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Remuneration Policy for 2023-2025 of the Board of Directors of EDP Renováveis S.A.

1. Applicable framework and policy's contribution to the company's business strategy and its long-term interests and sustainability

This Remuneration Policy for 2023-2025 is presented in compliance with the requirements included in Articles 529 *septdecies* and following of the Spanish Companies Act, approved by Decree-Law no. 1/2010, of July 2nd and amended by Law 5/2021, of 12th April.

The definition of the proposed remuneration policy for members of the EDP Renováveis S.A. Board of Directors (EDPR) is incumbent to the Appointments, Remuneration and Corporate Governance Committee appointed by the Board of Directors. In order to ensure the absence of conflicts of interest, this Committee is composed entirely by independent Directors. This proposal is then submitted to the Board of Directors for approval at the General Shareholders' Meeting, which is presented as an independent item on the agenda.

The Appointments, Remuneration and Corporate Governance Committee defined the remuneration to be paid to Directors, seeking to ensure that it reflects each of their performances by establishing - for Executive members - a variable component consistent with maximising the Company's long-term profits (annual and multi-annual variable remuneration for a three-year period), to meet the most demanding objectives of the Business Plan, thus guaranteeing the alignment of the performance of the management bodies with the interests of the shareholders. This policy is consequently based on the principles of balance, relation to their actual service and alignment with the strategies, interests and long-term sustainability of EDPR and its shareholders by taking into consideration the responsibilities assumed by the members of the Board of Directors and its delegated committees, best practices in remuneration, the conclusions of comparative analyses carried out by specialised external consultants and the Company's profits.

2. Structure and applicable components

The remuneration policy proposed for 2023-2025 to be approved by shareholders sets out principles that are very similar to those governing previous remuneration policies, consisting of (i) a fixed component for all members of the Board of Directors and (ii) additionally, a variable component (with an annual and a multi-annual part) for Executive Directors.

As was the case during the term of the previous remuneration policies, and in accordance with the information submitted to the Shareholders' Meeting in previous years, EDP Renováveis

has entered into a Management Services Agreement with EDP Energías de Portugal, S.A. (EDP), according to which EDP Renováveis pays EDP the corresponding amount (*management fee*) for the management services provided by EDP, which include executive and non-executive services. Currently, through this contract, EDP provides EDP Renováveis with the services corresponding to the two executive directors and the three non-executive proprietary directors, receiving in consideration a management fee that is considered appropriate by the Appointments, Remuneration and Corporate Governance Committee.

a) Fixed remuneration

Non-executive directors may receive a fixed remuneration or attendance allowance per meeting, equivalent in value to the fixed remuneration proposed for the director, taking into account the duties performed.

With the exception of the Chairman of the Board of Directors, the directors who are members of the Delegated Committees shall receive a supplement to their remuneration as members of the Board, due to their office as member or chairman of the Audit, Control and Related Party Transactions Committee (CACPR) and/or the Appointments, Remunerations and Corporate Governance Committee (CNRGC). This amount has been calculated considering the occupation and responsibility that each of these positions entails.

The amounts corresponding to the fixed annual component as well as to the annual allowance for membership of committees are shown below:

FIXED ANNUAL COMPONENT		
	FIXED REMUNERATION	MANAGEMENT FEE PAID BY EDPR TO EDP UNDER MANAGEMENT SERVICES CONTRACT
Chairman of the Board	230,000 Euros	
Chief Executive Officer (CEO)		550,000 Euros
Chief Financial Officer (CFO)		360,000 Euros
Non-Executive Dominical Directors		65,000 Euros
Non-Executive Independent or External Directors	65,000 Euros	

ANNUAL COMPLETEMET FOR COMMITTEES		
	CACPR	CNRGC
Chairman	55,000 Euros	20,000 Euros
Member	25,000 Euros	10,000 Euros

b) Annual and multi-annual variable remuneration

Annual and multi-annual variable remuneration applies only to Executive Directors.

The payment of variable remuneration is conditional upon the Executive Director remaining at EDPR until the end of the relevant annual or three-year performance period, notwithstanding the provisions of the remuneration policy.

The variable remuneration will be a percentage of the annual fixed component, with a weighting ranging from 0% to 80% for the annual component, and from 0% to 145% for the multi-annual component. Such percentages apply on the annual fixed component of CEO and CFO.

The indicators that serve as the basis for determining the amounts of annual and multi-annual variable remuneration in relation to each year of the period are proposed by the Appointments, Remuneration and Corporate Governance Committee so that they are aligned with the company's strategic pillars: growth, risk control and efficiency.

The remuneration policy states that the indicators are to be set based on the clusters of (i) return, (ii) forward-looking organisation and (iii) ESG.

The policy has taken into account the working conditions and remuneration of the company's employees when determining its terms, and has specifically established a KPI relating to people and organisation, under which, among others, the results of the employee climate surveys are collected, reflecting their level of satisfaction with the performance and conditions applied.

The indicators thus established, as shown in the table below, apply to the financial years covered by the policy, notwithstanding any adjustments that may be proposed by the Appointments, Remuneration and Corporate Governance Committee for each year (**Objective KPIs**):

CLUSTER	WEIGHTING	KPIS	UNIT	WEIGHTING	EDPR RESULTS	
Attractive return	60.00%	Shareholder Return - TSR	%	20.00%	100%	
		Growth - Recurring Net Profit	€M	20.00%	100%	
		Investment efficiency - Capex per MW	€k	10.00%	100%	
		Operational efficiency - Core Opex adjusted per MW	€k	10.00%	100%	
Organisation & People of the future	20.00%	Working environment	Working environment survey (capacity & commitment) + Retention rate (%)	%	10.00%	100%
		Diversity and inclusion	Women in workforce & leadership	%	5.00%	100%
		Safety/health	Frequency Ratio employees & Service Providers	#	2.50%	100%
			Total accident rate Employees and service providers		2.50%	100%
ESG	20.00%	Climate Action	Constructed renewable capacity (MW)	MW	10.00%	100%
		Sustainable Services and Operational Excellence	BP21-25 Secured projects	%	6.00%	100%
		Ethics & Compliance	Ethics & Compliance Index	%	2.00%	100%
		Sustainable supply chain	Integration of EDPR into EDP's sustainable supply chain processes	%	2.00%	100%
100.00%						

The above Objective KPIs will have a maximum weight of 95% of the total 100%, the remaining 5% being subject to the qualitative assessment of the CNRGC.

This qualitative assessment of the CNRGC will be based on the following indicators:

Implementation of the Business Plan during the year	(25%)
Team management	(25%)
Teamwork	(25%)
Stakeholder management	(25%)

Accordingly, annual and multi-annual variable remuneration shall be measured according to the following weights:

Objective KPIs	95%
CNRGC assessment	5%
Total	100%

The evaluation of compliance with the indicators is carried out by EDPR's Appointments, Remunerations and Corporate Governance Committee, which in turn submits it to the Board of Directors for approval.

When assessing annual and multi-annual performance and determining the value of the accrued variable component, the CNRGC may take into account exceptional circumstances whereby a KPI cannot be met as a result of political or administrative decisions beyond the control of the Executive Directors, which have an impact on EDPR's performance and the level of achievement of its objectives, neutralising their impact on annual and multi-annual performance metrics, provided that they ensure that, in case of reversal of the political or administrative decisions in question, by administrative, judicial or arbitral means, these Directors will not benefit from the effects of such reversal decision. Similarly, the CNRGC may take into account other exceptional conjunctural and exogenous circumstances faced by EDPR that have an impact on the Company's performance and on the level of compliance with the objectives set for the Executive Directors, adjusting or adopting in a reasoned manner appropriate solutions to neutralise, with respect to EDPR or the Executive Directors, as appropriate, in whole or in part, the impact of these consequences on the annual and multi-year performance metrics.

a. Annual Variable Component

The amount of the annual performance bonus shall be determined within three months of the approval of EDPR's accounts at each year's Ordinary General Shareholder's Meeting in relation to the previous financial year/period of performance.

The maximum annual variable component may not exceed 80% of the annual management fee applicable in the financial year to which it relates, calculated and payable after approval of the accounts for the financial year to which it relates, and allocated according to the following parameters, calculated on a straight-line basis:

- If performance is less than 85% of the set objectives, no annual variable component will be allocated;
- If performance is between 85% and 95% of the set objectives, an amount in the range of 10% to 25% of each Executive Director's annual management fee will accrue;
- If performance is between 95% and 100% of the set objectives, an amount in the range of 25% to 52.5% of each Executive Director's annual management fee will accrue;
- If performance is between 100% and 110% of the set objectives, an amount in the range of 52.5% to 80% of each Executive Director's annual management fee will accrue;
- If performance is over 110% of target, an amount corresponding to 80% of each Executive Director's annual management fee will accrue.

The payment of the annual variable component is partially deferred in a 30% of its value for a period of two years, and 50% of this deferral will be paid each year, with EDPR, through the CNRGC, reserving the right to not apply this deferral when the value of the deferral does not exceed 20% of the annual management fee.

b. Variable Component - Multi-annual

The multi-annual variable remuneration shall be calculated and approved within three months of the approval of the accounts for the last financial year of the three-year period to which it relates.

The payment of two-thirds (2/3) of the multi-annual variable component shall be deferred, and shall be paid in two equal and successive annual instalments, ensuring that the payment of the multi-annual variable remuneration is made in the third year following each performance year of the relevant multi-annual plan, the first one year and the second two years respectively after the Ordinary General Shareholder's Meeting at which the accounts of the last year of the relevant remuneration plan are completed.

The maximum multi-annual variable component shall not exceed 145% of the total fixed component for the reference period of the multi-year performance and shall be allocated as per the following parameters, calculated on a straight-line basis:

- If performance is less than 85% of the set objectives, no multi-year variable component will be allocated;
- If performance is between 85% and 95% of the set objectives, an amount in the range of 15% to 40% of each Executive Director's fixed annual management fee will accrue;
- If performance is between 95% and 100% of the set objectives, an amount in the range of 40% to 97.5% of each Executive Director's fixed annual management fee will accrue;
- If performance is between 100% and 110% of the set objectives, an amount in the range of 97.5% to 145% of each Executive Director's fixed annual management fee will accrue;
- If performance is over 110% of the set objectives, an amount corresponding to 145% of each Executive Director's fixed annual management fee will accrue.

c) Other benefits

The directors do not have a supplementary pension plan paid by EDPR. There are no non-monetary benefits as part of the Board's remuneration, with the exception of: (i) the payment EDPR makes to EDP under the Management Services Contract, corresponding to the Executive Directors' pension plan in the range of 3% to 6% of the annual fixed management fee amount, and (ii) the company car to which the Chairman of the Board of Directors is entitled.

EDPR has no share allocation or stock option plans.

3. Deferral of variable remuneration. Compensation for termination of service. Early termination of office

The 2023-2025 policy includes a deferral of the payment of the multi-annual variable component by three years, as well as subjecting its payment to the fact that no malicious wrongdoing is discovered after the assessment has occurred and endangers the sustainability of the company's performance, and is the subject of a claim for compensation to EDPR, brought by shareholders or third parties.

If the above is confirmed, the variable remuneration paid during the period in which the events occurred, accrued or pending allocation, shall be reimbursed, withheld or not allocated to compensate for the damage caused up to the full amount thereof.

This policy also states that no severance payment shall be made to Directors for termination of their duties before the end of the term of office for which they were appointed, and that Executive Directors shall not sign contracts, either with EDPR or with third parties, that have the effect of mitigating the risk inherent in the variability of the remuneration set by EDP.

Considering the terms laid down by law, and market practice on the remuneration of Executive Directors in the event of early termination of office, the following is indicated:

- a) In the event of termination for reasons not attributable to the Executive Director, he/she shall be entitled to receive the full fixed component until the end of the term of office for which he/she was elected, and the variable component accrued until the date of termination of office, but shall lose the right to receive any other benefits inherent to the effective exercise of functions for periods of annual or multi-annual performance not completed in their entirety.
- b) In the event of resignation not arising from an early termination agreement with EDPR, the Executive Director shall be entitled to receive only the fixed and variable remuneration accrued up to the date of resignation, the payment of which shall be made on the same terms and conditions as for serving executive Directors.
- c) In the event of termination of service by agreement with EDPR whereby the Executive Director agrees to resign, the Executive Director shall be entitled to receive the amount agreed at that time, which shall not exceed (i) the amount of the fixed component until the end of the term of office, plus (ii) the full variable component for the annual or multi-year period payable after it is determined at the end of the relevant period, as if the Executive Director had remained in office.

In accordance with market practice, a non-compete agreement may be concluded with a departing Executive Director, whatever the cause of the termination of the service or, in the framework of the termination agreement, a non-compete obligation may be established with EDPR for a specified period of time including, where appropriate, the payment of compensation.

4. Maximum Quantities

EDPR's Articles of Association provide that the total amount of remuneration to be paid to the Board of Directors shall not exceed an amount to be determined for this purpose by the General Shareholders' Meeting, both for fixed remuneration (Article 26.3) and variable remuneration (Article 26.4).

The General Shareholders' Meeting set, at its meeting held on 13 May 2008, a maximum annual amount for fixed remuneration of EUR 2,500,000; it also set at its meeting held on 8 April 2014 a maximum annual amount for variable remuneration of EUR 1,000,000.

The Appointments, Remunerations and Corporate Governance Committee has reflected on the best way to make the use of these amounts more flexible, without increasing the total maximum remuneration of the Board, and has concluded that the amount of EUR 3,500,000 should be applied as the maximum applicable to fixed remuneration plus variable remuneration, eliminating the sub-limits for each type of remuneration.

Therefore, the maximum amount of annual remuneration to be paid to all directors in their capacity as such and for the performance of executive duties during the term of this Policy shall be EUR 3,500,000. The approval of this Policy by the EDPR General Shareholders' Meeting will entail the approval by the same of such maximum amount of annual remuneration to all directors.

5. Conclusion

The principles and criteria of the policy are periodically reviewed by the CNRGC, with the aim of keeping EDPR's remuneration policy in line with best practices and market trends. In this respect, the Committee regularly reviews, with the advice of leading independent consultants specialised in this field, the remuneration package of the directors, in order to determine its appropriateness and its alignment with the market situation of comparable companies and with the company's performance.

As a consequence of all the above, the remuneration policy for 2023-2025 complies with all the requirements set out under Article 529 *novodecies* of the Spanish Companies Act, and in particular in that it contains decisive elements to promote a management performance of the Company that does not focus solely on short-term objectives, but integrates in its outcome the interests and sustainability of the Company and of the shareholders in the medium and long term. These elements are: (i) the determination of the indicators, (ii) the relative weights attributed to each of the indicators for the calculation of the annual and multi-annual variable remuneration, (iii) the relevance associated with compliance with the indicators, (iv) the three-year period considered for the determination of the value of the multi-year variable component of the remuneration as well as the subjection of its payment to the fact that no known intentional acts have occurred after the evaluation and that may jeopardize the sustainability of the company's performance, (v) the three-year deferral of the payment of the multi-year variable, (vi) the use of qualitative criteria oriented towards a strategic and medium-term perspective in the development of the Company, and (vii) the existence of a maximum limit for the total remuneration of the Board of Directors.

Madrid, 9 February 2022,

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