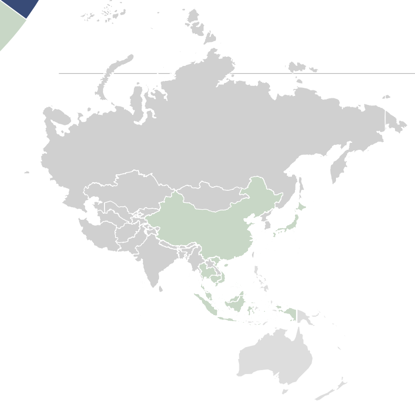
# We have +8.1 GW capacity additions secured (41%) evenly split per geography

## North America

3.1 GW

36% secured

1.5 GW | 1.6 GW | 0.2 GW post 2025



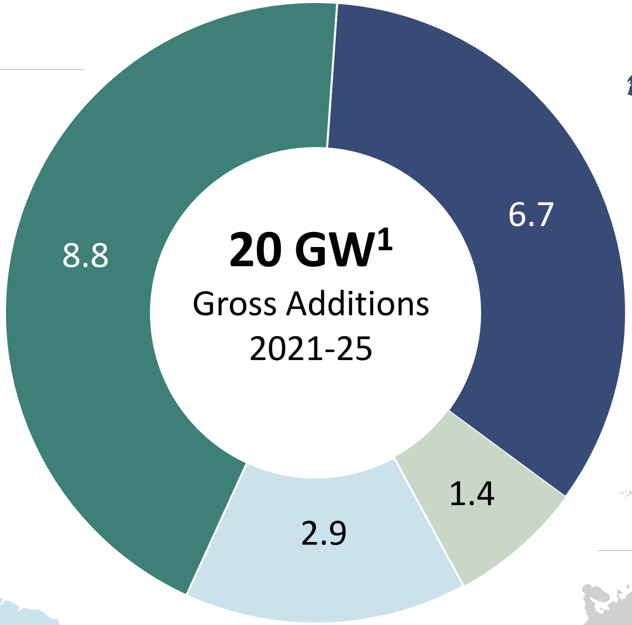
## Europe

2.3 GW

33% secured

1.3 GW | 0.7 GW | 0.3 GW

0.5 GW post 2025




## LatAm

1.9 GW

65% secured

1.5 GW | 0.4 GW



## APAC

0.7 GW

48% secured

0.7 MW

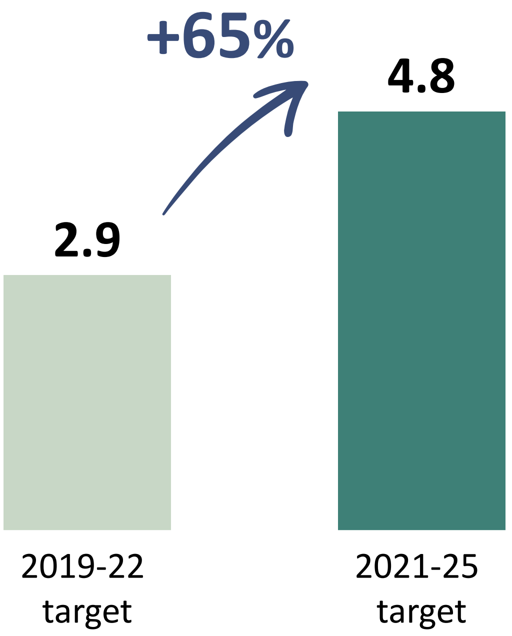
GW secured

1. EBITDA + Equity GW

# We will deliver unparalleled investment levels fully aligned with the energy transition

## Significant investment acceleration…

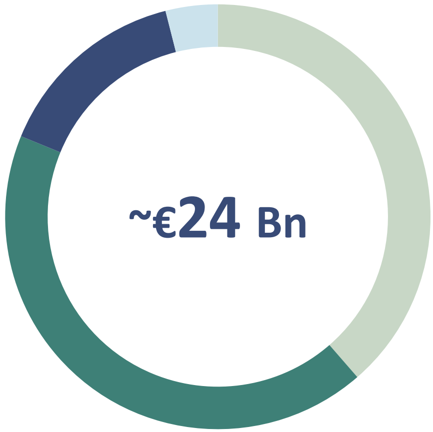
**CAPEX**[1], € Bn/yr




## … with strong focus on Renewables, across key markets in Europe and North America

**CAPEX**[1], Cumulative, € Bn, 2021-25


- **~80%** Renewables
- **~15%** Networks
- **~5%** Client solutions & Energy mgmt[2]




- **~40%** Europe
- **~40%** North America[3]
- **~15%** Brazil and LatAm
- **~5%** Rest of the world

**€21 Bn**
expansion CAPEX, 95% in Renewables

**€3 Bn**
maintenance CAPEX, mostly in Networks

**~80%**
CAPEX in Europe and North America

1. Includes financial investments
2. Includes other and holding CAPEX
3. US, Canada, and Mexico

# EDP has secured 8.1 GW whilst maintaining a sound investment approach

## Continued accelerated growth in renewables…

**Strong execution on capacity deployment**

**+2.5 GW**[1] of Wind & Solar Gross capacity added over the last 12 months

**+2.7 GW** Capacity U/C as of Sep-21

**+8.1 GW**[2] Secured for 2021-2025

**LT contracts secured:**

**75%** of 2021-23 target

**41%** of 2021-25 target

**+4.1 GW** PPAs under neg. & shortlisted

2.8 GW

1.1 GW

0.2 GW

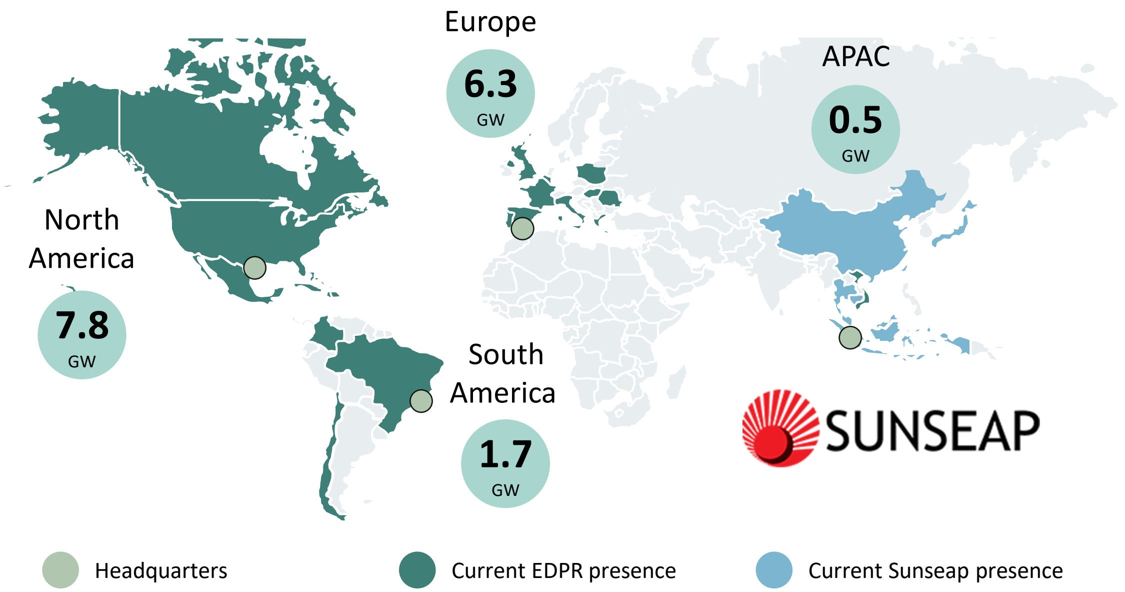
## … maintaining a selective and disciplined investment approach

| | Target | Actual |
|---|---|---|
| IRR/ WACC | >1.4x | **~1.45x** |
| IRR to WACC spread | >200bps | **~300bps** |
| NPV/ Capex | >25% | **~35%** |
| % NPV contracted | >60% | **~60%** |

(1) EBITDA MW + Equity MW | (2) including Sunseap

# With Sunseap, we set up a 4th regional hub, a platform for long term growth in APAC, becoming a true global clean energy player

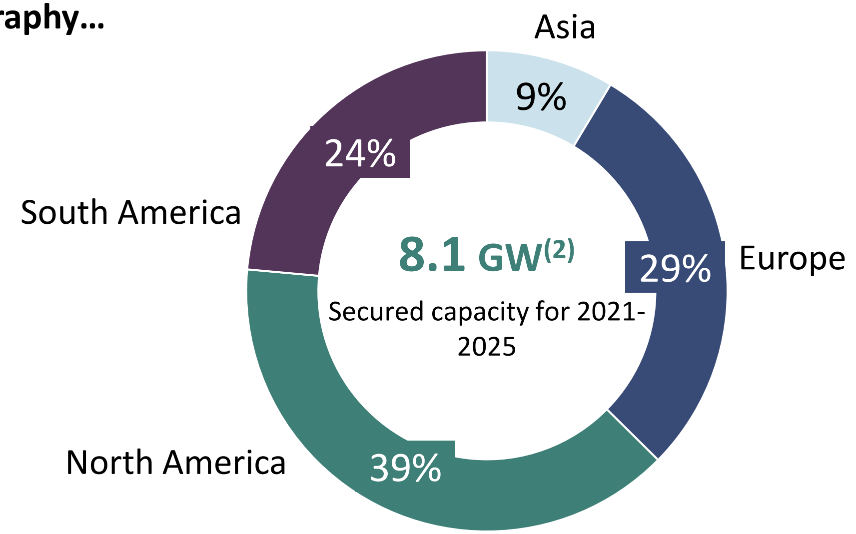
## Global presence through EDPR's installed capacity(1)...




- Enterprise value of **€870M**
- **0.7 GW operational and secured capacity**, with a pipeline of 5 GW throughout 9 markets (Singapore, Vietnam & Others)
- **LT Contracted (~20-year),** avg price ~ €75/MWh

## ... with a focus on accelerated and diversified growth

**By Geography...**




**By Technology...**

54% Wind Onshore

4% Wind Offshore

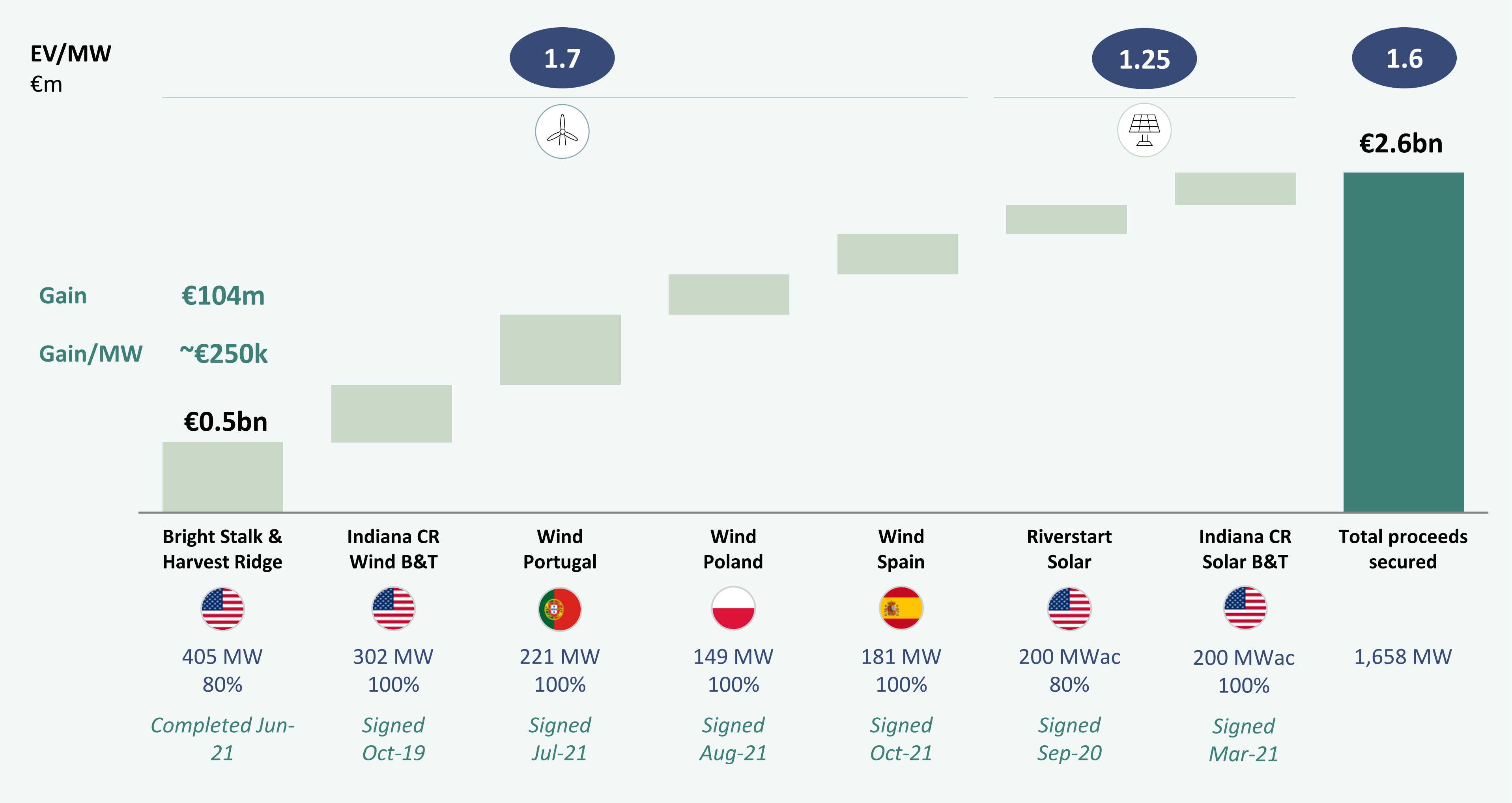
42% Solar & Solar DG

(1) EBITDA + Equity GW operating and under construction as of Sep-21. Capacity reported in MWac| (2) EBITDA + Equity GWs and including Sunseap

# Asset rotation execution has been strong with €2.6bn of proceeds secured at attractive multiples and €0.15bn[(1)] gains already booked

Accelerated & sustainable growth

## Strong AR execution at attractive multiples, showcasing the value of EDPR projects




- **€2.6bn** of proceeds, ~**33% of €8bn AR target** for 2021-25
- **Attractive multiples with avg. €1.6m/MW** (Wind @ €1.7m and Solar @ €1.25m/MW
- **On track to deliver >€300m of capital gains in 2021.** Upsize will depend on exact timing of regulatory approvals and closing of each transaction



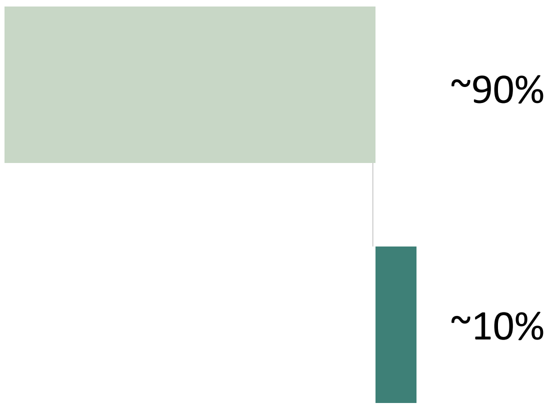
1. Gains of €151m in 9M21 include i) €104m from Jun-21 US asset rotation deal, ii) €16m contingent price review of Offshore France sell-down transactions iii) €2m price adjustment of Rosewater B&T and iiii) €30m for Mayflower earn-out

# We have a policy of contracting major equipment upfront at fixed price mitigating concerns on capex cost inflation

## Secured Capacity Breakdown
%

Fully contracted [1] or Higher Capex already embedded in Investment decision

Major equipment partially contracted[2]




- Recent **Auctions already incorporating higher bid prices** (e.g. Spain Auction)
- **Revising Bid prices in PPAs under negotiation** and still shortlisted
- **Top tier customer** for wind and solar equipment with recurrent orders of >1 GW/year both for wind and solar
- We have a **strong position and a privileged relationship with suppliers**, and we continue to monitor and manage disruptions to the supply chain

**Strong returns with spread to WACC >300 bps**

(1) WTG for wind projects; Modules; Trackers and Inverters for solar projects | (2). Capacity which has Major equipment partially contracted, but not fully

# We continue to witness a policy environment highly supportive of the energy transition

Reiterated **global commitments** in the fight against **climate change**

**ASEAN** targets **23% of primary energy** from **RES** by **2025**

IEA[1] forecast investment needed **to reach +1.5ºC**

Global Annual Investment in Clean Energy

**$4 Tn/Year by 2030**

(vs. $1Tn/Year in 2020)

**EC toolbox** to tackle energy prices:

Need to accelerate energy transition investments

European **Resilience and Recovery Funds**

**$0.75 Tn**

Focused around the Green Deal and the Energy Transition

Important legislative measures under discussion

**$1.20 Tn**

Infrastructure Bill, already approved and signed

**$1.75 Tn**

Build Back Better Framework

More long-term visibility on **fiscal incentives**

**ITC/PTC**

10-year Extensions

**$320 Bn**

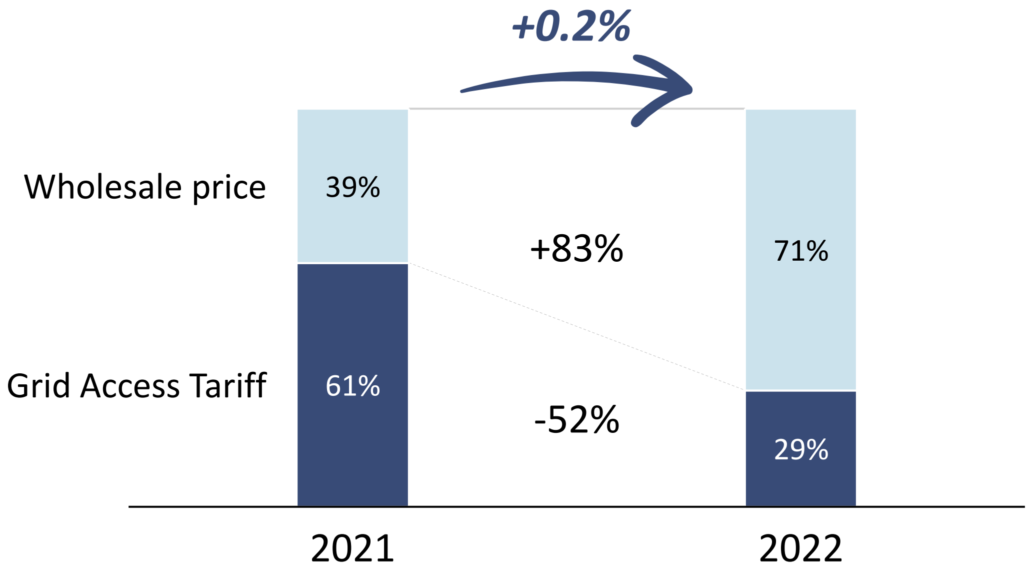
Tax credits

Source: Whitehouse.gov | EU commission | IEA | (1). International Energy Agency's World Energy Outlook

# Despite higher wholesale prices, regulatory framework in Portugal provides stable prices for residentials and continuous system debt decline

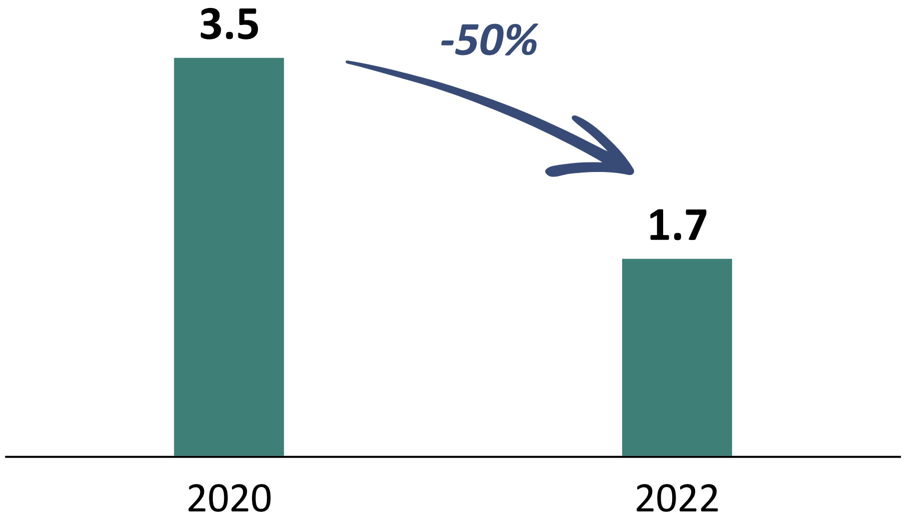
## End-users Regulated Electricity Tariff

*€/MWh; Low-voltage clients (residentials & SMEs)*




## Portugal Electricity System Debt

*€ Bn*




- Renewables & cogen generation at **stable feed-in tariffs** (1) **cover ~110% of Low-voltage consumption**
- Grid access tariff -52% due to **spread inversion between feed-in tariffs (~€90/MWh) and wholesale price**(2)
- Stable end-users regulated tariffs for residentials together with a **50% system debt decline in 2 years**
- Main contribution from **improved spread between stable feed-in tariffs and higher wholesale prices**

Source: ERSE | (1) ~22TWh/Year at ~€90/MWh (2) avg. wholesale electricity price assumption up from €54/MWh in 2021 to €105.5/MWh in 2022

# Significant developments in Brazil's portfolio reshuffling provide value crystallization and improve growth prospects

## Transmission Asset Rotation Strategy

| | Acquisition<br>Celg-T | Asset Rotation<br>Actis |
|---|---|---|
| Enterprise value | R$1,977M | R$1,329M |
| Annual allowed Revenue (RAP[2]) | R$223M | R$131M |
| **EV/RAP Multiple** | **8.9** | **10.2** |
| Line's extension | 756km | 439km |
| Substations | 14 | 3 |

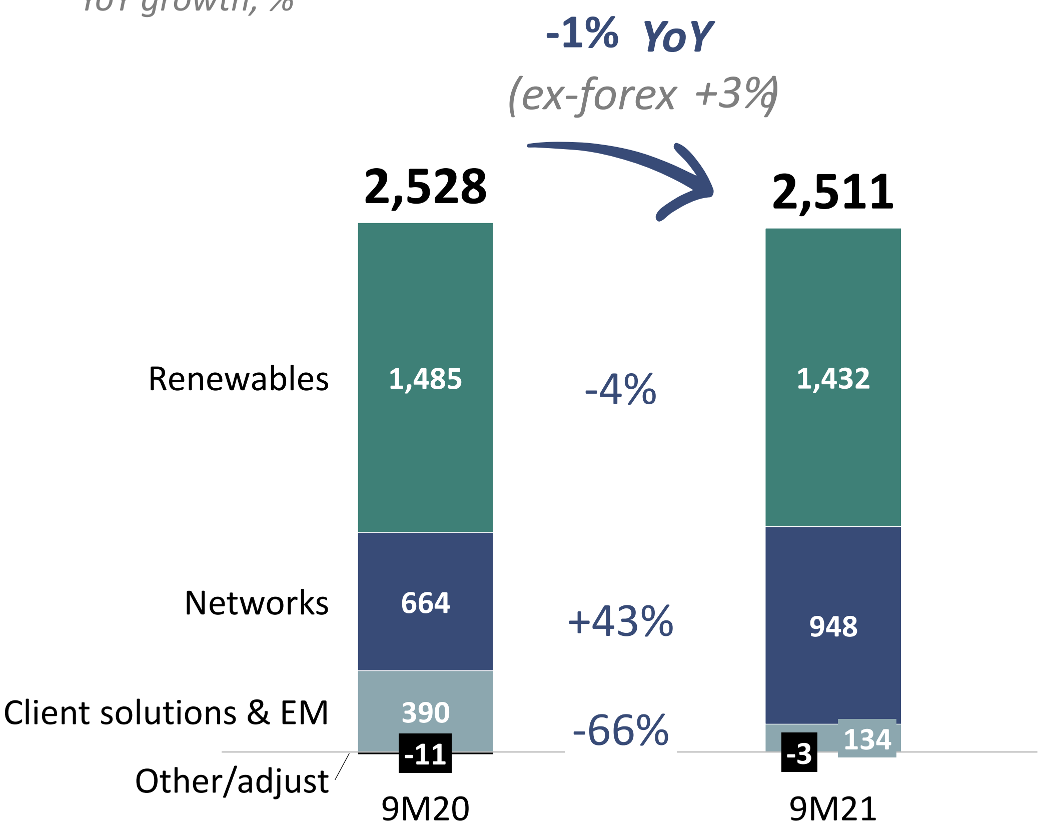
- **Celg-T** region (Goiás) with **strong electricity demand growth,** requiring significant transmission investments
- **Two additional greenfield transmission projects added in 2021** (463km, RAP R$47M[(1)])
- Advanced negotiations for **disposal of 0.5 GW net Hydro assets** (Jari, Cachoeira and Mascarenhas)
- EDP Brasil additional **share buyback program** (~4% of share capital) announced in Oct-21

(1) Composed by Lots 1 in Acre and Rondonia States and 18 in Maranhão State

# Recurring EBITDA -1% YoY (+3% ex-forex) with CS&EM weak performance being mitigated by strong Networks' results

**Recurring EBITDA[1,2] €m**

*YoY growth, %*




**Δ YoY**

**-53m**
- *-€156m Wind & Solar*
- *+€103m Hydro*

*EDPR Installed Capacity* ***+13% YoY*** [3]
*Wind resources* ***-5% vs. LT avg***
*Asset rotation gains* ***+€151m*** *(-€49m YoY)*
*Hydro resources vs. LT Avg. Portugal* ***+13%***
*Tax reversal Hydro Spain* ***+€47m***

**+284m**
- *+€198m Iberia*
- *+€86m Brazil*

*Spain Viesgo:* ***+€148m***
*Portugal:* ***+€21m*** *on improved Opex & weather*
*Brazil distribution:* ***+€61m****, inflation update & demand*
*Brazil transmission:* ***+€25m****, on capex execution*

**-256m**
- *-€262m Iberia*
- *+€7m Brazil*

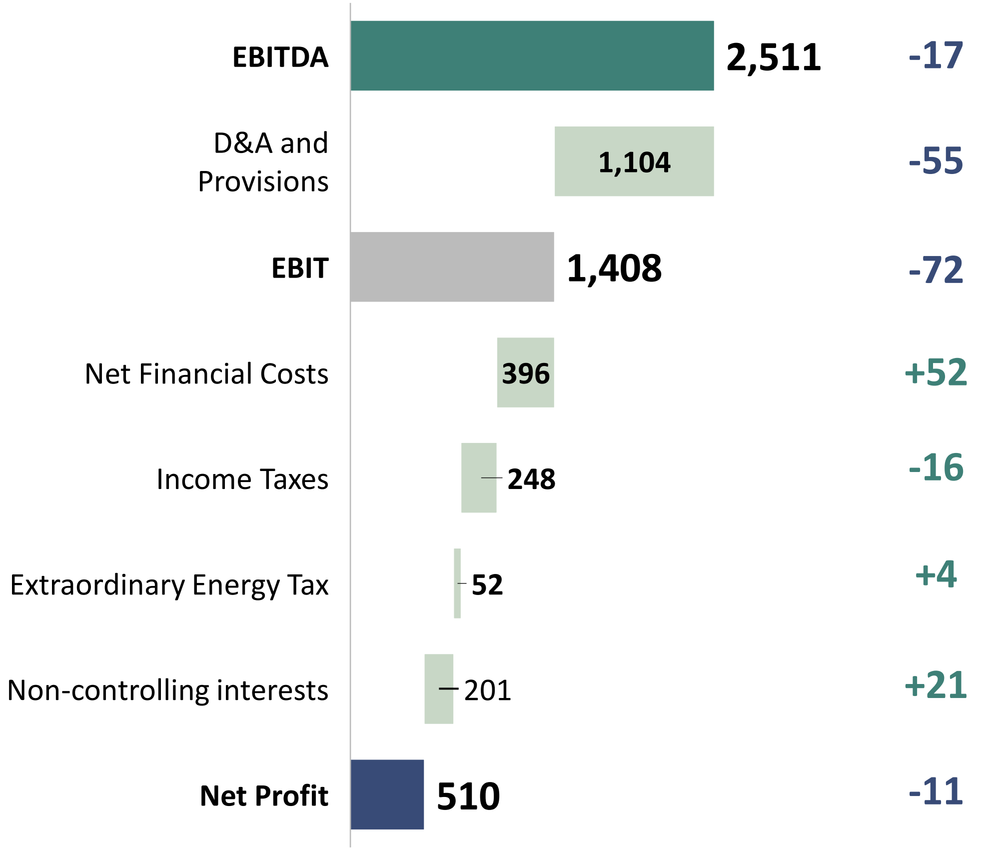
*Very strong EM in 9M20 vs. 9M21 negative impact on higher prices*
*Supply: growth of services penetration rate*

(1) Adjustments and Non-recurring items include: (i) 9M20 of +€97m, namely, EBITDA correspondent to the 6 hydro plants sold in Portugal (+€87m), EBITDA correspondent to 2 CCGTs and B2C portfolio in Spain sold to Total (+€32m), and non-recurring costs related to Sines Shut-down (-€22m); (ii) 9M21 +€4m of non-recurring namely -€21m related to the gain from the sale of a 50% stake in the energy supplier CHC in Spain to our partner CIDE, costs related with Sonatrach (+€17m); curtailment costs mainly in networks in SP(+€8m) | (2) FX impact on EBITDA -€95m | (3) EBITDA + Equity MW.

# Net Profit -2% YoY benefitting from improved financial results and lower minority interests; net non-recurring items at zero in 9M21

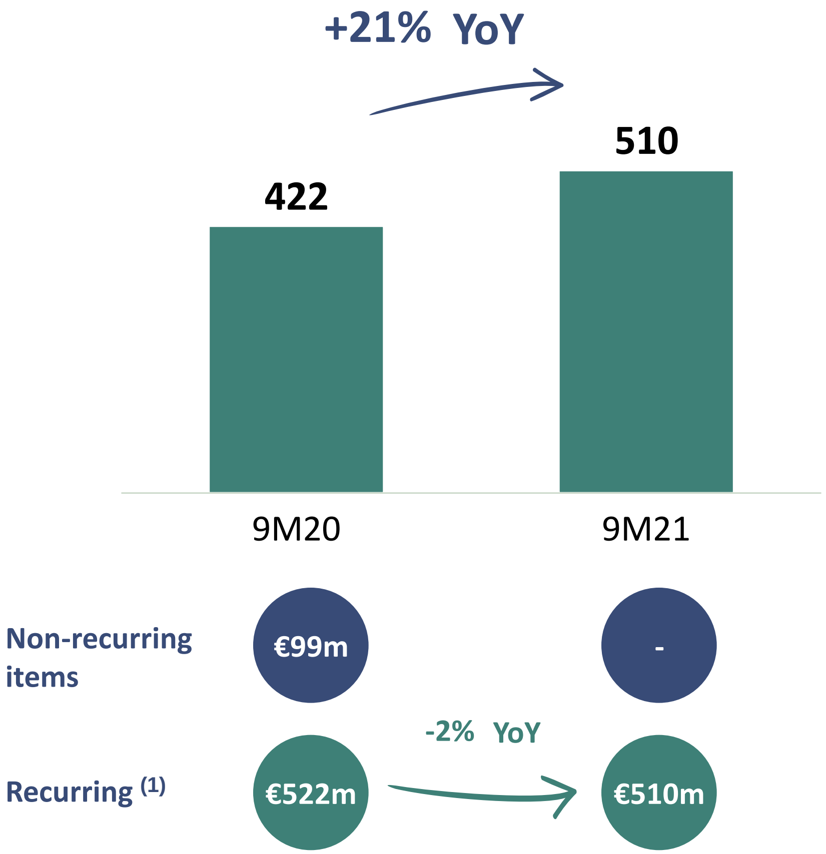
## Recurring Net Profit [1]

*€m*




## Reported Net Profit

*€m*

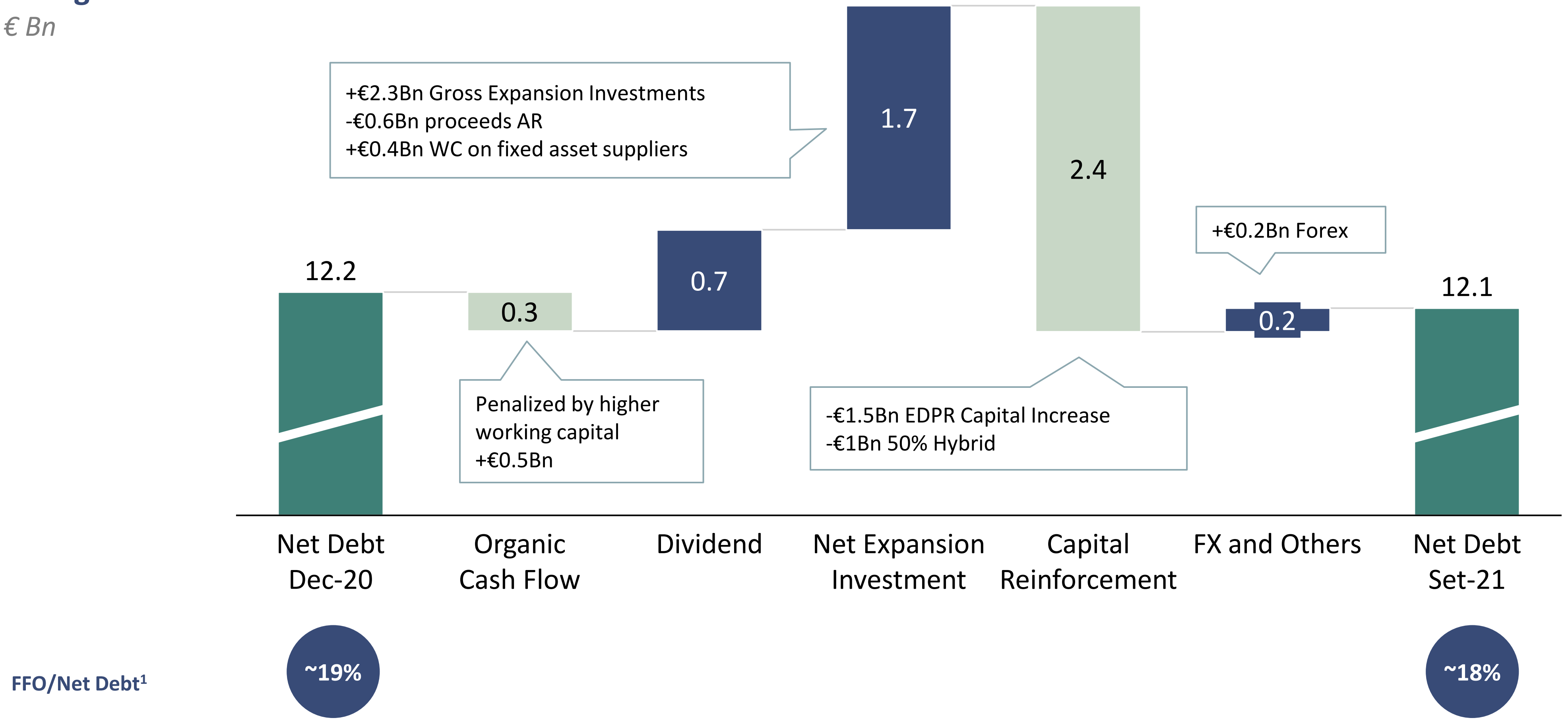



(1) Adjustments and non-recurring items impact at net profit level: -€99m in 9M20 including the adjustment for the net profit contribution of 6 hydro plants in Portugal (-€66M); CCGT and B2C supply sold in December 2020 (-€18m), early shutdown of Sines (-€89m); CMEC overcompensation (+€50m) and one-off liability management cost (-€45m); no impacts in 9M21 including the net gain from CIDE disposal and acquisition of debt in minority stake in Spain are offset by curtailment costs in Spain, Provision on competition authority penalty and buyback prepayment fees.

# Net Debt mostly flat YTD, capex growth and temporary higher working capital offset by EDPR capital increase and hybrid bond issuances

## Change in Net Debt

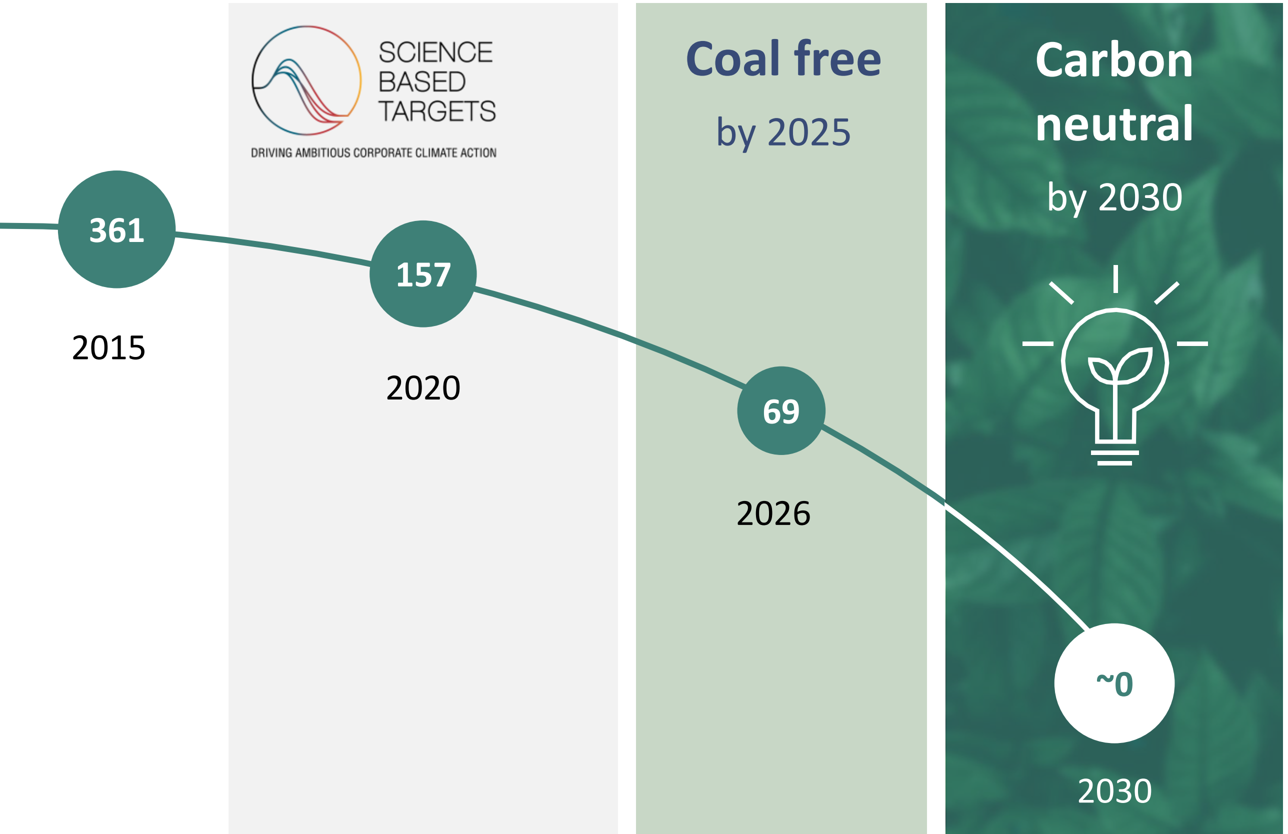
*€ Bn*




(1) FFO/ND formula consistent with rating agencies methodologies, considering EDP definition of EBITDA Recurring,

# On ESG we have been validated by SBTi on our carbon neutral targets as we continue to pave the way towards decarbonization

ESG excellence and attractive returns




\# (1) Scope 1&2 $CO_2$ emissions ($gCO_2/kWh$)

**Environment**

- **76%** renewables generation in 9M21
- **-54%** CO2 Specific Emissions[1] vs. 2015
- **66%** Revenues aligned w/ EU Taxonomy (+14% vs. 9M20)

**Social**

- **26%** female employees (+0.5 p.p vs. 9M20)
- **1.24** total recordable injury rate EDP
- **~€10m** in Social Investment

# We will deliver superior value to our shareholders

## Superior green positioning and accelerated growth…

**All green**
by 2030

**2x**
solar + wind installed capacity by 2025

**€24 Bn**
energy transition investment 2021-25

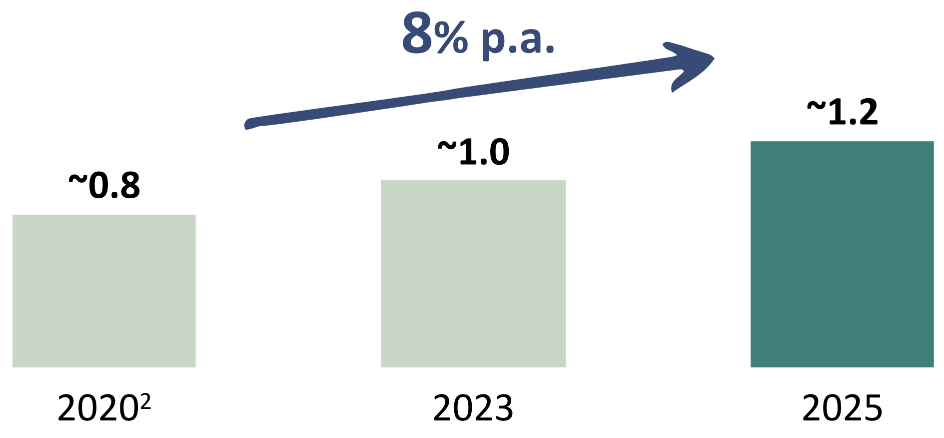
**>95%**
energy transition[1] EBITDA by 2025

**Coal free**
by 2025

**ESG**
leadership

## … delivering strong earnings growth…

Net income[2], € Bn




## … with an attractive dividend policy

**€0.19/share**
dividend floor

**75-85%**
target payout

**Sustainable EPS growth**
to deliver
**DPS increase**

1. EDP EBITDA excluding thermal generation
2. Recurring Net income excluding contribution from disposed portfolios in 2020 (6 hydro plants, B2C portfolio and 2 CCGTs in Spain); CESE as recurring cost

# Annex

# We will deliver superior value, while keeping a solid balance sheet and low-risk profile

| | 2020 | 2023 | 2025 | |
|---|---|---|---|---|
| **CAPEX[1], € Bn/yr**<br>Step-up investment plan with renewables focus | 3.7 | 4.5 | **4.6** | ↑ **+1 Bn**<br>2025 vs. 20 |
| **EBITDA[2], € Bn**<br>Increased results with distinctive energy transition profile | 3.5 | 4.2 | **4.7** | ↑ **+6%**<br>CAGR 2020-25 |
| **Net income[2], € Bn**<br>Earnings acceleration | 0.8 | 1.0 | **1.2** | ↑ **+8%**<br>CAGR 2020-25 |
| **FFO/ Net Debt[3], %**<br>Achieve BBB rating in the short term | ~19% | ~20% | **~21%** | ↑ **+2 pp**<br>2025 vs. 20 |

1. Including financial investments
2. EBITDA and Net Income adjusted by disposed portfolios in 2020 (6 hydro plants, B2C portfolio and 2 CCGTs in Spain); CESE at net income level as recurring cost
3. FFO/ND formula consistent with rating agencies methodologies, considering EDP definition of EBITDA Recurring

Note: Recurring EBITDA and Net income

# We will strengthen our leadership position in wind onshore

Pipeline as of Dec 2020 | Target additions 2021-25 (GW) | Current presence[1] | XX % in additions | XX Total installed capacity

## We have a strong onshore presence across the globe that will be reinforced…

**North America[2]**

6.5 GW

**+2.8** GW ~30%

**Europe**

5.0 GW

**+3.4** GW ~40%

**LatAm**

0.4 GW

**+2.2** GW ~25%

**Rest of world**

**+0.7** GW ~5%

**18** GW

## … consolidating leadership and exploring growth opportunities

Consolidate position as **global Top Wind player**

**Reinforce presence in core low-risk markets (EU and US)**

Capture **growing repowering, hybridization opportunities,** and technological developments

1. Countries with installed capacity and/or capacity already secured
2. Includes Canada and Mexico

Note: EBITDA MW + Equity MW

# We will build a sound market presence in Solar

Pipeline as of Dec 2020 | Target additions 2021-25 (GW) | Current presence[1] | XX % in additions | XX Total installed capacity

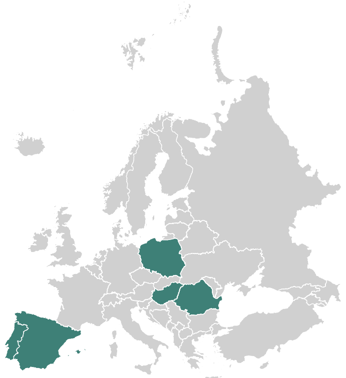
## We have robust secured additions and strong pipeline in solar…

### North America[2]
0.5 GW

**+5.5** GW ~60%

### Europe
0.1 GW

**+2.4** GW ~25%



### LatAm

**+0.7** GW 7%

### Rest of world

**+0.7** GW 8%

**15** GW

## … adopting a differentiated approach to clients

Reinforce approach to **large-scale utility model** through in-house capabilities

Develop a distinctive approach to C&I through a **dedicated Distributed Generation platform** in the **US**

Provide **differentiating and solid solutions** with coupled storage

1. Countries with installed capacity and/or capacity already secured
2. Includes Mexico

Note: EBITDA MW + Equity MW

# We aim to be a leading global player in offshore wind through the 50:50 JV Ocean Winds (OW)

## Step-change in capacity with a global footprint…

Installed | Under construction | Under development | ✓ PPA/Tariff secured

### Project visibility for 6.6 GW of capacity

| Status | Name | Country | MW gross | % OW | COD | PPA/Tariff secured |
|---|---|---|---|---|---|---|
| Installed | Windplus | Portugal | 25 | 85% | 2020 | ✓ |
| Installed | SeaMade[1] | Belgium | 487 | 18% | 2021 | ✓ |
| Under construction | Moray East | UK | 950 | 57% | 2022 | ✓ |
| Under development | EFGL | France | 30 | 80% | 2023 | ✓ |
| Under development | Noirmoutier | France | 496 | 61% | 2025-26 | ✓ |
| Under development | Moray West | UK | 871 | 62%[2] | 2025-26 | |
| Under development | Mayflower | USA | 1,336 | 50% | 2025-26 | ✓ |
| Under development | Le Tréport | France | 496 | 61% | >2025 | ✓ |
| Under development | B&C-Wind | Poland | 400 | 100% | >2025 | ✓ |
| Under development | KF Wind | South Korea | 1,500 | 61% | >2025 | |

- Early market entry through multi-partnerships
- Bid preparations for competitive auctions
  - Scotwind
  - NY Bight
  - Norway
  - California
  - France
  - Japan
  - other

OW pipeline **24** GW

## … with results already in place

**Pursuing greenfield development,** while assessing other opportunities

**Construction progressing on schedule** despite Covid challenges

**Early mover advantage in Floating** with Greenfield projects in multiple geographies

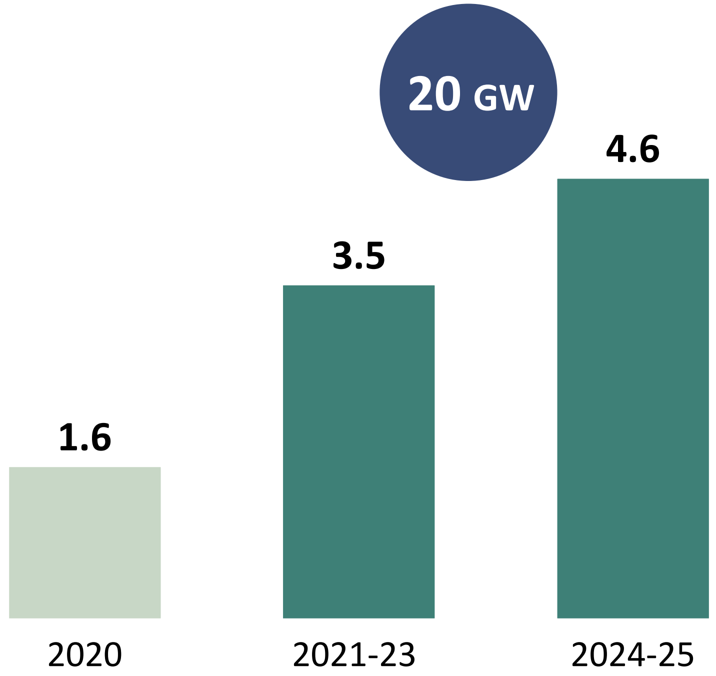
**Financing via project finance and Equity Bridget Loans** at asset level during construction

1. COD in 1Q21
2. Additional 33% directly owned by EDPR

# We will double growth in renewables, adding 4 GW/year with clear visibility

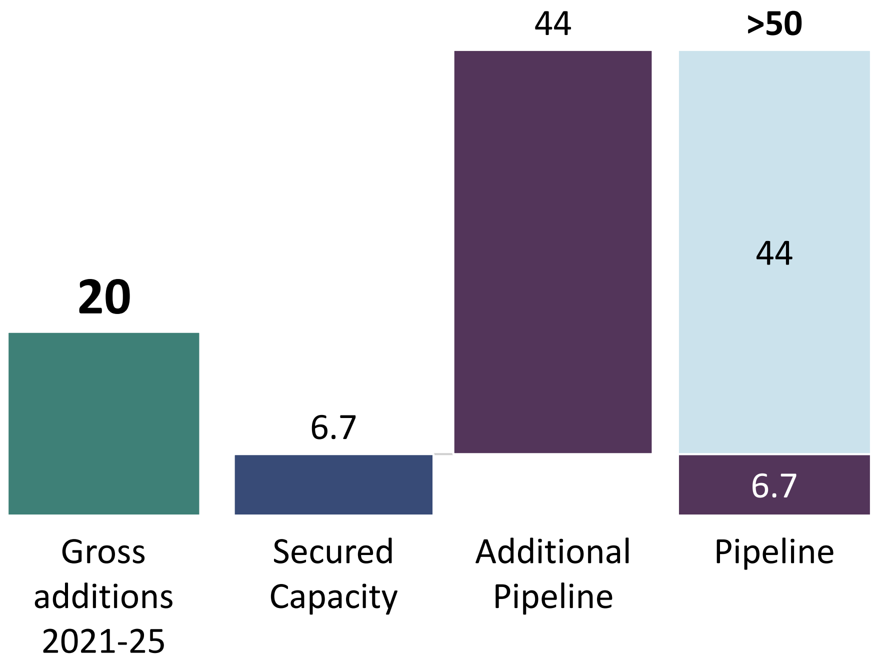
## Step-up growth in renewables...

Gross additions, GW[1]/yr




## ... with a robust pipeline to address target additions

Total gross additions, GW[1]




**~3x**

*Pipeline announced as of 2019 (16 GW)*

**~3x**

*Target additions of 11 GW to be secured*

*Secured and under active negotiations*

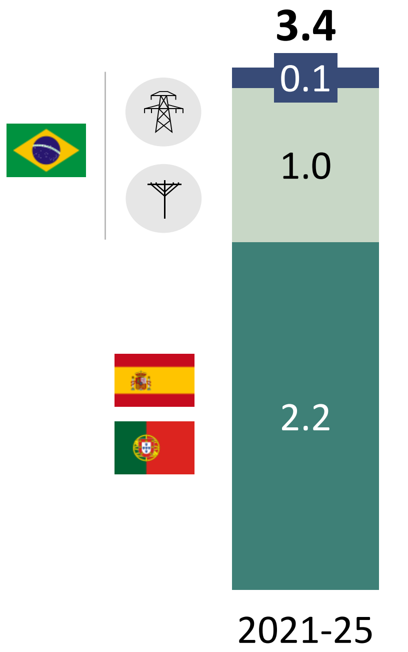
1. EBITDA MW + Equity MW

# Networks - Key highlights

+xx Growth, 2020-25

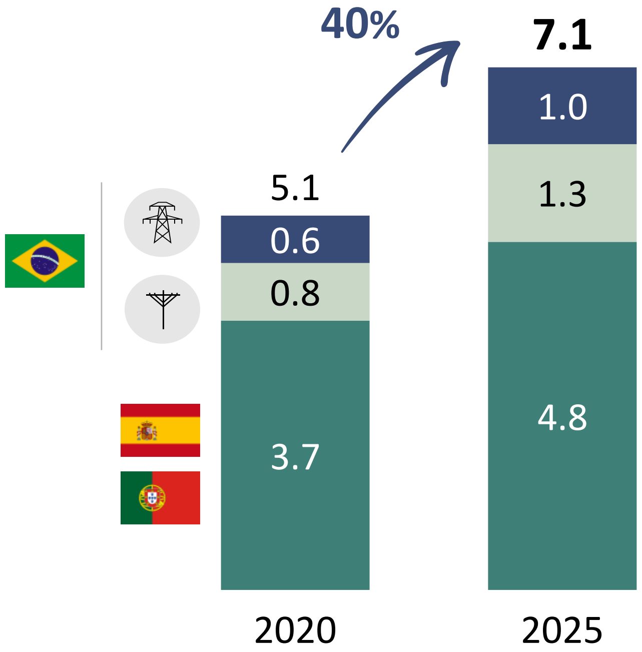
## ~€0.7 Bn annual organic CAPEX

CAPEX[1], € Bn




## Regulated Asset Base to increase by ~€2 Bn

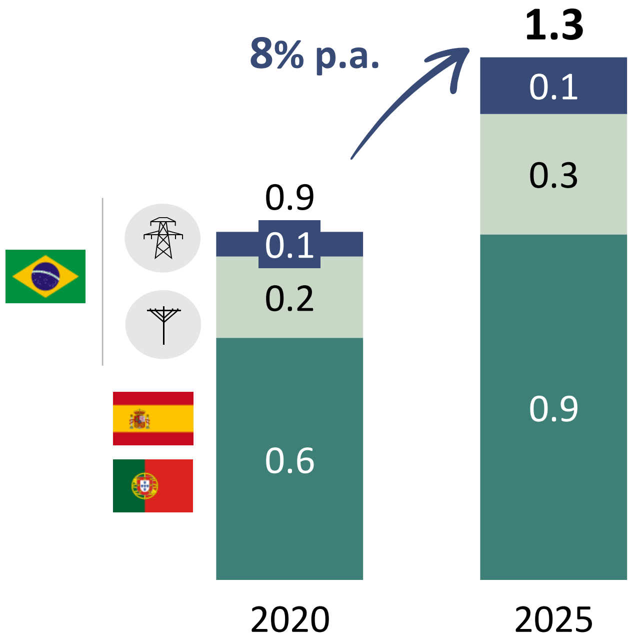
RAB[2], € Bn




## EBITDA to increase by 50%

EBITDA, € Bn

**5% p.a.**
excluding Viesgo acquisition



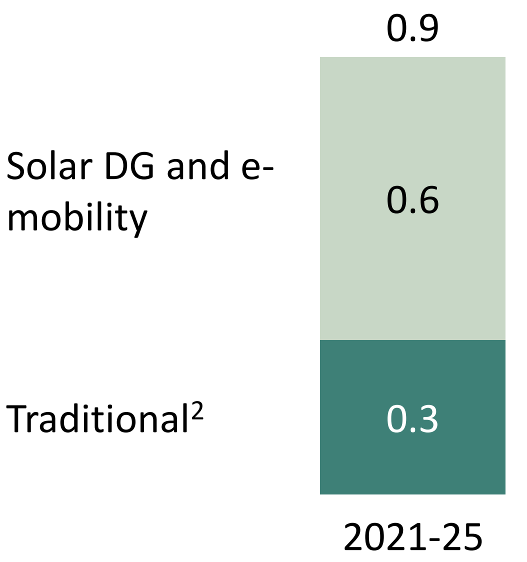

1. Includes financial investments
2. Transmission based on awarded CAPEX

Note: Excludes Viesgo in 2020. 6x Euro/BRL along the period

# Client Solutions & Energy Management - Key highlights

## ~€0.2 Bn annual CAPEX

CAPEX, € Bn[1]

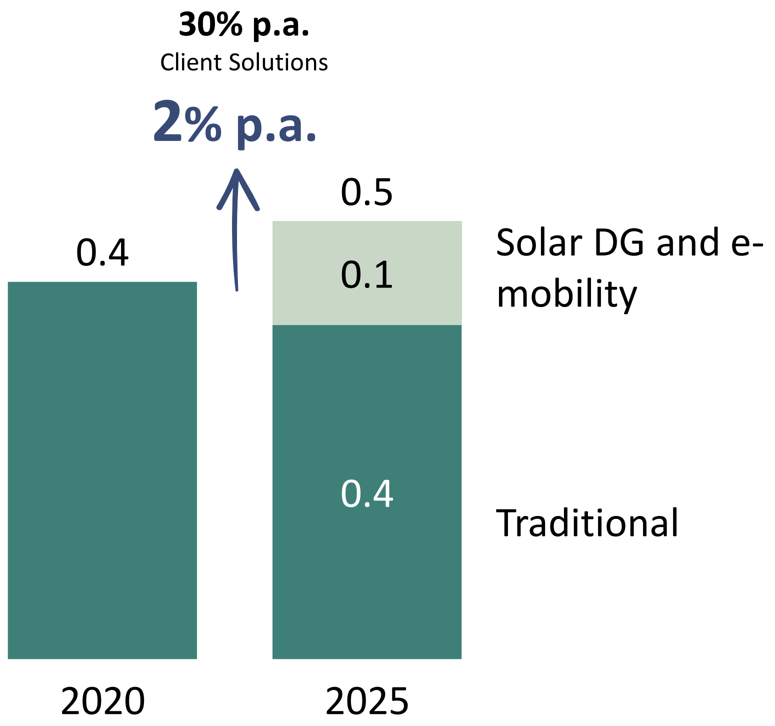



## Step-change growth in Solar DG

Cumulative contracted PV, GWP[3]


## EBITDA to increase by 15%

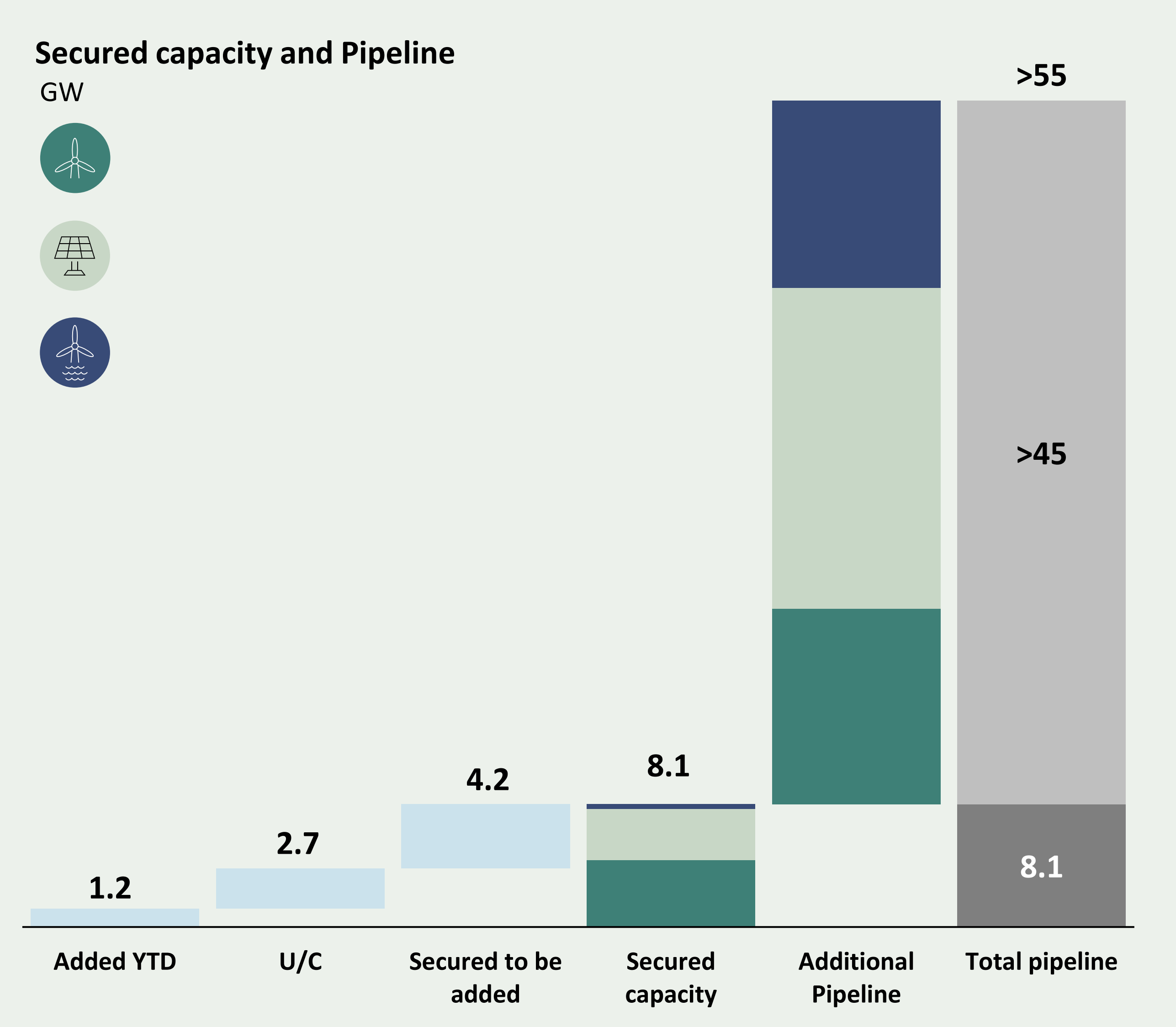
EBITDA, € Bn




1. Includes financial investments and does not include holding capex
2. Energy management, thermal, and other client services
3. Includes under management and entirely sold to customers

Note: Excluding contribution from disposed portfolios in 2020

# EDP continues to ramp-up renewables pipeline and has significant short-term visibility on additional growth




**Active in the private market with ~60% of the secured capacity achieved through PPAs**

**~60%** **PPAs**

**~40%** **Centralized Auctions**

**4.1 GW of PPAs under negotiations** and shortlisted

**2.8 GW**

**1.1 GW**

**0.2 GW**

**Over 40 GW** of RES expected to be auctioned until 2022 YE in EDPR markets

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