SDG7 Energy Compact of [Company/stakeholder]
A next Decade Action Agenda to advance SDG7 on sustainable energy for all, in line with the goals of the Paris Agreement on Climate Change

SECTION 1: AMBITION

1.1. Ambitions to achieve SDG7 by 2030. *[Please select all that apply, and make sure to state the baseline of each target]*

(Member States targets could be based on their NDCs, energy policies, national five-year plans etc. targets for companies/organizations could be based on their corporate strategy)

☒ **7.1.** By 2030, ensure universal access to affordable, reliable and modern energy services.	Target(s): EDP commits to: • invest up to €20M in A2E companies in the period 2021-2025 (compared to an investment of €6M in the period 2018-2020) • A2E CSR FUND, granting €2.5M to support energy access projects developed by NGOs and Private Sector (compared to €1M in grants for the period 2018-2020) Time frame: 2025 Context for the ambition(s): Approximately 759 million people in the world still lack access to electricity, and about 2.6 billion people are relying on wood, charcoal, crop waste and coal for cooking and heating. Energy supports every aspect of development. Giving access to energy is the first step towards health, education, and an equity-based economy. Only through access to clean, affordable and reliable energy will sustainable and inclusive growth become a reality and social development take place. As a global leader in the renewable energy sector, EDP defined a clear strategy for Access to Energy (A2E): to provide clean energy in developing countries, based on energy efficiency and decentralized renewable energy solutions, promoting sustainable development of the communities involved. This positioning is not only aligned with EDP's business, but also with its commitment to the United Nation's 2030 Agenda since it strongly contributes to the SDG 7: Affordable and Clean Energy, which aims to ensure access to affordable, reliable, sustainable and modern energy for all. Additionally, by using renewable energy solutions, EDP also contributes to other SDGs, including 1: No Poverty, 8: Decent Work and Economic Growth and 13: Climate Action. EDP has been actively engaged in developing renewable energy solutions for emerging economies, where a significant part of the rural population continues to lack access to electricity. EDP is currently promoting global access to clean, affordable and reliable energy, both at investment and philanthropic levels:	

		1. Investment level: EDP partners with experienced and promising A2E companies. Focusing on solar decentralized generation for electrification, since 2018 EDP invested €6M in 3 companies (operating in Mozambique, Malawi, Nigeria and Bangladesh) with a combined amount of ~45k customers. 2. Philanthropic level: In 2018, EDP launched the A2E CSR FUND to support clean energy projects in developing countries. With a yearly budget of ~€0.5M it focuses on five areas in which energy plays a critical role: education, health, water and agriculture, businesses, and community. This funding program facilitated 13 projects in 5 African countries (Mozambique, Kenya, Malawi, Tanzania, and Nigeria) benefitting over 65k people directly and 1 million indirectly. Currently in its 3rd edition, 7 projects in Mozambique, Malawi, Nigeria, Rwanda and Angola will be developed during 2021 and 2022 and will positively impact over 15k people. EDP will continue to promote global access to clean, affordable and reliable energy, both at investment and philanthropic levels in the next decade and has committed new amounts for the period 2021-2025. With a goal of €4M investment/year, EDP intends to invest up to €20M in clean energy companies between 2021 and 2025, concentrating its efforts mainly on Sub-Saharan Africa and on solar home systems, mini-grids and decentralized commercial & industrial solutions companies. Those investments will enable the growth of the local companies which are engines of jobs, inclusive growth and shared prosperity. *These amounts do not include EDP's investments in Brazil transmission and distribution grids*. EDP will also continue with its A2E CSR FUND, having committed to grant €2.5M for the period 2021-2025. This reflects EDP's constant commitment to the local communities where it has operations, combining social responsibility and economic sustainability of the projects. To promote and accelerate the universal access to energy and reduce energy poverty, EDP is also a relevant player and partner next to the major international initiatives and organizations, such as SEforALL, EU-Africa High Level Task Force for Energy Investments, RenewAfrica, Alliance for Rural Electrification and many others.
	☒ **7.2.** By 2030, increase substantially the share of renewable energy in the global energy mix.	Target(s): EDP commits to: • 100% renewable installed capacity by 2030 (compared to 79% in 2020) • Investment in technologies to promote the integration of renewables in the energy system: 100% smart grids worldwide by 2030 (compared with 60% in 2020 in the Iberian Peninsula); 400 MW of battery storage capacity by 2025 (compared to close to 2MW in 2020) Time frame: 2030 Context for the ambition(s): The world is facing unprecedented challenges, with an estimated increase of 4°C in temperature this century, world population reaching 10 billion people in 2050 (+25% vs. today), with up to 2.5m sea level rise, threatening >600 cities by 2100 and up to 1 billion environmental migrants by 2050. As a result, we need to rethink the energy paradigm and turn a fossil fuel powered economy into a cleaner, affordable and reliable electrified world. We are on the verge of a decisive decade. Public and private institutions need to partner for new approaches, in developed and developing countries, accelerating progress in SDG7 and ensuring that we leave no-one behind. The commitments and decisions made in the 2020s will be critical to set the world on the right track, and it is imperative to avoid investments in fossil fuels that create long-term lock-in effects. The recent International Energy Agency (IEA) Net Zero Report was clear that there is a narrow pathway to fulfill the long-term decarbonization targets, and governments need to strengthen and implement their energy and climate policies: i) IEA's Net Zero scenario foresees that 2/3 of energy in 2050 needs to come from renewable energy sources, versus 12% today, while fossil fuels will decrease from ~78% to ~23% (half of the latter combined with CCUS); ii) Electricity will grow from 20% to 26% of final energy in 2030 and to ~50% in 2050. Innovation, coupled with mass production, has been a key driver for energy transition, and developments in the coming years will further increase the competitiveness of renewables and low carbon techs, boosting additions: i) the last decade, the cost for solar PV and wind has fallen by ~80% and ~50% respectively, as 2020 saw record RES additions of ~260 GW (~90% of that solar and wind) – an additional cost reduction of 20%-30% is expected through 2030, as additions need to grow by 4x to ~1,000 GW/year for the carbon neutrality; ii) In the transport sector, electric vehicles are nearing price parity, and should see a boost in additions in the coming decade, transport is currently responsible for ~30% of global energy demand and EV are 2-3x more efficient than ICE; iii) other less mature

		technologies, such as green hydrogen, will be critical for hard-to-abate sectors, such as heavy industries (e.g. cement, steel), and specifically for H2, heavy transport – by 2030 green H2 could be in the $2/kg range for the best sites, 50% lower than today. Furthermore, decarbonization and economic growth are no longer a trade-off: the strong reduction in the costs of clean technologies (namely renewables and energy efficiency) created a significant potential of emissions abatement which is already cost-effective today. Based on an IEA and IMF analysis, the global annual investments of $5T in 2030, in clean energy and infrastructure, would add an extra 0.4 percentage point per year of global GDP, with an additional 30M jobs in energy and related sectors, offsetting ~5M job losses in fossil fuels. EDP started its own journey into renewables about two decades ago. It has since then continued this ambitious path through significant carbon-free investments, particularly in a diversified renewables portfolio. Today, EDP is a multinational, vertically integrated, utility company with operations in 22 countries across Europe, the Americas, Africa and Asia, and is a recognised as a global leading wind energy producer. EDP established strategic sustainability objectives for this decade that are integrated into the group's overall strategy, which include commitments on employees, service providers and communities and cover aspects associated with diversity and equality opportunities, occupational health and safety, voluntary work, access to energy, circular economy and environmental protection. EDP group's business growth strategy is helping to implement the vision of a society capable of reducing CO2 emissions, a society that demands more balanced economic growth based on ethics and respect for human rights, a society that protects biodiversity and limits the exploitation of raw materials. EDP's most recent Strategic Plan 2021-2025 (Strategic Plan) ramps up the efforts to reduce emissions and decarbonize its portfolio, committing to be totally coal-free by 2025, all green by 2030 and carbon neutral by that same year. With the 2030 focus of the SDGs and climate commitments there is a natural emphasis on the most effective short-term opportunities of renewable technologies. However, with the increased global commitments for net-zero emissions targets by 2050 and looking at the key areas with the highest abatement potential, there is a growing understanding of the need to also develop solutions for the hard-to-abate sectors and buildings (heating and cooling) where there are major decarbonization and energy efficiency potentials. EDP has therefore recently launched two units that exploit the potential of green hydrogen and energy storage systems and set out ambitious plans for €24B of further investment in the energy transition by 2025, of which: a) 80% will be allocated to renewable energy technologies, including: - wind (onshore and offshore including deep-water floating technology), - solar (including decentralized solar and floating photovoltaic solar in hydro damns), - hydro, - green hydrogen, - storage, - pumping. b) 15% will be allocated to Networks, and 5% to Client Solutions & Energy Management. EDP is adapting its supply activity to a more conscious, more demanding, and more digital customer and will provide continuous access to energy efficiency products and services, be it through offering decentralized PV solutions, promotion of greater uptake of EV, helping companies capture opportunities powered by digitalization and technological advancements or innovative business models. These sorts of strategies and ambitions go beyond just aligning with climate science. They are important drivers of innovation, policy, partnerships, jobs - and most of all, provide confidence to EDP's stakeholders, that its outlook aligns with theirs.	
	☐ **7.3.** By 2030, double the global rate of	Target(s):	

improvement in energy efficiency.	Time frame: Context for the ambition(s):
☐ **7.a.** By 2030, enhance international cooperation to facilitate access to clean energy research and technology, including renewable energy, energy efficiency and advanced and cleaner fossil-fuel technology, and promote investment in energy infrastructure and clean energy technology.	Target(s): Time frame: Context for the ambition(s):
☐ **7.b.** By 2030, expand infrastructure and upgrade technology for supplying modern and sustainable energy services for all in developing countries, in particular least developed countries, small island developing States, and land-locked developing countries, in accordance with their respective programs of support.	Target(s): Time frame: Context for the ambition(s):

1.2. Other ambitions in support of SDG7 by 2030 and net-zero emissions by 2050. ***[Please describe below e.g., coal phase out or reforming fossil fuel subsidies etc.]***

Target(s): Be carbon neutral

Time frame: 2030

Context for the ambition(s):

The Special Report 1.5 of the Intergovernmental Panel on Climate Change (IPCC) on the impacts of a global warming above 1.5°C (vs. pre-industrial levels) demonstrated that the milestone of 2°C of the Paris Agreement is short to avoid some catastrophic consequences for our planet and societies. There is today a scientific consensus that if we do not achieve this target, irreparable consequences will occur, some of those already being felt. To limit temperature increase to 1.5°C, it is estimated that emissions will need to halve by 2030 and drop to net zero by the middle of the century for the best chance of avoiding the worst impacts. The difference between 1.5°C and 2°C goes way beyond half a degree.

Limiting warming to 1.5°C could mean 11 million fewer people exposed to extreme heat, 61 million fewer people exposed to drought and 10 million fewer people exposed to the impacts of sea level rise. It could also halve the number of vertebrate and plant species facing severe range loss by the end of the century.

While currently ~70% of the world's GDP is produced in countries or regions that already established or are setting carbon neutrality goals, the announced net zero pledges still fall short of the necessary effort and would lead to a temperature increase of 2.1°C by 2100 (IEA Net Zero Report).

Reaching carbon neutrality is a global challenge that will require the combination of different energy vectors and technologies, and the change of behavior of businesses and consumers, as there is no silver bullet to solve the huge challenge of climate change.

Business action provides a strong foundation for governments to set more ambitious policies and regulations. EDP has been on the path to decarbonization and electrification since the past decade. For EDP it has been very clear that investment in renewables, a long-term vision for carbon neutrality and a strong curb on CO2 emissions was key, not only for its role in the energy sector and with its stakeholders but also to contribute to a global sustainable future.

Recognizing the climate emergency, EDP undertook the UN's challenge in 2019 during the Climate Summit in New York, and with other 86 major global companies committed to reduce emissions and to align its business strategy with the most ambitious aim to limit global temperature raise to 1.5°C above pre-industrial levels [Business Ambition for 1.5°C - Our Only Future' Commitment].

Ramping up that commitment and anticipating by 20 years the trends in its sector, EDP incorporated in its Strategic Plan the ambitious goals to be coal free by 2025 and carbon neutral by 2030 (supported by a strong acceleration in renewables - see 7.1.).

The company will reduce specific CO2 emissions by 98% up to 2030 (compared to 2015 levels), reinforcing its commitment to the previous goal of 90% reduction for the same period. Another reinforced target involves indirect CO2 emissions, which will also decrease 50% by 2030. This ambition is supported by the growing production of energy from renewable sources – which, in this first semester, already represented 81% of the electricity generated by EDP –, in parallel with the progressive divestment in the group's Coal Power plants. Any CO2 residual emissions are managed through offsetting practices carefully selected and recognized under established net-zero standards.

EDP's emission reduction targets have been recognized by the Science Based Target initiative (SBTi) as being aligned with the adequate trajectory defined by science, which aims to contain the increase in the global average temperature by 1.5°C.

EDP will continue this ambitious path and strive to go beyond net zero aspiring for climate positivity and managing the climate risk. It will also implement adaptation plans across all business units to further mitigate climate risk and reinforce resilience.

Finally, EDP is also taking very seriously the two other imperatives on the road to achieving net zero economies:

- Transparency in the disclosure of information on climate change related financial risk, which is needed to improve the quality of data available and enable its stakeholders to understand the risks and opportunities in confronting climate change, and therefore is internalizing TCFD (Taskforce on Carbon-related Financial Disclosures) recommendations;
- The integration of ESG (Environmental, Social and Governance) aspects across portfolio management and corporate business models.

It is important to mention that companies rely on governments to create the right conditions, policies and incentives to drive the rapid transformation needed and help businesses accelerate their climate action.

Therefore, we need a set of policies which include robust carbon pricing to ensure that the lowest cost pathway to decarbonization is achieved. This carbon price should have an economy-wide scope, be harmonized across regions, provide a strong and credible price signal to decarbonization. Furthermore, the revenues from any carbon pricing mechanism should be efficiently recycled in the economy, namely by supporting the investment in clean technologies, while ensuring a socially just energy transition.

EDP is also involved in several international initiatives and discussions aiming at further advance climate action and promoting ambitious, sound and coherent policies and regulations. Examples of with closer links to the UN include the COPs of the UNFCCC and other UN High Level Meetings; relevant initiatives in international organizations as UN Global Compact, The Climate Group – EV100, WBCSD – World Business Council for Sustainable Development, SEforALL, We Mean Business Coalition, Corporate Leaders Group, Powering Past Coal Alliance, amongst others.

Target(s): Be coal free

Time frame: 2025

Context for the ambition(s):

The road to decarbonization implies a profound change in the current fossil fuel-based economic model. This will require a strong commitment to energy efficiency, innovation, and renewable-based electrification. The world must cut fossil fuel production by 6% per year to avoid the worst of global warming.

With the covid-19 effects on worldwide economy, there was a chance for environmental hope: global coal demand declined temporarily by 4% in 2020, the biggest drop since World War II. However, as economic activities rebound, emissions are rising again. Nevertheless, the pandemic also helped raising public awareness for the importance of building a prosperity model that is resilient to this type of external shocks. Thus, it is noticeable that recovery plans post-pandemic in many regions give a strong emphasis to the energy transition - for example, EU countries need to devote at least 37% of recovery funds to the green transition.

Preferential dispatch or use of renewables in many markets squeezed gas and coal in the electricity mix. Lower gas prices saw significant fuel switching away from coal, particularly in the USA and the EU, where coal use for power fell 20% and 21% respectively. Overall, declines in the power sector accounted for over 40% of lower global demand in 2020. The covid-19 pandemic also affected industrial output, notably steel and cement, further lowering coal demand.

The IEA stated that Portugal’s energy policy places a strong focus on achieving economy-wide decarbonization through broad electrification, combined with rapid expansion of renewable electricity generation, while maintaining affordable electricity prices. EDP has a key role on this path: aligned with the United Nation’s efforts to cut down the CO2 emissions, the company joined all task forces available to forward and endorse the commitment – as this Compact certifies, alongside with all preparation to the HLDE and COP26, acknowledging recommendations from the IPCC.

EDP is also a member of the Powering Past Coal Alliance (PPCA), the world’s first and only coalition of national and sub-national governments and private sector organizations working to advance the transition away from unabated coal power generation. EDP joined PPCA in order to strengthen its commitment on climate action and contribute to the achievement of the Paris Agreement. Reducing CO2 emissions from coal is an important step for companies to take in the fight against climate change: EDP Group has been investing in low-carbon technologies for more than two decades, and reaffirmed its commitment to sustainable growth in 2020, when the closure of its coal-fired power plants in Iberia was announced.

By the end of 2025 EDP will have no coal generation. This commitment comprises coal fire power plants in Iberia and in Brazil.

In Iberia, CCGTs started working more hours to compensate for the absence of coal, but are reducing their operational hours by now, as new wind and solar capacity installation increases its pace. Electricity consumption continues to grow after the pandemic shock and consumers' choices are targeting more sustainable products and services. Energy efficiency and decentralized solar panels are leading the demand side services and energy communities are becoming more mature. Light EV vehicles are more affordable and charging infrastructures are becoming more available and accessible. Digital is key for managing an increasing decentralized energy system.

In adopting its commitment to be coal free by 2025, EDP has undertaken the responsibility of working together with governments and local authorities in promoting a Fair Transition in the regions affected by the closure of its plants, along with plans for the use of the site to deploy technologies aligned with the energy transition: renewable energy, green H2, storage and flexibility. With these plans, EDP aims to transform Sines into a center of H2 tech excellence, Aboño into the hydrogen valley of Asturias, Soto de Ribera into a center for the storage of renewable energy and new uses of green hydrogen, Los Barrios into the green energy of Córdoba including H2, and Puente Nuevo the supplier of green energy for the entire Bay of Algeciras.

The company has made immediate provisions to mitigate the impact on employment of the shutting down of its coal plants, both through solutions for its own employees (over 70% either retired, reintegrated in the Group or working in the decommissioning of the plants) and through social support programs for the local communities. In Sines (Portugal), the 'Active Future of Sines' Program has been successfully launched in partnership with local authorities and civil society, with a set of initiatives ranging from direct social support to vulnerable families, incubating social action projects, to helping small business creation, amongst others. A prospective study on the future of local economy was promoted through Evora University and the Instituto Superior Técnico, identifying areas of new employment and thus indicating proper education skills to be supported. In Soto de Ribera and Aboño (Spain), a comprehensive set of actions including biodiversity studies, support to local entrepreneurs, technology academies for teens and regional tourism promotion is also in operation with local partners.

Finally, during the decommissioning phase, all equipment that could be used in other plants, e.g. transformers and other backup equipment, was inventoried. In planning the decommissioning process, particular attention was paid to circularity and the possibility of valuing all possible materials, reducing as much as possible the landfill as final destination. EDP is committed to the Circular Economy (in accordance to SDG 12 - Sustainable Production and Consumption), with its main focus on eliminate single-use plastics by 100% and maintaining an average rate of 75% of waste recovery, thus promoting circularity. Regarding these coal power plants, EDP focused on reuse and partnerships with licensed operators that route waste to a preferred destination for recycling. A prime example is EDP's work in Sines Power Plant, reusing gypsum - for a coal consumption of 3.6 million tons, 140 thousand tons of gypsum were produced and sold in the national and international market. Also in Sines, EDP used a technology in the smoke circuit that attracted ashes and rerouted them to storage silos, preventing the ashes from spreading through the atmosphere and provoking acid rain.

SECTION 2: ACTIONS TO ACHIEVE THE AMBITION

2.1. Please add at least one key action for each of the elaborated ambition(s) from section 1. *[Please add rows as needed].*

Description of action (please specify for which ambition from Section 1)	*Start and end date*
Commitment 1. To deploy €22.5M of investment in Access to Energy, between 2021 and 2025, EDP will: • Invest in promising companies in the field of access to energy (from €6M in 2018-2020, up to €20M in 2021-2025) • Co-fund access to energy projects promoted by NGOs and Private sector (increase grants from €1M in 2018-2020, to €2.5M in 2021-2025, via A2E CSR Fund)	• 2021 to 2025 • 2021 to 2025
Description of action (please specify for which ambition from Section 1)	*Start and end date*
Commitment 2. To achieve the ambition of 100% RES installed capacity by 2030, EDP will: • Continue to lead in the energy transition creating superior value throughout 2025-2030 • By 2025, invest in the energy transition €24B, of which €19.2B in RES installed capacity • By 2025, coal phase-out	• 2025 to 2030 • 2021 to 2025 • 2021 to 2025
Description of action (please specify for which ambition from Section 1)	*Start and end date*
Commitment 3. To achieve the ambition of being carbon neutral by 2030, EDP will:	

• Reduce CO2eq emissions	• 2015 to 2025 and 2030
Description of action (please specify for which ambition from Section 1) **Commitment 4.** To achieve the ambition of being coal free by 2025, EDP will: • Phase-out coal power plants • Be an active shaper of the green future of the affected regions, with actions to support workers and communities (leaving no one behind) and new investments in renewable capacity additions (mainly solar, wind and H2)	*Start and end date* • 2021 to 2025 • 2021 to 2025

SECTION 3: OUTCOMES

3.1. Please add at least one measurable and time-based outcome for **each** of the actions from section 2. *[Please add rows as needed].*

Targets	*Date*
Commitment 1. Invest €22.5M in Access to Energy between 2021 and 2025 Action A: Invest in promising companies in the field of access to energy (from €6M in 2018-2020, up to €20M in 2021-2025) Action B: Co-fund access to energy projects promoted by NGOs and Private sector (increase grants from €1M in 2018-2020, to €2.5M in 2021-2025, via A2E CSR Fund) Outcomes: • Have a direct positive impact over 1 million people by 2025 (compared to the >110k direct beneficiaries in the period 2018-2020)	**Commitment 1.** 2021 to 2025
Commitment 2. 100% RES installed capacity by 2030 Action A: Continue to lead in the energy transition creating superior value throughout 2025-2030 Outcomes: • By 2030, achieve >50 GW renewables additions • By 2030 increase renewable installed capacity to 100%, from 79% in 2020 • By 2030 have 100% of smart grids • Achieve an energy transition EBITDA of 100%, by 2030 Action B: Investment in energy transition CAPEX of €24B, of which €19.2B in RES (2021-2025) Outcomes:	**Commitment 2.** 2021 to 2025 and 2021 to 2030

• By 2025, achieve >20 GW renewables additions • By 2025 increase renewable installed capacity to at least 90%, from 79% in 2020 • By 2025, deploy 400 MW of storage and 250 MW of hydrogen production capacity Action C: Coal phase-out Outcome: • Reduce coal installed capacity from 8.4% in 2020 to 0% in 2025	
Commitment 3. Be carbon neutral by 2030 Action: Reduce CO2eq emissions Outcomes: • Reduce specific CO2 emissions, scope 1 and 2, compared to the levels of 2015, from -57% in 2020, by -70% in 2025 and by -98% in 2030 (approved by SBTi) • Reduce indirect CO2 emissions, scope 3, compared to the levels of 2015, from -21% in 2020, by -30% in 2025 and -50% by 2030	**Commitment 3.** 2015 to 2025 and to 2030
Commitment 4. Be coal free by 2025 Action A: Phase-out coal power plants Outcome: • Reduce coal installed capacity from 8.4% in 2020 to 0% by 2025 Action B: Be an active shaper of the green future of the affected regions by coal phase out policies, with actions to support workers and communities (leaving no one behind) and new investments in renewable capacity additions (mainly solar, wind and H2) Outcome: • 100% implemented Just Transition Plans (JTP) in all EDP's Phase-Out Coal Power Plants	**Commitment 4.** 2021 to 2025

SECTION 4: REQUIRED RESOURCES AND SUPPORT

4.1. Please specify required finance and investments for **each** of the actions in section 2.

Commitment 1. Invest €22.5M in Access to Energy between 2021 and 2025

Actions will be financed through own funds or green/sustainable financial instruments.

Commitment 2 to 4. 100% RES installed capacity by 2030 | Be carbon neutral by 2030 | Be coal free by 2025

Actions under these commitments (€24B) will be financed through green/sustainable financial instruments, project finance and asset rotation. The decision on the instrument will be made as needed and considering market conditions at the time.

4.2. [For countries only] In case support is required for the actions in section 2, please select from below and describe the required support and specify for which action.

[Examples of support for Member States could include: Access to low-cost affordable debt through strategic de-risking instruments, capacity building in data collection; development of integrated energy plans and energy transition pathways; technical assistance, etc.]

☐Financing	*Description*
☐ In-Kind contribution	*Description*
☐ Technical Support	*Description*
☐ Other/Please specify	*Description*

SECTION 5: IMPACT

5.1. Countries planned for implementation including number of people potentially impacted.

EDP is a multinational, vertically integrated utility company, present in 22 countries, in 4 continents. With more than 12.100 employees, EDP has more than 9 million customers.

EDP will continue to invest worldwide. We will maintain our investment in countries where we are already present such as Portugal, Spain, USA, Brazil, France, UK, Ireland, Italy, Belgium, Poland, Romania, Hungary, Greece, Canada, Mexico, Peru, Colombia, and Chile, but aim to expand our presence to new geographies, like Vietnam or South Korea where we are already exploring new opportunities. Through our A2E investment, we are currently present also in Mozambique, Nigeria, Malawi, Ruanda, Angola, Bangladesh, Tanzania, Kenya, amongst others, and will continue to do so. Globally, by 2025, we expect to have positively impacted more than 11 million people, providing clean, reliable and affordable energy.

5.2. Alignment with the 2030 Agenda for Sustainable Development – Please describe how **each** of the actions from section 2 impact advancing the SDGs by 2030.

[up to 500 words, please upload supporting strategy documents as needed]

All actions contribute to SDG 7, as described above. Additional impacts in other SDGs are described below.

Commitment 1. Invest €22.5M in Access to Energy between 2021 and 2025

Actions:

- Invest in promising companies in the field of access to energy
- Co-fund access to energy projects promoted by NGOs and Private sector

SDGs:

Both actions contribute to SDGs 1: No Poverty, 8: Decent Work and Economic Growth, 13: Climate Action and also SDG 17, as EDP will be developing renewable energy solutions for emerging economies where communities have low electricity grid coverage, thus contributing to tackle energy poverty and promote secure community access to energy.

The promotion of access to energy benefits from partnerships with NGOs and the private sector.

It will also contribute to mobilize financial resources, promoting the development and diffusion of environmentally sound technologies, effectively aiding these countries to implement the SDGs.

Commitment 2. 100% RES installed capacity by 2030

Actions:

- Continue to lead in the energy transition creating superior value throughout 2025-2030
- By 2025, invest in the energy transition €24B, of which €19.2B in RES
- By 2025, phase out coal

SDGs:

All listed actions contribute to SDG 13. By reinforcing the production of electricity from renewable sources and phasing out coal, in addition to electrifying consumption and improving energy efficiency, EDP makes a strong contribution to the transition for a low carbon economy and thereby mitigating the effects of climate change. The electricity sector is known to play a key role in this transition, while promoting the decarbonization of other activity sectors, with emphasis on transport and climatization in buildings and industry.

Furthermore, the actions contribute to SDG 9, as the implementation of smart grids and investment in storage, contributes to developing quality, reliable, sustainable, and resilient infrastructures.

Commitment 3. Be carbon neutral by 2030

Action:

- Reduce CO_{2eq} emissions

SDGs:

This commitment is strongly linked to SDG 13, as reducing CO2 emissions is the most direct way to tackle climate change. By anticipating the European target by 20 years, EDP recognizes the major concerns of society around the change in climate patterns and the need to reduce carbon emissions and limit the increase of global average temperature. In accordance with the specific targets of SDG 13, EDP has integrated climate change measures into strategies and planning with decarbonization as its main driver. Throughout the value chain, the company will improve education, awareness-raising and human and institutional capacity on climate change mitigation, adaptation and impact reduction for its different stakeholders.

Commitment 4. Be coal free by 2025

Actions:

- Phase-out coal power plants
- Be an active shaper of the green future of the affected regions, with actions to support workers and communities (leaving no one behind) and new investments in renewable capacity additions (mainly solar, wind and H2)

SDGs:

By closing coal power plants, EDP contributes to SDG 13, reducing CO2 emissions. As an active supporter of local communities affected by the closing, EDP is also contributing to SDG 8, as it promotes development-oriented policies that support productive activities, decent job creation, entrepreneurship, encouraging the formalization and growth of micro-, small- and medium-sized enterprises in the affected regions, while implement policies to promote sustainable tourism that creates jobs and promotes local culture and products. Finally, through careful planning of the decommissioning process, EDP will pay particular attention to circularity and the possibility of valuing all possible materials, achieving an environmental sound management of waste, reducing as much as possible the landfill as final destination, contributing to SDG 12.

5.3. Alignment with Paris Agreement and net-zero by 2050 - Please describe how **each** of the actions from section 2 align with the Paris Agreement and national NDCs (if applicable) and support the net-zero emissions by 2050.

[up to 500 words, please upload supporting strategy documents as needed]

EDP's strategy is based on a strong investment in new renewable capacity, coal phase out, as well as on new energy services where decarbonization, both through energy efficiency and electrification, plays a decisive role in achieving the targets of the Paris Agreement. EDP's CO2eq emissions reduction target has been recognized by the SBTi, as being in line with the trajectory to contain the increase in the global average temperature by 1.5°C.

All the actions listed in section 2 are aligned with the Paris Agreement and net-zero by 2050, being that EDP will be net-zero by 2030.

EDP's strategic plan for 2021-2025: https://www.edp.com/sites/default/files/2021-03/EDP%20Strategic%20Update%2021-25_WEBSITE.pdf

SECTION 6: MONITORING AND REPORTING

6.1. Please describe how you intend to track the progress of the proposed outcomes in section 3. Please also describe if you intend to use other existing reporting frameworks to track progress on the proposed outcomes.

EDP tracks the progress of the listed outcomes in the quarterly and annual sustainability reports and in its quarterly ESG Report, a dedicated report aimed at investors. Progress is also disclosed on EDP's corporate website.

Progress of the outcomes already follows existing frameworks such as: SDFR, GRI Standards, SASB, TCFD and EDP Green Bond Framework (by the rules of the ICMA 2018).

SECTION 7: GUIDING PRINCIPLES CHECKLIST

Please use the checklist below to validate that the proposed Energy Compact is aligned with the guiding principles.

I. Stepping up ambition and accelerating action - Increase contribution of and accelerate the implementation of the SDG7 targets in support of the 2030 Agenda for Sustainable Development for Paris Agreement

I. 1. Does the Energy Compact strengthen and/or add a target, commitment, policy, action related to SDG7 and its linkages to the other SDGs that results in a higher cumulative impact compared to existing frameworks?

☒Yes ☐No

I.2. Does the Energy Compact increase the geographical and/or sectoral coverage of SDG7 related efforts? ☒Yes ☐No

I.3. Does the Energy Compact consider inclusion of key priority issues towards achieving SDG7 by 2030 and the net-zero emission goal of the Paris Agreement by 2050 - as defied by latest global analysis and data including the outcome of the Technical Working Groups? ☒Yes ☐No

II. Alignment with the 2030 agenda on Sustainable Development Goals – Ensure coherence and alignment with SDG implementation plans and strategies by 2030 as well as national development plans and priorities.

II.1. Has the Energy Compact considered enabling actions of SDG7 to reach the other sustainable development goals by 2030? ☒Yes ☐No

II.2. Does the Energy Compact align with national, sectoral, and/or sub-national sustainable development strategies/plans, including SDG implementation plans/roadmaps? ☒Yes ☐No

II.3. Has the Energy Compact considered a timeframe in line with the Decade of Action? ☒Yes ☐No

III. Alignment with Paris Agreement and net-zero by 2050 - Ensure coherence and alignment with the Nationally Determined Contributions, long term net zero emission strategies.

III.1. Has the Energy Compact considered a timeframe in line with the net-zero goal of the Paris Agreement by 2050? ☒Yes ☐No

III.2. Has the Energy Compact considered energy-related targets and information in the updated/enhanced NDCs? ☒Yes ☐No

III.3. Has the Energy Compact considered alignment with reaching the net-zero emissions goal set by many countries by 2050? ☒Yes ☐No

IV. Leaving no one behind, strengthening inclusion, interlinkages, and synergies - Enabling the achievement of SDGs and just transition by reflecting interlinkages with other SDGs.

IV.1. Does the Energy Compact include socio-economic impacts of measures being considered? ☒Yes ☐No

IV.2. Does the Energy Compact identify steps towards an inclusive, just energy transition? ☒Yes ☐No

IV.3. Does the Energy Compact consider measures that address the needs of the most vulnerable groups (e.g. those impacted the most by energy transitions, lack of energy access)? ☒Yes ☐No

V. Feasibility and Robustness - Commitments and measures are technically sound, feasible, and verifiable based a set of objectives with specific performance indicators, baselines, targets and data sources as needed.

V.1. Is the information included in the Energy Compact based on updated quality data and sectoral assessments, with clear and transparent methodologies related to the proposed measures? ☒Yes ☐No

V.2. Has the Energy Compact considered inclusion of a set of SMART (specific, measurable, achievable, resource-based and time based) objectives? ☒Yes ☐No

V.3. Has the Energy Compact considered issues related to means of implementation to ensure feasibility of measures proposed (e.g. cost and financing strategy, technical assistant needs and partnerships, policy and regulatory gaps, data and technology)? ☒Yes ☐No

SECTION 8: ENERGY COMPACT GENERAL INFORMATION

8.1. Title/name of the Energy Compact

EDP - All Green by 2030

8.2. Lead entity name (for joint Energy Compacts please list all parties and include, in parenthesis, its entity type, using entity type from below)

EDP Energias de Portugal

8.3. Lead entity type

☐ Government
☐ Local/Regional Government
☐ Multilateral body /Intergovernmental Organization
☐ Non-Governmental Organization (NGO)
☐ Civil Society organization/Youth
☐ Academic Institution /Scientific Community
☒ Private Sector
☐ Philanthropic Organization
☐ Other relevant actor

8.4. Contact Information

Madalena Callé Lucas, Head of International, Policy and Institutional Relations at Sustainability Corporate Department of EDP: madalena.callelucas@edp.com

8.5. Please select the geographical coverage of the Energy Compact

☐Africa ☐Asia and Pacific ☐Europe ☐Latin America and Caribbean ☐North America ☐West Asia ☒Global

8.6. Please select the Energy Compact thematic focus area(s)

☒ Energy Access ☒ Energy Transition ☐ Enabling SDGs through inclusive just Energy Transitions ☐ Innovation, Technology and Data ☐ Finance and Investment.

SECTION 9: ADDITIONAL INFORMATION (IF REQUIRED)

Please provide additional website link(s) on your Energy Compact, which may contain relevant key documents, photos, short video clips etc.

https://www.edp.com/en

https://www.edp.com/en/sustainability/now-or-never

https://www.edp.com/sites/default/files/2021-03/EDP%20Strategic%20Update%2021-25_WEBSITE.pdf