



edp

Interim Report 1st Half 2023

We choose Earth



Our Purpose

Our energy

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

and heart

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

drive a better

Reflects our ambition and leadership in making change happen

tomorrow

The reason why we work every day

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Part I

Our Company



Moray East – Wind Offshore – United Kingdom

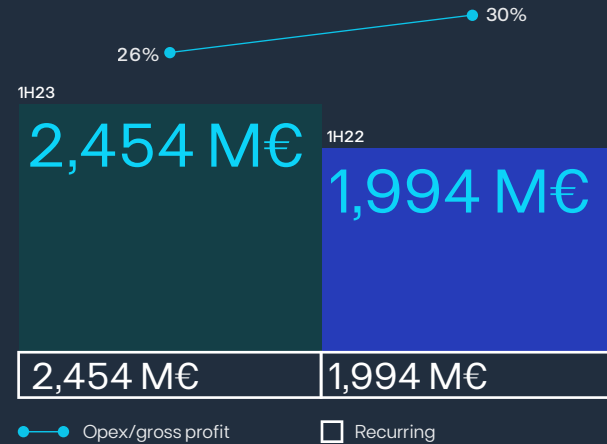
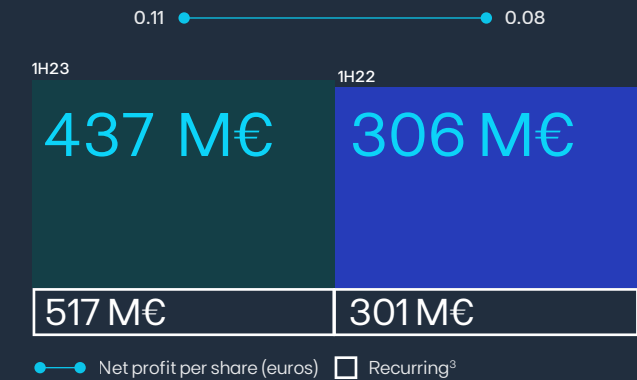
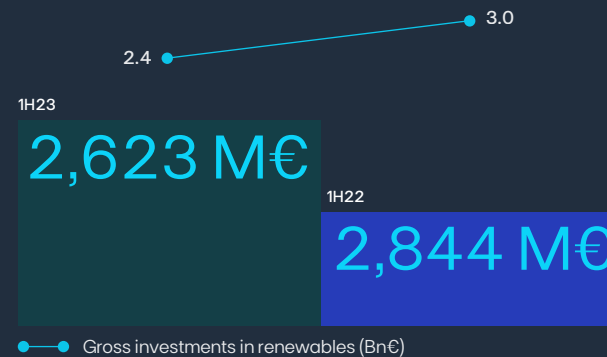
Our Company

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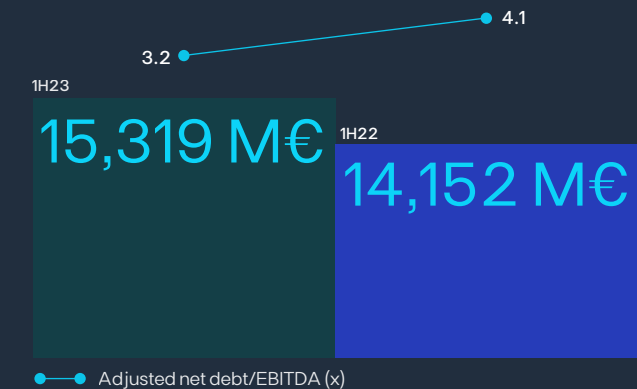
Our Key Metrics

Financial Data

EBITDA


 Net Profit¹

 Net Investments²


Net Debt



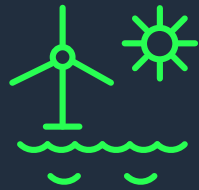
1 – Net profit attributable to EDP equity shareholders.

2 – Considers capex of EDP group, organic financial investment €175M (30 Jun 2022: €2,113M) and asset rotation -€247M (30 Jun 2022: -€976M).

3 – Adjustments and non-recurring items impact at net profit level: In 1H23 €80M, including: (i) Liability management of -€4M (ii) PPA cancelation of -€7M (iii) and a provision in Romania of -€8M; and (iv) Pecem impairment of -€61M. In 1H22: Impairments CCGT (-€5M).

Operational Data

Renewables, Clients & Energy Management



Electricity Networks



22.6 GW

Installed Capacity Equity + EBITDA
+5% vs 1H22

80%

Installed capacity thermal
+1p.p. vs 1H22

32.9 TWh

Electricity sales
+3% vs 1H22

42.9 TWh

Electricity distributed
+0% vs 1H22

11,583

Supply Points ('000)
+1% vs 1H22

25.2 TWh

Generation Output
+6% vs 1H22

8.649

Electricity customers ('000)
-2% vs 1H22

2.9 TWh

Gas supplied
-63% vs 1H22

382

Distribution operating network ('000 km)
+1% vs 1H22

2.2

Transmission operating network ('000 km)
+5% vs 1H22

5.0 GW

Capacity U/C
+60% vs 1H22

602

Gas customers ('000)
-12% vs 1H22

0.4

Transmission under construction network ('000 km)
-24% vs 1H22

7,004

Smart Meters ('000)
+15% vs 1H22

ESG Data

	Indicator	Uni	1H23	1H22	Δ	2026
Decarbonize	Renewables generation	%	87	76	+11p.p.	93
	SBTi: CO ₂ e emissions intensity (scope 1 and 2)	gCO ₂ /kWh	84	154	-45%	36
	SBTi: CO ₂ e emissions intensity (scope 1 and 2) vs. 2020	%	-47	-2	-45p.p.	-77
	Capex aligned with EU taxonomy	%	97	95	+2p.p.	>98
	Revenues aligned with EU taxonomy ¹	%	73	54	+19p.p.	>70
	Electrification of EDP's light duty fleet ^{1,2}	%	26	13	+13p.p.	>40
Communities	Global investment in communities ³	€M	11.8	12.0	-2%	~200
	New hires ⁵	#	910	1,048	-13p.p.	>3.000
Planet	Total recovered waste	%	96	97	-1p.p.	90
Partners	Suppliers compliant with ESG Due Diligence ^{5,6}	%	-	-	-	100
	Purchases volume aligned with EDP ESG goals ⁶	%	-	-	-	>90
ESG Culture	Women employees	%	28	27	+1 p.p.	31
	Women employees in leadership	%	29	26	+3p.p.	31
	Fatal accidents (employees and contractors)	#	1	4	-75%	0

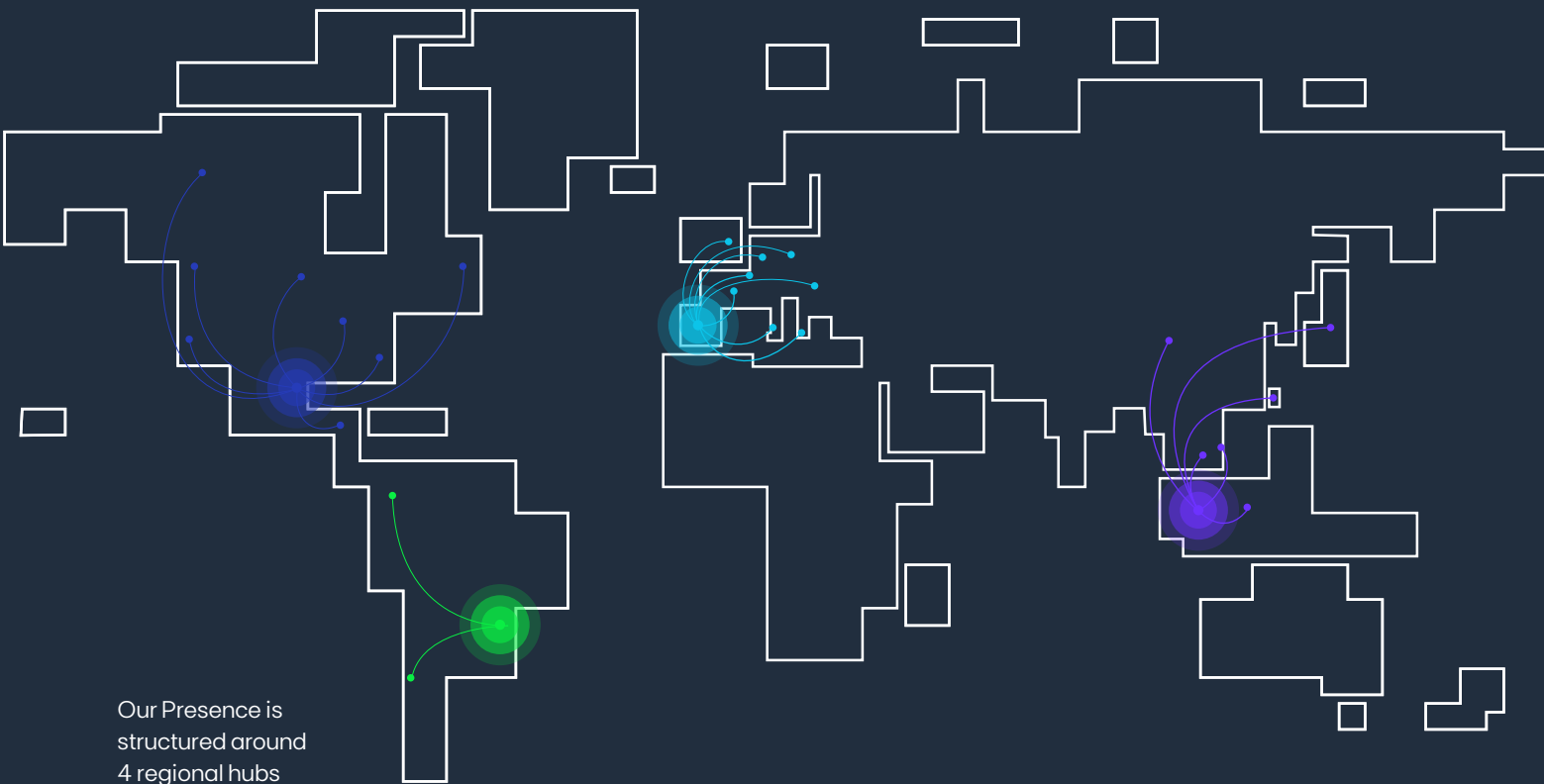
Specific CO₂ emissions decreased in 1H23 due to lower coal and gas generation in Iberia, as well as an increase in hydropower generation, also in Iberia.

Gross investments amounted to €2.9Bn in 1H23, of which 96% allocated to renewables and electricity networks activities. This concurred for the 97% capex alignment with EU Taxonomy.

Revenues aligned with the EU Taxonomy increased to 73%, due to the growth in all revenue categories that are aligned with EU taxonomy, in particular the Distribution and Transmission and Client Solutions & Energy management.

The increase in fleet electrification is due to a change in light vehicles acquisition policy in Portugal, that since 2023 only allows the purchase of PHEV or BEV.

During the 1st half of 2023, a fatal accident occurred in Brazil. EDP continues determined to strengthen the culture of Occupational Health and Safety, having started in 2021 a new program, "Playitsafe", to raise awareness of the importance of building and adopting safe habits at EDP.



Our Presence is structured around 4 regional hubs

Region	Main offices	Solar Capacity (MW)	Wind Capacity (MW)	Hydro Capacity (MW)	Networks ('000 km)	Clients ('000 #)	Employees (#)
Europe	Lisbon, Oporto, Oviedo, Madrid	11,471	285			5,432	8,316
APAC	Singapore	806				593	
North America	Houston	7,297				1,086	
South America	São Paulo	3,066	99			3,820	3,330

- Solar Capacity (MW)
- Wind Capacity (MW)
- Hydro Capacity (MW)
- Networks ('000 km)
- Clients ('000 #)
- Employees (#)
- Main offices

Our Presence

25 TWh
87% renewable energy generation

13,325
employees

Business areas

Our Organization

Renewables, Clients
& Energy Management

71%
83%

EBITDA
Capex

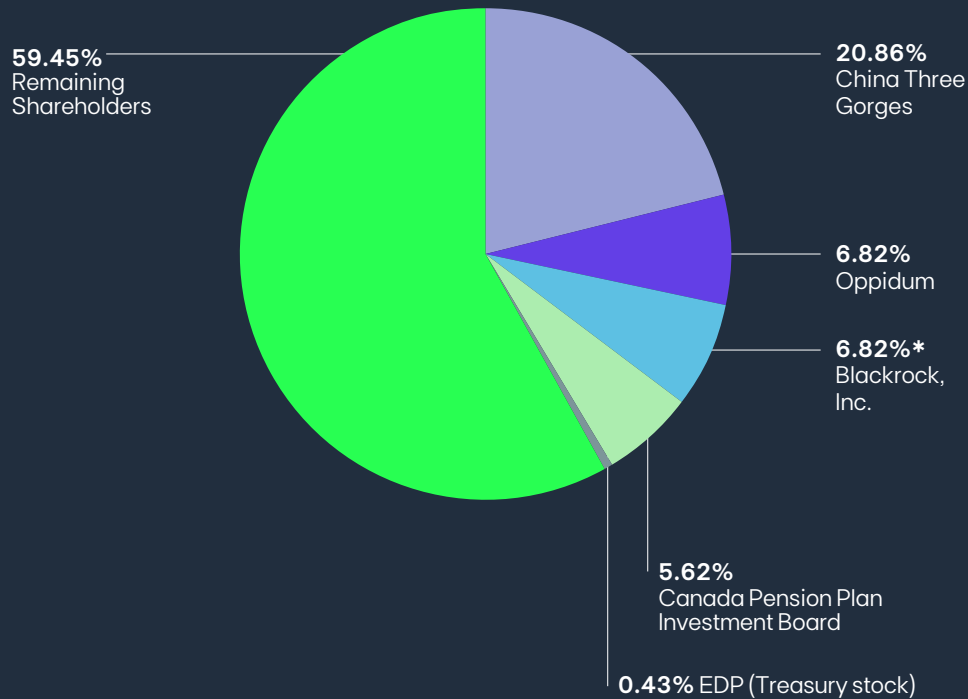
Electricity Networks

29%
17%

EBITDA
Capex

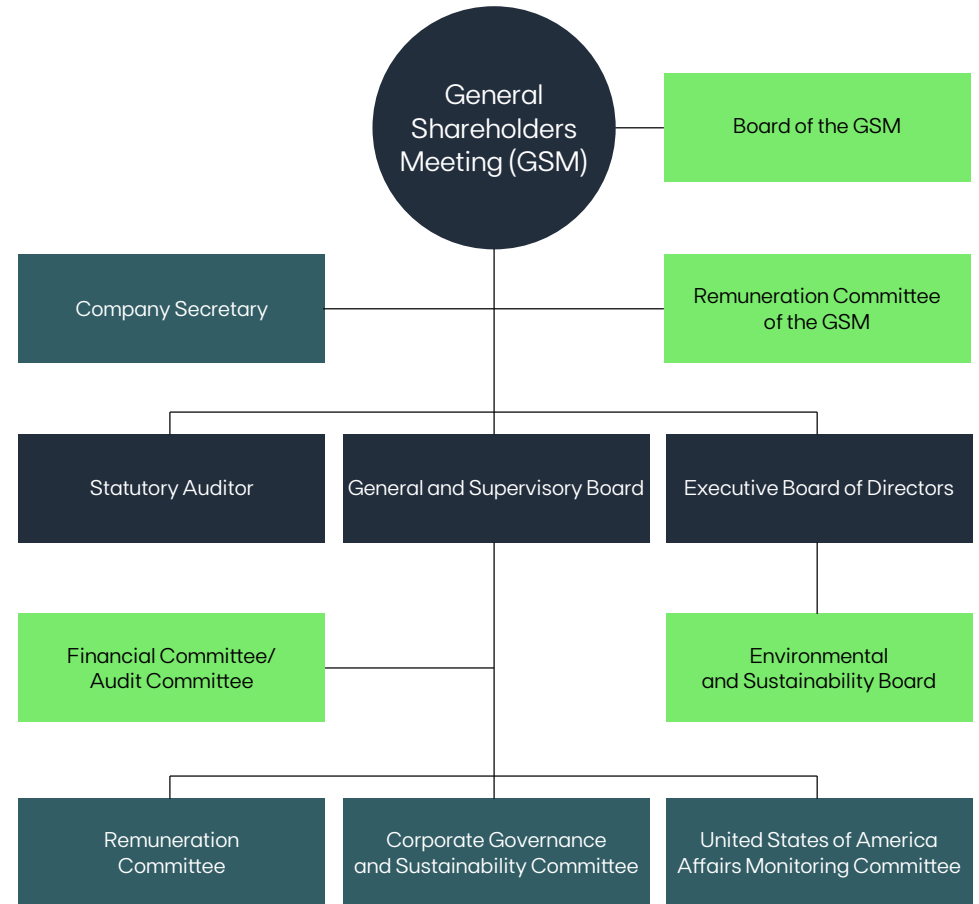
Shareholder Structure

The share capital of EDP – Energias de Portugal, S.A. is 4,184,021,624 euros and is fully paid up, as provided for in article 4 of the Company Statutes, being represented by 4,184,021,624 shares with a nominal value of 1 euro each.



*Information as of 31/12/2022.

Corporate Governance



- Corporate Entites¹
- Corporate Bodies
- Other Statutory Bodies

¹ Corporate Entites are also Corporate Bodies, pursuing the article 8(4) of EDP's Articles of Association.

For more information on Corporate Governance, please see Part III – Corporate Governance Report.

Our Corporate Bodies

Executive Board of Directors



Rui Teixeira

- CFO EDP and EDP Renewables
- Risk and Sustainability
- Finance, Planning & Control, Investor Relations
- Procurement and Shared Services



Vera Pinto Pereira

- CEO EDP Comercial
- Client Solutions
- Social Impact Coordination Office



Miguel Stilwell d'Andrade

- CEO EDP and EDP Renewables
- Chairman EDP Brasil
- Strategy and Corporate Development
- People & Organization and Communication
- Electricity Networks



Ana Paula Marques

- Policy Regulation & Stakeholders
- Hydro and Conventional Generation
- CEO EDP España
- Digital, Innovation



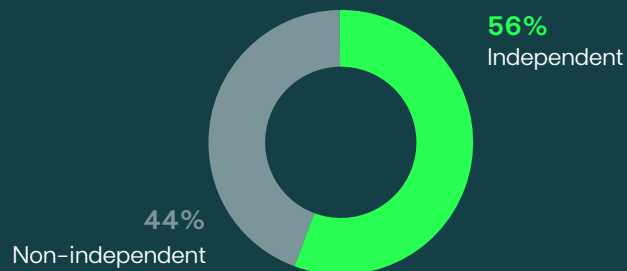
Pedro Vasconcelos

- Energy Management
- COO EDPR APAC
- Energy Planning

Our Corporate Bodies

General and Supervisory Board

Status



Gender diversity



João Luís Ramalho de Carvalho Talone
Chairman



Dingming Zhang
China Three Gorges Corporation



Shengliang Wu
China Three Gorges International Limited



Ignacio Herrero Ruiz
China Three Gorges (Europe), S.A.



Hui Zhang
China Three Gorges Brasil Energia, S.A.



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



Felipe Fernández Fernández
DRAURSA, S.A.



Fernando Maria Masaveu Herrero



João Carvalho das Neves



María del Carmen Fernández Rozado



Laurie Lee Fitch



Esmeralda da Silva Santos Dourado



Helena Sofia Silva Borges Salgado Fonseca Cerveira Pinto



Sandrine Dixson-Declève



Zili Shao



Luís Maria Viana Palha da Silva
Chairman of the General Shareholders' Meeting

Statutory Auditor

Pricewaterhouse Coopers & Associados –
Sociedade de Revisores de Contas, Lda.,
João Rui Fernandes Ramos

Aurélio Adriano Rangel Amado
Alternate Statutory Auditor

An aerial photograph of a coastline. The water is a vibrant turquoise color, transitioning to a lighter, sandy beach. The land beyond the beach is covered in dense, green vegetation. The overall scene is bright and clear, suggesting a sunny day.

Our vision

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

Stakeholder Management

Stakeholder management is an extremely demanding exercise for companies that involves sharing information and being transparent in their relationship with society and, in particular, with all who are affected by their activities.

Engaging with stakeholders is a strategic priority for EDP to establish an open dialogue, following the ESG (Environment; Social; Governance) growing importance in the business world.

EDP strongly believes this activity is key to enabling the implementation of the business plan, improving business success, anticipating risks, and also to create value for the stakeholders involved. To pursue these objectives, it has been fundamental to rely on the joint effort of all the EDP business units across the world to know their main stakeholders, understand their priorities and needs, establish continuous communication, and deploy ambitious action plans to tackle the main risks and meet stakeholder's needs.

EDP Group continues committed to achieving an excellent level regarding stakeholder engagement activities, designing new procedures, and global and unified approaches on its main markets, adapting it whenever necessary regarding cultural and social specificities.

Position EDP as a global company at the forefront of the energy transition, increasing awareness in our key markets, and establishing long-lasting and trustful relations with our main stakeholders will continue to be our main purpose.

EDP GROUP STAKEHOLDER ENGAGEMENT POLICY

Understand

> INCLUDE > IDENTIFY > PRIORITISE

- We have dynamically and systematically identified the Stakeholders who influence and are influenced by the Company.
- We analyze and seek to understand stakeholders' expectations and interests in the decisions that impact them directly.

Communicate

> INFORM > LISTEN > UNDERSTAND

- We are committed to promoting a two-way dialogue with Stakeholders through information and advisory activities.
- We listen, inform, and respond consistently, clearly, accurately and transparently to stakeholders in order to build close, strong and lasting relationships.

Trust

> TRANSPARENCY > INTEGRITY > RESPECT > ETHICS

- We believe promoting trust with our stakeholders is crucial to establish stable and long-term relations.
- Our relationship with stakeholders is based on such values as transparency, integrity, and mutual respect.

Colaborate

> INTEGRATE > SHARE > COOPERATE > INFORM

- We aim to work with stakeholders to build strategic partnerships that collate and share knowledge, skills and tools, thereby promoting the creation of shared value in a differentiated way.

Our global vision



Part II

Performance



Performance

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2.1. Group's Financial Analysis

2.1.1. Income Statement

EURO MILLION	1H23	1H22	Δ %	Δ ABS.
Gross Profit	3,664	2,910	26%	754
Operating costs	970	872	11%	98
Other Revenues/ (Costs)	289	141	106%	149
Joint Ventures and Associates	49	96	-49%	-47
EBITDA	2,454	1,994	23%	460
EBIT	1,473	1,192	24%	281
Net Profit for the period	657	613	7%	44
Net Profit attributable to EDP Shareholders	437	306	43%	130
Non-controlling interests	220	306	-28%	-86

EBITDA

€ 2,454 M

23% vs. 1H22

- EBITDA increased to 2,454 millions euros in 1H23, an increase of 23% vs 1H22 (1,994 millions euros), reflecting the benefits of the forex impacts (+13 millions euros).
- In the Renewables, Clients and EMEBITDA increased 37% vs 1S22 to 1,731 millions euros. Wind and Solar EBITDA decreased to 754 millions euros (-23% YoY), reflecting a: (i) the weaker wind resources (-7p,p YoY) ,(ii) lower avg.selling price (6%), mainly in Europe, and (iii) change in Spain regulation.
- Hydro + Clients & EM Brazil EBITDA in 1H23 decreased €6m YoY to €158m mainly driven by the deconsolidation of the Mascarenhas HPP ("Energest") that took place in December last year.
- EBITDA Network was flat YoY to €726m in 1H23 driven mainly by (i) transmission, with tariff update in 2022 and higher RAP given the completion of reinforcement works in Lot Q and EDP Goiás.
- Operational costs increased 11% YoY to 970 millions euros, with the rigorous cost control and the implementation of successful savings programs,
- Other operational loss/gain increased by 289 millions euros an increase of 106% YoY.

EBIT

€ 1,473M

24% vs. 1H22

- EBIT increase 24% vs 1H22 to 1.473 millions euros, negatively impacted by the increased in amortizations and depreciations reflecting the increase in the capacity installed and the impacts of forex (+5 YoY).
- Financial results were -416 millions euros in 1H23, an increase of 8% YoY. The increase in the financial costs in 1H23 are due mainly to a increase in the cost of debt in the main currency, increase in the interest rates, resulting in a increase of 34pp in the average cost of debt, reaching 4.8%.

CAPEX

€ 2,695M

58% vs. 1H22

- Consolidated capex increased 58% to €2,695 millions euros in 1H23, of which 90% in renewables energy e networks reinforcing the commitment of EDP for the energy transition.
- Expansion investment was 2,424 millions euros in 1H23 (+64% vs 1H22), showing the increase in the organic investment.
- Maintenance capex in 1H23 of €271 millions euros was mostly dedicated to our electricity networks business (80% of total), including the roll out of digitalization in Iberia and Brazil..

**NET PROFIT
Attributable to
EDP Shareholders**

€ 437M

43% vs. 1H22

- Income taxes amounted to €351m, representing an effective tax rate of 33% in 1H23, an increase YoY reflecting that we had higher weight on Earnings before taxes from Portugal and Brazil, which have higher corporate taxes rates than the average for our portfolio.
- Minorities interests decreased 28% YoY to 220 millions euros in 1H22, including: (i) €107m related to EDPR, mainly explained by higher free float partly offsetting lower contribution from projects with minorities.
- The net profit attributable to EDP Shareholders was 437 millions euros in 1H23 (+43% YoY), a normalization of hydro resources and better results from energy management.

NET DEBT

€15,319M

16% vs. 1H22

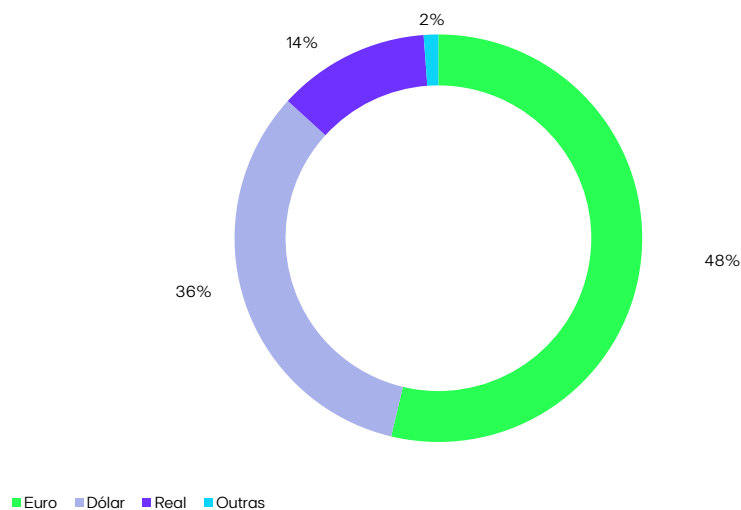
2.1.2. Net Debt

- In June 2023, Net Debt was 15.3 Bn euros, an increase of 16% versus December 2022, reflecting the investment acceleration in renewables and networks, the dividend payment in may 2023 and the evolution of the regulatory working capital, partly compensated by the capital increase made by EDP and EDPR.

2.1.3. Funding Policy

- Centralized policy for financial debt at EDP – Energias de Portugal, S.A. and EDP Finance BV (approximately 89% of gross debt), while the remainder is divided between EDP Brasil (ring fenced vs. the rest of the Group), project finance at some EDP Renewables subsidiaries.
- In 1H23, the average cost of debt was 4.82% (0.334 percentual points vs. 1H22), mainly driven by the cost and relative weight increase of Brazilian Real in our gross debt.
- Fixed interest rate debt represents 73% of overall gross financial debt.

Gross Debt by Currency in Jun-23 ⁽¹⁾



1) Após coberturas cambiais

Bond Issues

- All EDP issuances in 1H23 were senior green notes, detailed as follow::

ISIN CODE	CURRENCY	AMOUNT	COUPON	MATURITY
PTEDPXOM0025	EUR	1,000,000,000	5,94%	23/04/2083
PTEDPUOM0008	EUR	750,000,000	3,875%	26/06/2028

Rating

Regarding EDP's rating, following the Capital Market Day the S&P increase the ranking to BBB and stable outlook. In May, Moody's increase EDP ranking to "BAA2" and stable.

	LONG-TERM	SHORT-TERM	OUTLOOK
Santard & Poor's	BBB	A-2	Estável
Moody's	Baa2	P2	Estável
Fitch	BBB	F2	Estável

History of Operational Indicators

RENEWABLES, CLIENTS & ENERGY MANAGEMENT	UN	1H23	1H22	1H21	1H20
WIND AND SOLAR INSTALLED CAPACITY					
Installed Capacity	MW	14,098	12,712	11,743	10,889
Portugal	MW	1,191	1,142	1,238	1,164
Spain	MW	2,211	2,058	2,137	1,974
Rest of Europe	MW	2,088	1,816	1,476	1,276
North America	MW	6,705	6,453	6,428	6,143
LatAm	MW	1,114	795	436	331
Asia	MW	790	449	28	0
Capacity under Construction	MW	4,315	3,149	2,616	2,000
Portugal	MW	188	186	125	6
Spain	MW	167	108	101	18
Rest of Europe	MW	374	420	685	312
North America	MW	2,310	1,189	767	1,393
LatAm	MW	1,153	1,084	939	0
Asia	MW	124	162	0	0
Equity Installed Capacity ¹	MW	1,070	1,104	841	550
Portugal	MW	31	31	31	0
Spain	MW	120	156	167	152
Rest of Europe	MW	311	311	43	0
North America	MW	592	592	601	398
LatAm	MW	0	0	0	0
Asia	MW	16	14	0	0
Capacity under Construction MEP ¹	MW	729	1	269	330
Portugal	MW	0	0	0	14
Rest of Europe	MW	728	0	269	316
Asia	MW	1	1	0	0
WIND AND SOLAR NET ELECTRICITY GENERATION					
	GWh	17,987	17,791	15,338	14,664
Portugal	GWh	1,308	1,382	1,483	1,262
Spain	GWh	2,354	2,534	2,613	2,102
Rest of Europe	GWh	2,207	2,419	1,670	1,699
North America	GWh	9,321	10,186	9,079	9,213
LatAm	GWh	2,210	1,040	494	388
Asia	GWh	588	231	0	0

RENEWABLES, CLIENTS & ENERGY MANAGEMENT	UN	1H23	1H22	1H21	1H20
WIND AND SOLAR TECHNICAL AVAILABILITY		94	95	97	97
Portugal	%	98	99	98	98
Spain	%	95	96	96	95
Rest of Europe	%	96	97	98	98
North America	%	93	94	97	97
LatAm	%	93	97	98	98
Asia	%	n.a.	n.d.	0	0
HYDRO INSTALLED CAPACITY	MW	6,921	7,127	7,127	8,785
Portugal	MW	5,076	5,076	5,076	6,759
Spain	MW	444	451	451	426
Brazil	MW	1,401	1,599	1,599	1,599
EQUITY HYDRO INSTALLED CAPACITY¹					
Installed Capacity	MW	551	551	551	551
Brazil	MW	551	551	551	551
Capacity under Construction	MW	0	78	78	78
Brazil	MW	0	0	0	0
Peru	MW	0	78	78	78
HYDRO NET ELECTRICITY GENERATION	GWh	7,177	6,002	8,789	11,075
Portugal	GWh	4,325	2,509	5,681	7,555
Spain	GWh	383	288	479	392
Brazil	GWh	2,468	3,204	2,629	3,127
HYDRO TECHNICAL AVAILABILITY					
Portugal	%	85	93	93	95
Spain	%	97	99	100	100
Brazil	%	97	99	97	97
THERMAL INSTALLED CAPACITY					
Installed Capacity	MW	5,443	5,449	4,879	6,921
Portugal	MW	2,049	2,049	2,049	3,229
CCGT	MW	2,031	2,031	2,031	2,031
Coal	MW	0	0	0	1,180
Cogeneration	MW	17	17	17	17
Spain	MW	2,674	2,680	2,110	2,972
CCGT	MW	854	854	854	1,698
Coal	MW	1,820	1,820	1,250	1,250
Cogeneration and Waste	MW	0	5	5	25
Brazil	MW	720	720	720	720
Coal	MW	720	720	720	720

RENEWABLES, CLIENTS & ENERGY MANAGEMENT	UN	1H23	1H22	1H21	1H20
Equity Installed Capacity ¹	MW	10	10	10	10
Portugal	MW	0	0	0	0
Spain	MW	10	10	10	10
THERMAL NET ELECTRICITY GENERATION	GWh	3,847	7,364	5,325	5,729
Portugal	GWh	949	2,409	1,792	2,368
CCGT	GWh	881	2,338	1,717	2,272
Coal	GWh	0	0	0	29
Cogeneration	GWh	68	71	75	67
Spain	GWh	2,899	4,951	2,403	2,885
CCGT	GWh	1,255	1,580	860	1,680
Coal	GWh	1,643	3,358	1,508	1,175
Cogeneration and Waste	GWh	0	13	35	29
Brazil	GWh	0	4	1,130	476
Coal	GWh	0	4	1,130	476
THERMAL TECHNICAL AVAILABILITY					
Portugal	%	73	73	86	96
CCGT	%	73	73	86	97
Coal	%	0	0	0	94
Cogeneration	%	95	100	100	91
Spain	%	78	70	76	99
CCGT	%	93	84	80	100
Coal	%	70	63	74	99
Cogeneration	%	n.d.	100	98	100
Waste	%	n.d.	n.d.	n.d.	84
Brazil	%	100	95	90	88
Coal	%	100	95	90	88
ELECTRICITY CUSTOMERS	'000	8,649	8,652	8,599	9,786
Portugal	'000	4,811	4,917	4,949	5,090
Last Resort	'000	957	918	933	1,001
Liberalised Market	'000	3,854	3,999	4,016	4,089
Market Share EDP - Liberalised Market	%	n.a.	73	74	77
Spain	'000	18	22	23	1,159
Last Resort	'000	0	0	0	232
Liberalised Market	'000	18	22	23	927
Brazil	'000	3,820	3,714	3,627	3,538
Last Resort	'000	3,819	3,713	3,627	3,537
Liberalised Market	'000	0.7	0.7	0.5	0.3

RENEWABLES, CLIENTS & ENERGY MANAGEMENT	UN	1H23	1H22	1H21	1H20
Social Tariff	'000	1,113	962	921	904
Portugal	'000	555	547	589	596
Spain	'000	0	0	0	53
Brazil	'000	557	415	333	255
Special Needs	'000	1.1	0.9	1.0	0.9
Portugal	'000	0.2	0.2	0.2	0.1
Brazil	'000	0.9	0.7	0.8	0.8
Green Tariff	'000	840	659	260	1,131
Portugal	'000	833	652	253	73
Spain	'000	7	7	7	1,058
Brazil	'000	n.a.	n.a.	n.a.	n.a.
ELECTRICITY SUPPLIED	GWh	32,850	31,890	29,246	36,134
Portugal	GWh	10,108	10,436	9,898	9,661
Last Resort	GWh	1,571	1,359	1,168	1,223
Liberalised Market	GWh	8,537	9,078	8,731	8,437
Market Share EDP - Liberalised Market	%	n.a.	42	42	41
Spain	GWh	5,090	6,062	5,049	5,422
Last Resort	GWh	0	0	0	243
Liberalised Market	GWh	5,090	6,062	5,049	5,180
Market Share EDP - Liberalised Market	%	5	6	4	11
Brazil	GWh	17,652	15,391	14,299	21,051
Last Resort	GWh	7,096	7,025	6,954	6,626
Liberalized Market	GWh	10,556	8,366	7,345	14,425
Social Tariff	GWh	626	470	929	331
Portugal	GWh	71	70	81	84
Spain	GWh	0	0	0	61
Brazil	GWh	555	400	848	186
Green Tariff	GWh	1,866	2,034	5,710	5,554
Portugal	GWh	967	713	174	10
Spain	GWh	899	1,321	5,536	5,544
Brazil	GWh	n.a.	n.a.	n.a.	n.a.
GAS CUSTOMERS	'000	602	686	687	1,593
Portugal	'000	599	682	682	691
Last Resort	'000	106	31	33	36
Liberalised Market	'000	493	651	649	655
Spain	'000	3	5	5	903
Last Resort	'000	0	0	0	54
Liberalised Market	'000	3	5	5	849

RENEWABLES, CLIENTS & ENERGY MANAGEMENT	UN	1H23	1H22	1H21	1H20
GAS SUPPLIED	GWh	2,886	7,625	7,396	9,357
Portugal	GWh	1,513	2,263	2,467	2,128
Last Resort	GWh	258	113	111	109
Liberalised Market	GWh	1,256	2,150	2,355	2,019
Market Share EDP - Liberalised Market	%	n.a.	12	10	12
Spain	GWh	1,372	5,362	4,929	7,229
Last Resort	GWh	0	0	0	136
Liberalised Market	GWh	1,372	5,362	4,929	7,093
Market Share EDP - Liberalised Market	%	3	2	7	15
INSTALLED CAPACITY SOLAR DG	MW	232	139	0	0
Portugal	MW	151	80	0	0
Spain	MW	17	7	0	0
Brazil	MW	63	51	0	0

¹ Share of the MW installed in plants owned by companies equity consolidated

ELECTRICITY NETWORKS	UN	1H23	1H22	1H21	1H20
DISTRIBUTION					
Electricity distributed	GWh	42,863	42,953	42,320	37,093
Portugal	GWh	22,922	22,764	22,180	21,477
Spain	GWh	6,354	6,819	7,083	3,752
Brazil	GWh	13,586	13,370	13,057	11,864
Electricity supply points	'000	11,668	11,492	11,338	10,508
Portugal	'000	6,460	6,398	6,336	6,300
Spain	'000	1,386	1,380	1,373	669
Brazil	'000	3,821	3,715	3,628	3,538
Grid extension	km	381,649	379,311	376,685	342,715
Portugal	km	232,406	231,227	229,688	228,177
Overhead lines	km	182,082	181,292	180,241	179,081
Underground lines	km	50,324	49,935	49,446	49,097
Spain	km	52,729	52,499	52,481	20,785
Overhead lines	km	39,607	39,518	39,608	15,739
Underground lines	km	13,121	12,981	12,873	5,046
Brazil	km	96,514	95,585	94,516	93,752
Overhead lines	km	96,215	95,303	94,241	93,486
Underground lines	km	300	282	275	266
GRID LOSSES					
Portugal ¹	%	7.7	9.0	9.4	9.9
Spain	%	5.0	5.1	5.3	4.0
Brazil	%	9.3	9.8	11.3	8.3
SERVICE QUALITY					
Portugal					
Installed Capacity Equivalent Interruption Time ²	min	20.9	18.2	22.5	22.1
Spain					
Installed Capacity Equivalent Interruption Time ²	min	9.9	6.8	10.8	5.3
Brazil					
Average Interruption Duration per Consumer					
EDP São Paulo	hours	9.3	9.5	10.9	6.7
EDP Espírito Santo	hours	10.7	11.2	11.1	8.3
Frequency of Interruptions per Consumer					
EDP São Paulo	#	4.6	5.3	6.9	4.4
EDP Espírito Santo	#	4.7	5.5	5.9	4.4

ELECTRICITY NETWORKS	UN	1H23	1H22	1H21	1H20
TRANSMISSION					
Grid extension	km	2,535	2,535	1,493	1,439
Grid extension in Operation	km	2,185	2,073	484	187
Grid extension Under Construction	km	350	462	1,010	1,252

¹In 2021, the loss indicator was changed to consider the energy input in the grid, and not the output (as until 2020), according to the expectation that the regulator will incorporate this change in the next regulatory period, to align with common practice in other countries (namely Spain and Brazil).

²ICEIT in MV grid, excluding extraordinary events.

History of Sustainability Indicators

ENVIRONMENTAL INDICATORS	UN	1H23	1H22	1H21	1H20
ENVIRONMENTAL CERTIFICATION (ISO 14001)					
ISO 14001 Certification ¹	%	95.0	85.2	93.6	96.4
PRIMARY ENERGY CONSUMPTION					
Coal	TJ	14,075	29,959	24,515	14,917
Fuel oil	TJ	8	11	9	18
Natural gas	TJ	15,645	27,237	14,281	27,344
Residual gases	TJ	3,184	4,813	5,673	3,336
Diesel oil	TJ	65	132	59	48
Fuel for fleet	TJ	93	109	88	71
ENERGY INTENSITY²					
ELECTRICITY CONSUMPTION					
Generation self-consumption	MWh	1,197,906	1,609,082	1,460,017	1,568,295
Administrative service	MWh	14,174	14,919	15,081	14,053
Grid losses	%	7.8	8.4	8.3	11.8
GHG EMISSION					
Direct emissions (scope 1)					
Stationary combustion ³	ktCO ₂ eq	2,223	4,371	3,571	3,045
SF ₆ Emissions	ktCO ₂ eq	2,212	4,357	3,561	3,037
Company fleet	ktCO ₂ eq	3.25	6.25	4.10	3.77
Natural gas consumption	ktCO ₂ eq	7	7	6	5
Indirect emissions (scope 2)⁴					
Electricity consumption in office buildings	ktCO ₂ eq	0.01	0.12	0.18	0.01
Electricity losses	ktCO ₂ eq	223.0	450.0	313.7	464.1
Renewable plants self-consumption	ktCO ₂ eq	0.7	0.3	0.0	0.3
GHG EMISSIONS INTENSITY⁵					
CO₂ AVOIDED EMISSIONS⁶					
SPECIFIC OVERALL EMISSIONS					
CO ₂ ^{3,7}	kgCO ₂ /EUR	0.3	0.5	0.6	0.5
NO _x	ktCO ₂	12,407	13,428	12,899	14,430
SO ₂	g/kWh	76	139	120	96
Particulate matter	g/kWh	0.19	0.07	0.10	0.07
WATER COLLECTED					
Salt and estuary	g/kWh	0.08	0.03	0.13	0.07
Fresh	g/kWh	0.010	0.004	0.019	0.017
WATER COLLECTED					
Salt and estuary	10 ³ x m ³	295,550	314,575	139,725	150,964
Fresh	10 ³ x m ³	292,922	309,778	134,337	145,356
Fresh	10 ³ x m ³	2,628	4,797	5,389	5,608

ENVIROMENTAL INDICATORS	UN	1H23	1H22	1H21	1H20
WASTE MATERIALS	t	124,441	197,906	122,557	94,309
Total waste	t	109,693	173,228	105,913	79,944
Total hazard waste	t	3,756	2,871	3,043	1,726
By-products	t	14,748	24,678	16,645	14,365
Gypsum	t	14,748	24,678	13,357	11,964
Fly ash	t	0	0	3,017	2,401
Slag	t	0	0	271	0
SUSTAINABLE MOBILITY					
Light-duty fleet electrification	%	26	13	12	9
Electric charging points	#	6,440	4,107	2,556	1,073
Customers with electric mobility solutions	k#	88.4	51.1	33.2	14.4

¹ Aggregated certification indicator due to assets with potential environmental impacts.

² Primary energy consumption by turnover.

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

⁴ Calculation according with GHG Protocol based location methodology.

⁵ Scope 1 and Scope 2 emissions by turnover.

⁶ CO₂ 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.

⁷ Includes only stationary combustion emissions.

SOCIAL INDICATORS	UN	1H23	1H22	1H21	1H20
EMPLOYMENT					
Employees	#	13,325	12,909	12,147	11,641
Executive Board of Directors	#	5	5	5	9
Senior Management	#	396	937	921	861
Supervisors	#	1,249	972	847	814
Specialists	#	6,783	5,402	5,061	4,588
Technicians	#	4,892	5,075	5,313	5,369
Male employees	%	72	73	74	74
Female employees	%	28	27	26	26
Not declared	%	0.3	0.6	n.a.	n.a.
Employees by types of contract	#	13,325	12,909	12,147	11,641
Executive bodies	#	55	57	58	61
Male	#	40	41	43	54
Female	#	15	16	15	7
Not declared	#	0	n.a.	n.a.	n.a.
Permanent workforce	#	13,123	12,801	12,033	11,542
Male	#	9,429	9,326	8,905	8,557
Female	#	3,658	3,398	3,128	2,985
Not declared	#	36	n.a.	n.a.	n.a.
Fixed-term contracts	#	147	51	56	38
Male	#	84	29	35	24
Female	#	60	22	21	14
Not declared	#	3	n.a.	n.a.	n.a.
Employees by occupational contract	#	13,325	12,909	12,147	11,641
Full-Time	#	13,320	12,904	12,100	11,598
Male	#	9,552	9,395	8,977	8,630
Female	#	3,729	3,432	3,123	2,968
Not declared	#	39	n.a.	n.a.	n.a.
Part-time	#	5	5	47	43
Male	#	1	1	6	5
Female	#	4	4	41	38
Not declared	#	0	n.a.	n.a.	n.a.
New employees	#	910	1,048	830	624
Male	#	519	668	548	405
Female	#	308	301	282	219
Not declared	#	83	79	n.a.	n.a.
F/M new admissions rate	x	0.59	0.45	0.51	0.54

SOCIAL INDICATORS	UN	1H23	1H22	1H21	1H20
Employees leaving	#	737	882	863	642
Male	#	538	662	667	502
Female	#	196	218	196	140
Not declared	#	3	2	n.a.	n.a.
Turnover	%	5.50	6.83	7.00	5.51
Average age of workforce	years	41	41	42	42
Absenteeism rate	%	4.30	3.31	2.64	2.67
Pay ratio by gender (F/M)	x	1.02	0.98	1.04	1.05
TRAINING					
Total hours of training	hours	131,712	147,727	168,752	101,355
Average training per employee (h/p)	h/p	10	11	8	9
Employees with training	%	93	83	75	79
HEALTH AND SAFETY (H&S)					
Employees					
Accidents with lost workdays ¹	#	22	6	11	8
Fatal work-related injuries	#	0	0	0	0
Total lost days due to accidents ²	#	906	973	641	597
Frequency rate ³	Tf	1.64	0.50	0.94	0.71
Severity rate ⁴	Tg	68	81	55	53
Overall severity rate ⁵	Tgt	70	88	60	588
Contractors					
Accidents with lost workdays ¹	#	72	52	71	34
Fatal work-related injuries	#	1	4	5	1
Hours worked	hours	26,276,734	25,480,157	34,343,149	24,068,750
Frequency rate ³	Tf	2.78	2.20	2.07	1.54
Severity rate ⁴	Tg	160	131	112	104
Overall severity rate ⁵	Tgt	401	1,078	989	348
EDP employees and contractors					
Frequency rate ³	Tf	2.40	1.66	1.78	1.26
Severity rate ⁴	Tg	129	115	97	87
Overall severity rate ⁵	Tgt	289	762	753	425
Near accidents	#	249	235	284	166
People outside the activity					
Fatal electrical accidents involving third parties ⁶	#	5	3	10	9
VOLUNTEER INVESTMENT IN THE COMMUNITY (B4SI METHODOLOGY)					
Volunteer investment/EBITDA	%	0.48	0.15	0.37	0.39

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

² 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.

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

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

⁵ 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.

⁶ Accidents involving persons outside EDP's activity.

ECONOMIC INDICATORS	UN	1H23	1H22	1H21	1H20
ECONOMIC VALUE GENERATED	000€	9,204,186	10,973,982	6,628,282	6,640,944
Economic value distributed	000€	8,354,344	10,357,245	6,073,124	5,826,169
Economic value accumulated	000€	849,842	616,737	555,158	814,775
ENERGY EFFICIENCY AND SUPPLEMENTARY ENERGY SERVICES REVENUES¹	000€	1,062,600	907,459	494,259	506,268
Energy efficiency services revenues	000€	245,199	449,130	115,900	118,105
Supplementary energy services revenues ²	000€	817,401	458,330	378,359	388,163
FINES AND PENALTIES	000€	6,397	6,302	3,864	2,639
ENVIRONMENTAL MATTERS	000€	332,483	431,124	140,337	109,431
Investments	000€	56,139	43,372	39,861	21,981
Expenses	000€	276,344	387,752	100,476	87,450
SOCIAL MATTERS					
Personnel costs	000€	377,487	336,184	289,165	286,889
Employee benefits	000€	42,919	43,034	43,663	35,180
Direct training investment	000€	2,684	1,543	1,026	1,026
Direct training investment per employee	€/p	201	120	84	88
HC ROI per employee	€/p	7.41	6.38	6.03	7.06

¹ 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.

² 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.

Our action



Part III

Corporate Governance



Sabygal – Solar and Wind Hybrid – Portugal

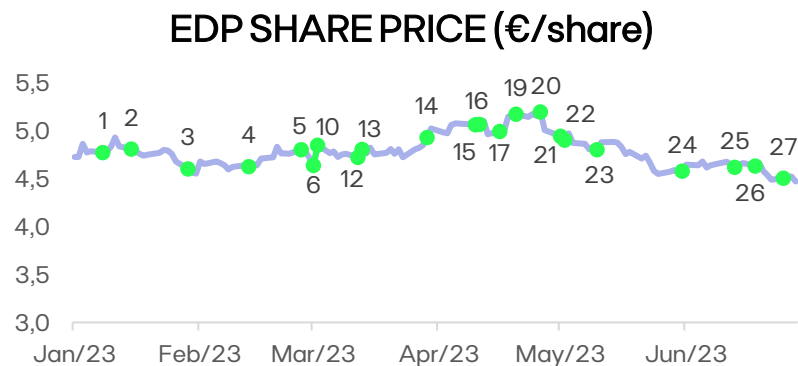
Corporate Governance

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Corporate Governance

A. Performance of EDP on the stock market

I. Main events affecting the EDP share price in the first half of 2023



#	DATA	DESCRIÇÃO	PREÇO DA AÇÃO
1	09/01/2023	Clawback taxes in Romania and Poland renewables generation	4.77
2	16/01/2023	Cash tender offer for outstanding Hybrid and new issue of green hybrid	4.80
3	30/01/2023	EDP completes asset rotation deal for a 260 MW operating wind portfolio in Brazil	4.60
4	14/02/2023	EDP secures its first PPA in Greece	4.62
5	27/02/2023	EDP intends to opt to receive shares of EDPR following Scrip Dividend announcement	4.80
6	02/03/2023	EDP announces plans for a non-preemptive capital raise	4.63
7	02/03/2023	Tender offer for the acquisition of shares issued by EDP - Energias do Brasil S.A.	4.63
8	02/03/2023	Intention from EDPR to pursue equity raise of EUR 1Billion	4.63
9	02/03/2023	Business Plan 2023-2026	4.63
10	03/03/2023	Completion of market placement and approval of final terms of capital increase at EDPR	4.84
11	03/03/2023	Completion of the ABB and approval of EDP's capital increase	4.84
12	13/03/2023	Resignation of Executive Board Member	4.72
13	14/03/2023	Management transaction related to China Three Gorges subscription of shares	4.80
14	30/03/2023	EDP secures with First Solar ~2GWdc of solar modules for US projects for deliveries up to 2028	4.93
15	11/04/2023	Update on tender offer for the acquisition of shares issued by EDP - Energias do Brasil S.A. - Dividend adjustment	5.06
16	12/04/2023	Payment of dividends - year 2022	5.06
17	17/04/2023	EDP secures long term PPA for a ~200 MW wind project in the US	4.99
18	17/04/2023	EDP signed a 5-year SGD 1,000 million green loan	4.99
19	21/04/2023	PPA secured for a solar portfolio in Italy	5.17
20	27/04/2023	EDP secures long term PPA for a 110 MW solar project in the US	5.19
21	02/05/2023	EDP secures long term VPPAs for a 54 MW wind portfolio in Spain	4.94
22	03/05/2023	EDP secures PPA for a 150 MW solar project in the US	4.90
23	11/05/2023	Moody's Upgrades EDP to "BAA2" with Stable Outlook	4.80
24	01/06/2023	EDP informs about 20-year FIT awarded in the eleventh GSE auction in Italy	4.57
25	14/06/2023	EDP secures its first long-term PPA in the Netherlands for a 40 MWac solar portfolio	4.61
26	19/06/2023	EDP issues €750 million 5-year green bonds	4.63
27	26/06/2023	EDP buys treasury shares	4.50

B. Corporate bodies

I. Corporate governance structure

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 five 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](#) 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.

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 for consultation on EDP's website: [EDP's Articles of Association](#) and [Internal Regulation of the General and Supervisory Board](#), 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, 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 (Article 8) 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);
- the Corporate Governance and Sustainability Committee must be composed mainly of independent members (Article 3(1) of the Rules of Regulation of the Corporate Governance and Sustainability Committee).

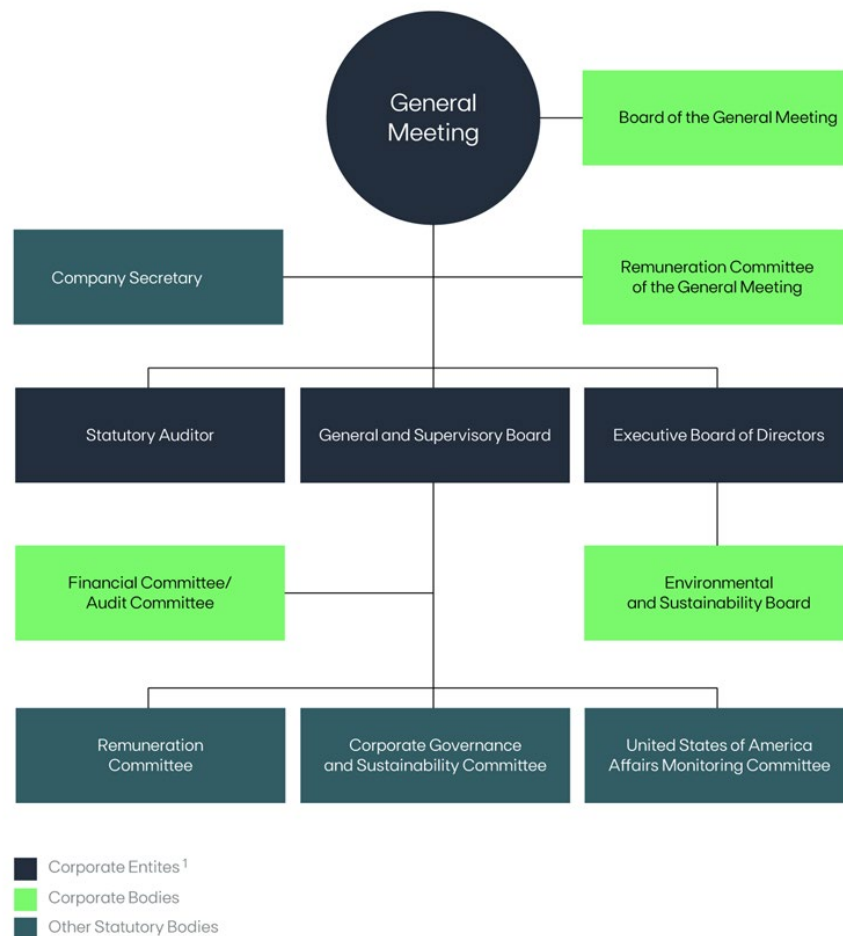
In compliance with the above procedure, at the start of their terms of office, the members of the General and Supervisory Board stated that they were not in any of the situations

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 10 (1), 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 and the Articles of Association of EDP (Article 9 (1), Article 11 (2) (d) and Article 21 (4)). 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 2022, the members of the General and Supervisory Board renewed their statements on incompatibilities and independence.

The above statements are available to the public on EDP's website, at [Annual GSB members statement](#).

II. Corporate Structure



¹ Corporate Entities are also Corporate Bodies, pursuant to the article 8(4) of EDP's Articles of Association.

III. Corporate Bodies

Pursuant to Article 8 of EDP's Articles of Association, the corporate bodies of the company are: (i) the General Shareholders' Meeting; (ii) the Executive Board of Directors; (iii) the General and Supervisory Board and (iv) 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 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 and entities 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.

At the Annual General Shareholders' Meeting, held on 12 April 2023, and following the resignation of Miguel Nuno Simões Nunes Ferreira Setas as member of the Executive Board of Directors, Pedro Collares Pereira de Vasconcelos was appointed to such position.

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.

During the first half of 2023, the Board of the General Shareholders' Meeting was composed as follows:

BOARD OF THE GENERAL SHAREHOLDERS' MEETING	
CHAIRMAN	LUÍS MARIA VIANA PALHA DA SILVA
Vice-Chairman	Ana Mafalda Castanheira Neves de Miranda Barbosa
Company Secretary	Ana Rita Pontífice Ferreira de Almeida Côrte-Real ^(*)

^(*) 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.

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 Legal & Governance, the Investor Relations, the Communication and the Brand – Corporate Global Units, 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.

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 and Article 3(1) of the Internal Regulation of the General and Supervisory Board, 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 issue an opinion on its 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;
- 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 Statutory 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 its subsidiaries;
- 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.

During the first half of 2023, the General and Supervisory Board was composed as follows:

GENERAL AND SUPERVISORY BOARD		INDEPENDENT MEMBERS	FIRST APPOINTMENT DATE
CHAIRMAN	JOÃO LUÍS RAMALHO DE CARVALHO TALONE	INDEPENDENT	14/04/2021
	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, S.A. represented by Hui Zhang		05/04/2018
	China Three Gorges (Portugal), Sociedade Unipessoal, Lda. represented by Miguel Espregueira Mendes 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, with EDP, 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 six times in the first half of 2023 and the minutes of such meetings were drawn up.

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 Statutory 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.

As executed in 2021 and 2023, proposals to amend EDP's Articles of Association regarding share capital increases submitted by the Executive Board of Directors require

a favourable prior opinion from the General and Supervisory Board, pursuant to Article 17 (2) (g) of the Articles of Association.

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.

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, without prejudice to restrictions on access to information regarding members who are in a situation of conflict of interests.

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 the Extraordinary General Meeting held on 19 January 2021, the members of the Board of Directors of Directors were elected for the three-year period 2021–2023. The term of office of the members of this Board ends on 31 December 2023, without prejudice to their maintenance in office until a new appointment.

Until 12 April 2023, the Board of Directors of Directors was composed as follows:

EXECUTIVE BOARD OF DIRECTORS		FIRST APPOINTMENT DATE
CHAIRMAN	MIGUEL STILWELL DE ANDRADE	20/02/2012
	Miguel Nuno Simões Nunes Ferreira Setas ^(*)	21/04/2015
	Rui Manuel Rodrigues Lopes Teixeira	21/04/2015
	Vera de Morais Pinto Pereira Carneiro	05/04/2018
	Ana Paula Garrido de Pina Marques	19/01/2021

(*) On 13 March 2023, Miguel Nuno Simões Nunes Ferreira Setas resigned as Member of the Executive Board of Directors, with effect at the moment a substitute member is appointed at EDP's Annual General Meeting, held on April 12, 2023.

As from 12 April 2023, the Executive Board of Directors is composed as follows:

EXECUTIVE BOARD OF DIRECTORS		FIRST APPOINTMENT DATE
CHAIRMAN	MIGUEL STILWELL DE ANDRADE	20/02/2012
	Rui Manuel Rodrigues Lopes Teixeira	21/04/2015
	Vera de Morais Pinto Pereira Carneiro	05/04/2018
	Ana Paula Garrido de Pina Marques	19/01/2021
	Pedro Collares Pereira de Vasconcelos ^(*)	12/04/2023

(*) Elected at EDP's Annual General Shareholders' Meeting, held on 12 April 2023.

During the first semester of 2023, the Executive Board of Directors held thirty-eight meetings and the minutes of such meetings were drawn up.

On 30 June 2023, the Corporate Departments and Business Units assigned to the members of the Executive Board of Directors were the following:

Miguel Stilwell de Andrade	
Corporate Global Units	Companies
<p>CORPORATE GOVERNANCE SUPPORT</p> <ul style="list-style-type: none"> • CEO Office • Internal Audit • Compliance & Internal Control • Ethics Office • Legal & Governance <p>STRATEGY AND FINANCIAL AREA</p> <ul style="list-style-type: none"> • M&A and Corporate Development <p>RESOURCES</p> <ul style="list-style-type: none"> • People & Organizational Development <p>COMMUNICATION AND TRADEMARK</p> <ul style="list-style-type: none"> • Communication 	<ul style="list-style-type: none"> • EDP Renováveis (and subsidiaries) • E-Redes • IE2/EDP Redes España • EDP Energias do Brasil • EDP Sucursal en España

Vera Pinto Pereira	
Corporate Global Units	Companies
<p>RISK MANAGEMENT AND SUSTAINABILITY AREA</p> <ul style="list-style-type: none"> • Safety, Security & Business Continuity • Social Impact Coordination Office <p>COMMUNICATION AND TRADEMARK</p> <ul style="list-style-type: none"> • Brand 	<ul style="list-style-type: none"> • EDP Comercial (and subsidiaries) • SU Eletricidade • EDP Gás Serviço Universal • EDP Clientes • EDP Solar • EDP Smart • Fundação EDP • Fundación EDP • Instituto Energias do Brasil

Rui Teixeira	
Corporate Global Units	Companies
<p>RISK MANAGEMENT AND SUSTAINABILITY AREA</p> <ul style="list-style-type: none"> • Risk • Sustainability <p>STRATEGY AND FINANCIAL AREA</p> <ul style="list-style-type: none"> • M&A and Corporate Development • Consolidation, IFRS Reporting and Tax • Planning & Control • Finance • Investor Relations 	<ul style="list-style-type: none"> • EDP Global Solutions • Sãvida • Energia Re • EDP Estudos e Consultoria • EDP Finance BV

Ana Paula Marques	
Corporate Global Units	Companies
<p>REGULATION AND INSTITUTIONAL RELATIONS AREA</p> <ul style="list-style-type: none"> • Regulation • Competition & Energy Policy • External Affairs & Stakeholders <p>DIGITAL</p> <ul style="list-style-type: none"> • Digital 	<ul style="list-style-type: none"> • EDP Produção (and subsidiaries) • EDP Internacional (and subsidiaries) • EDP Inovação (and subsidiaries) • Labeltec (and subsidiaries) • EDP Energias do Brasil • EDP España

Pedro Vasconcelos	
Corporate Global Units	Companies
<p>STRATEGY AND FINANCIAL AREA</p> <ul style="list-style-type: none"> • Energy Planning 	<ul style="list-style-type: none"> • EDP GEM – Global Energy Management

On 12 July 2023, Miguel Stilwell de Andrade was appointed Chairman of the Board of Directors of EDP – Energias do Brasil, S.A., replacing Ana Paula Marques, with effect as from that date.

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 reelected for the 2021–2023 triennium, having on such date Aurélio Adriano Rangel Amado (auditor number 1074) been reelected 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

IV. OTHER CORPORATE BODIES

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.

The Environment and Sustainability Board is composed as follows:

ENVIRONMENTAL AND SUSTAINABILITY BOARD	
CHAIRMAN	JOSÉ MANUEL CARÉ BAPTISTA VIEGAS
	Joana Pinto Balsemão
	Joaquim Poças Martins
	Maria Mendiluce
	Pedro Manuel Sousa Mendes Oliveira

Remuneration Committee of the General Shareholders' Meeting

The Remuneration Committee elected by the General Meeting is responsible for setting the remuneration of the members of the governing bodies, with the exception of the members of the Executive Board of Directors, in accordance with the proposed remuneration policy to be submitted for approval by the General Shareholders' Meeting

(paragraph d) of number 2 of Article 11 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 are the following:

REMUNERATION COMMITTEE OF THE GENERAL SHAREHOLDERS’ MEETING	
CHAIRMAN	LUÍS MIGUEL NOGUEIRA FREIRE CORTES MARTINS
	José Gonçalo Maury
	Jaime Amaral Anahory

V. 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 permanent committees and temporary 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 permanent and temporary 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 keep 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.

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);
- 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, having the respective Internal Regulation been updated in July 2022.

The Financial Matters Committee / Audit Committee is 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 by the Curriculum Vitae of the Chairman, which is available on [EDP's website](#).

The Financial Matters Committee/Audit Committee is composed as follows:

FINANCIAL MATTERS COMMITTEE / AUDIT COMMITTEE		FIRST APPOINTMENT DATE
CHAIRMAN	JOÃO CARLOS CARVALHO DAS NEVES	22/04/2015
	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 2023, the Financial Matters Committee / Audit Committee held seven 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, in particular the Remuneration Report.

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
CHAIRMAN	MIGUEL ESPREGUEIRA MENDES PEREIRA LEITE	15/04/2021
	Esmeralda da Silva Santos Dourado	15/04/2021
	Felipe Fernández Fernández	15/04/2021
	João Carvalho das Neves	22/04/2015
	Zili Shao	15/04/2021

During the first half of 2023, the Remuneration Committee of the General and Supervisory Board held four 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.

The Corporate Governance and Sustainability Committee is composed as follows:

CORPORATE GOVERNANCE AND SUSTAINABILITY COMMITTEE		FIRST APPOINTMENT DATE
CHAIRMAN	JOÃO LUÍS RAMALHO DE CARVALHO TALONE	15/04/2021
	Ignacio Herrero Ruiz	13/12/2018
	Fernando Maria Masaveu Herrero	15/04/2021
	Laurie Lee Fitch	15/04/2021
	Hui Zhang	15/12/2022
	María del Carmen Ana Fernández Rozado	15/04/2021
	Sandrine Dixson-Declève	15/04/2021

During the first half of 2023, 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.

The United States of America Business Affairs Monitoring Committee is composed as follows:

UNITED STATES OF AMERICA BUSINESS AFFAIRS MONITORING COMMITTEE		FIRST APPOINTMENT DATE
CHAIRMAN	JOÃO LUÍS RAMALHO DE CARVALHO TALONE	15/04/2021
	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 2023, the United States of America Business Affairs Monitoring Committee held three meetings, having the respective minutes been drawn up.

C. Capital structure

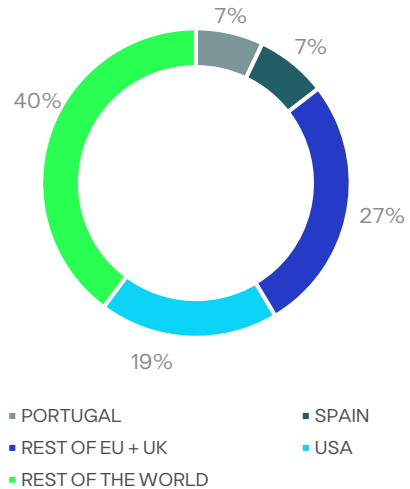
As of 30 June 2023, EDP's share capital amounted to 4,184,021,624.00 euros and was fully paid, pursuant to article 4 the Articles of Association, and was represented by 4,184,021,624 shares with a nominal value of 1 euro each.

On March 3, 2023, EDP's capital increase was registered, without shareholders' pre-emptive rights, with the issuance of 218,340,612 new shares, being EDP's share capital, before that date, of 3,965,681,012 euros.

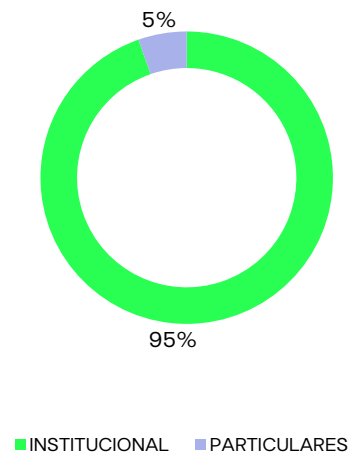
As of 30 June 2023, EDP held 18,024,367 treasury shares, representing 0.43% of the share capital.

The geographical and investor type breakdown of the EDP shareholder structure on 30 June 2023 was as follows:

Breakdown of shareholder structure by geography (%)



Breakdown of shareholder structure by investors type (%)



Source: Interbolsa

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 2023, 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 during the first half of 2023 are the following:

EXECUTIVE BOARD OF DIRECTORS (*)	EDP – ENERGIAS DE PORTUGAL, S.A.		EDP RENOVÁVEIS, S.A.	
	NO. SHARES 30-06-2023	NO. SHARES 31-12-2022	NO. SHARES 30-06-2023	NO. SHARES 31-12-2022
MIGUEL STILWELL DE ANDRADE	205,000	205,000	-	-
Rui Manuel Rodrigues Lopes Teixeira	42,043	42,043	101	100
Vera de Morais Pinto Pereira Carneiro	20,000	20,000	-	-
Ana Paula Garrido de Pina Marques	-	-	-	-
Pedro Collares Pereira de Vasconcelos	-	-	-	-

(*) The Executive Board of Directors did not hold shares of EDP – Energias do Brasil, S.A. and bonds of EDP – Energias de Portugal, S.A.

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 during the first half of 2023 are the following:

GENERAL AND SUPERVISORY BOARD ⁽¹⁾	EDP – ENERGIAS DE PORTUGAL, S.A.	
	NO. SHARES 30-06-2023	NO. SHARES 31-12-2022
JOÃO LUÍS RAMALHO DE CARVALHO TALONE	-	-
China Three Gorges Corporation ⁽²⁾	872,818,863	835,980,316
Dingming Zhang (as representative of China Three Gorges Corporation)	-	-
China Three Gorges International Limited	872,818,863	835,980,316
Shengliang Wu (as representative of China Three Gorges International Limited)	-	-
China Three Gorges (Europe), S.A.	872,818,863	835,980,316
Ignacio Herrero Ruiz (as representative of China Three Gorges (Europe), S.A.)	-	-
China Three Gorges Brasil Energia, S.A.	-	-
Hui Zhang (as representative of China Three Gorges Brasil Energia, S.A.)	-	-
China Three Gorges (Portugal), Sociedade Unipessoal, Lda.	-	-
Miguel Espregueira Mendes 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	285,709,976	285,709,976
João Carvalho das Neves	8,060	8,060
María del Carmen Fernández Rozado	-	-
Laurie Lee Fitch	40,000	40,000
Esmeralda da Silva Santos Dourado	-	-
Helena Sofia Silva Borges Salgado Fonseca Cerveira Pinto	-	-
Sandrine Dixson-Declève	-	-
Zili Shao	-	-
Luís Maria Viana Palha da Silva	5,479	5,479

⁽¹⁾ The members of the General and Supervisory Board do not hold any shares in EDP – Energias do Brasil, S.A. and EDP Renováveis S.A., nor do they hold any bonds in EDP – Energias de Portugal, S.A.

⁽²⁾ As per market disclosure of 14 March 2023, and under a share capital increase operation, 45,755,458 shares were subscribed.

Our change



Part IV

Financial Statements and Notes



Offshore Floating Solar Farm – Singapura

Financial Statements and Notes

Condensed financial statements 59

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and company financial statements 74

Condensed Financial Statements 30 June 2023

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Condensed Consolidated Income Statements
for the six-month periods ended at 30 June 2023 and 2022

Thousand Euros	Notes	2023	2022
Revenues from energy sales and services and other	7	8,245,360	10,166,643
Cost of energy sales and other	7	-4,581,206	-7,256,529
		3,664,154	2,910,114
Other income	8	211,594	341,265
Supplies and services	9	-549,106	-492,294
Personnel costs and employee benefits	10	-420,407	-379,218
Other expenses	11	-468,668	-453,283
Impairment losses on trade receivables and debtors		-32,286	-28,776
		-1,258,873	-1,012,306
Joint ventures and associates	20	48,926	96,220
		2,454,207	1,994,028
Provisions	33	-20,976	-2,845
Depreciation, amortisation and impairment		-960,638	-799,592
		1,472,593	1,191,591
Financial income	13	698,306	369,855
Financial expenses	13	-1,114,401	-754,408
Profit before income tax and CESE		1,056,498	807,038
Income tax expense	14	-350,523	-143,866
Extraordinary contribution to the energy sector (CESE)	37	-49,359	-50,491
		-399,882	-194,357
Net profit for the period		656,616	612,681
Attributable to:			
Equity holders of EDP	28	436,759	306,485
Non-controlling Interests	30	219,857	306,196
Net profit for the period		656,616	612,681
Earnings per share (Basic and Diluted) - Euros	28	0.11	0.08

LISBON, 27 JULY 2023

THE CERTIFIED ACCOUNTANT
N.º 17,713

THE MANAGEMENT

THE EXECUTIVE BOARD OF DIRECTORS

**Condensed Consolidated Statements of Comprehensive Income
for the six-month periods ended at 30 June 2023 and 2022**

Thousand Euros	2023		2022	
	Equity holders of EDP	Non-controlling Interests	Equity holders of EDP	Non-controlling Interests
Net profit for the period	436,759	219,857	306,485	306,196
Items that will never be reclassified to profit or loss (i)				
Actuarial gains/(losses) (iii)	39,866	-6,459	109,479	6,985
Tax effect from the actuarial gains/(losses)	-12,339	2,196	-34,723	-2,375
Fair value reserve of assets measured at fair value through other comprehensive income with no recycling (ii)	4,492	-	-13,932	-
Tax effect from the Fair value reserve of assets measured at fair value through other comprehensive income with no recycling (ii)	-1,076	-	3,252	-
	<u>30,943</u>	<u>-4,263</u>	<u>64,076</u>	<u>4,610</u>
Items that may be reclassified to profit or loss (i)				
Currency translation reserve	128,621	83,888	239,317	263,592
Fair value reserve (cash flow hedge) (ii)	800,682	212,314	-1,930,576	-136,132
Tax effect from the fair value reserve (cash flow hedge) (ii)	-197,719	-50,342	405,602	32,696
Fair value reserve of assets measured at fair value through comprehensive income with recycling (ii)	-	-3,003	-	-401
Share of comprehensive income of joint ventures and associates, net of taxes	9,750	1,691	38,863	11,251
	<u>741,334</u>	<u>244,548</u>	<u>-1,246,794</u>	<u>171,006</u>
Other comprehensive income for the period (net of income tax)	<u>772,277</u>	<u>240,285</u>	<u>-1,182,718</u>	<u>175,616</u>
Total comprehensive income for the period	<u>1,209,036</u>	<u>460,142</u>	<u>-876,233</u>	<u>481,812</u>

(i) See Consolidated Statement of Changes in Equity

(ii) See Note 29

(iii) See Note 32

LISBON, 27 JULY 2023

THE CERTIFIED ACCOUNTANT
N.º 17,713

THE MANAGEMENT

THE EXECUTIVE BOARD OF DIRECTORS

**Condensed Consolidated Statements of Financial Position
as at 30 June 2023 and 31 December 2022**

Thousand Euros	Notes	2023	2022
Assets			
Property, plant and equipment	15	25,448,844	24,216,807
Right-of-use assets	16	1,283,852	1,320,270
Intangible assets	17	4,944,306	4,984,002
Goodwill	18	3,422,564	3,469,228
Investments in joint ventures and associates	20	1,679,429	1,605,743
Equity instruments at fair value	21	224,515	216,418
Investment property	22	27,971	27,294
Deferred tax assets	22	1,793,917	1,784,292
Debtors and other assets from commercial activities	24	4,886,314	3,772,126
Other debtors and other assets	25	1,990,356	1,924,510
Non-Current tax assets	26	134,501	109,902
Collateral deposits associated to financial debt	31	44,245	23,765
Total Non-Current Assets		45,880,814	43,454,357
Inventories	23	1,026,329	1,256,300
Debtors and other assets from commercial activities	24	4,663,424	4,888,220
Other debtors and other assets	25	1,614,234	3,371,795
Current tax assets	26	774,568	814,298
Collateral deposits associated to financial debt	31	40,986	29,336
Cash and cash equivalents	27	3,112,574	4,900,205
Non-Current Assets held for sale		887,237	101,900
Total Current Assets		12,119,352	15,362,054
Total Assets		58,000,166	58,816,411
Equity			
Share capital	28	4,184,022	3,965,681
Treasury stock		-49,879	-51,288
Share premium	28	1,970,996	1,196,522
Reserves and retained earnings	29	4,155,026	3,093,533
Consolidated net profit attributable to equity holders of EDP		436,759	679,001
Total Equity attributable to equity holders of EDP		10,696,924	8,883,449
Non-controlling Interests	30	5,934,206	4,951,159
Total Equity		16,631,130	13,834,608
Liabilities			
Financial debt	31	16,495,912	15,782,604
Employee benefits	32	607,235	644,299
Provisions	33	950,778	922,059
Deferred tax liabilities	22	1,498,179	1,244,593
Institutional partnerships in North America	34	2,085,256	2,212,162
Trade payables and other liabilities from commercial activities	35	1,459,647	1,412,454
Other liabilities and other payables	36	3,860,708	5,159,496
Non-current tax liabilities	37	195,009	179,250
Total Non-Current Liabilities		27,152,724	27,556,917
Financial debt	31	3,869,410	4,239,869
Employee benefits	32	145,583	126,767
Provisions	33	55,492	51,285
Trade payables and other liabilities from commercial activities	35	6,286,803	8,404,970
Other liabilities and other payables	36	2,366,275	3,600,893
Current tax liabilities	37	1,127,233	1,001,102
Non-Current Liabilities held for sale	38	365,516	-
Total Current Liabilities		14,216,312	17,424,886
Total Liabilities		41,369,036	44,981,803
Total Equity and Liabilities		58,000,166	58,816,411

LISBON, 27 JULY 2023

THE CERTIFIED ACCOUNTANT
N.º 17,713

THE MANAGEMENT

THE EXECUTIVE BOARD OF DIRECTORS

Condensed Consolidated Income Statements
for the three-month periods from 1 April to 30 June 2023 and 2022

Thousand Euros	2023	2022
Revenues from energy sales and services and other	3,761,855	4,663,488
Cost of energy sales and other	-2,216,748	-2,929,880
	<u>1,545,107</u>	<u>1,733,608</u>
Other income	105,820	198,406
Supplies and services	-276,354	-261,789
Personnel costs and employee benefits	-213,347	-198,224
Other expenses	-136,145	-211,609
Impairment losses on trade receivables and debtors	-16,828	-15,011
	<u>-536,854</u>	<u>-488,227</u>
Joint ventures and associates	30,478	39,144
	<u>1,038,731</u>	<u>1,284,525</u>
Provisions	-19,455	-1,089
Depreciation, amortisation and impairment	-536,309	-413,530
	<u>482,967</u>	<u>869,906</u>
Financial income	367,662	163,701
Financial expenses	-523,948	-374,754
Profit before income tax and CESE	<u>326,681</u>	<u>658,853</u>
Income tax expense	-124,191	-120,368
Extraordinary contribution to the energy sector (CESE)	1,079	-95
	<u>-123,112</u>	<u>-120,463</u>
Net profit for the period	203,569	538,390
Attributable to:		
Equity holders of EDP	134,100	382,845
Non-controlling Interests	69,469	155,545
Net profit for the period	203,569	538,390
Earnings per share (Basic and Diluted) - Euros	0.05	0.14

LISBON, 27 JULY 2023

THE CERTIFIED ACCOUNTANT
N.º 17,713

THE MANAGEMENT

THE EXECUTIVE BOARD OF DIRECTORS

**Condensed Consolidated Statements of Comprehensive Income
for the three-month periods from 1 April to 30 June 2023 and 2022**

Thousand Euros	2023		2022	
	Equity holders of EDP	Non-controlling Interests	Equity holders of EDP	Non-controlling Interests
Net profit for the period	134,100	69,469	382,845	155,545
Items that will never be reclassified to profit or loss				
Actuarial gains/(losses)	40,646	-5,884	109,475	6,982
Tax effect from the actuarial gains/(losses)	-12,604	2,001	-34,692	-2,374
Fair value reserve with no recycling (financial assets)	1,931	-	-8,728	-
Tax effect from the fair value reserve with no recycling (financial assets)	-414	-	2,016	-
	29,559	-3,883	68,071	4,608
Items that may be reclassified to profit or loss				
Currency translation reserve	113,861	75,510	-47,580	29,393
Fair value reserve (cash flow hedge)	138,775	98,390	-1,415,456	-55,367
Tax effect from the fair value reserve (cash flow hedge)	-39,117	-23,442	322,129	10,567
Fair value reserve of assets measured at fair value through comprehensive income with recycling	-	122	-	-401
Share of comprehensive income of joint ventures and associates, net of taxes	29,604	10,576	25,749	5,252
	243,123	161,156	-1,115,158	-10,556
Other comprehensive income for the period (net of income tax)	272,682	157,273	-1,047,087	-5,948
Total comprehensive income for the period	406,782	226,742	-664,242	149,597

LISBON, 27 JULY 2023

THE CERTIFIED ACCOUNTANT
N.º 17.713

THE MANAGEMENT

THE EXECUTIVE BOARD OF DIRECTORS

**Condensed Consolidated Statements of Changes in Equity
for the six-month periods ended at 30 June 2023 and 2022**

Thousand Euros	Total Equity	Share capital (i)	Share premium (i)	Legal reserve	Reserves and retained earnings (ii)				Treasury stock	Equity attributable to equity holders of EDP	Non-controlling interests (iii)
					Other reserves and retained earnings	Fair value reserve (cash flow hedge)	Fair value reserve (financial assets)	Currency translation reserve			
Balance as at 31 December 2021	13,977,565	3,965,681	1,196,522	782,932	5,223,309	-780,860	17,362	-1,029,477	-52,660	9,322,809	4,654,756
Comprehensive income:											
Net profit for the period	612,681	-	-	-	306,485	-	-	-	-	306,485	306,196
Changes in the fair value reserve (cash flow hedge) net of taxes	-1,628,410	-	-	-	-	-1,524,974	-	-	-	-1,524,974	-103,436
Changes in the fair value reserve of assets measured at fair value through other comprehensive income, net of taxes	-11,081	-	-	-	-	-	-10,680	-	-	-10,680	-401
Share of other comprehensive income of joint ventures and associates net of taxes	50,114	-	-	-	6,712	24,583	-	7,568	-	38,863	11,251
Actuarial gains/(losses) net of taxes	79,366	-	-	-	74,756	-	-	-	-	74,756	4,610
Exchange differences arising on consolidation	502,909	-	-	-	-	-	-	239,317	-	239,317	263,592
Total comprehensive income for the period	-394,421	-	-	-	387,953	-1,500,391	-10,680	246,885	-	-876,233	481,812
Transfer to legal reserve	-	-	-	10,204	-10,204	-	-	-	-	-	-
Dividends paid	-749,802	-	-	-	-749,802	-	-	-	-	-749,802	-
Dividends attributable to non-controlling interests	-103,485	-	-	-	-	-	-	-	-	-	-103,485
Purchase and sale of treasury stock	-982	-	-	-	-	-	-	-	-982	-982	-
Share-based payments	3,273	-	-	-	919	-	-	-	2,354	3,273	-
Acquisition of partnership in Sunseap	45,243	-	-	-	-	-	-	-	-	-	45,243
Changes resulting from acquisitions/sales, equity increases/decreases and other	-100,457	-	-	-	-1,283	-	-	-	-	-1,283	-99,174
Balance as at 30 June 2022	12,676,934	3,965,681	1,196,522	793,136	4,850,892	-2,281,251	6,682	-782,592	-51,288	7,697,782	4,979,152
Balance as at 31 December 2022	13,834,608	3,965,681	1,196,522	793,136	5,347,766	-1,495,102	15,660	-888,926	-51,288	8,883,449	4,951,159
Comprehensive income:											
Net profit for the period	656,616	-	-	-	436,759	-	-	-	-	436,759	219,857
Changes in the fair value reserve (cash flow hedge) net of taxes	764,935	-	-	-	-	602,963	-	-	-	602,963	161,972
Changes in the fair value reserve of assets measured at fair value through other comprehensive income, net of taxes	413	-	-	-	-	-	3,416	-	-	3,416	-3,003
Share of other comprehensive income of joint ventures and associates net of taxes	11,441	-	-	-	1,129	10,019	-4,303	2,905	-	9,750	1,691
Actuarial gains/(losses) net of taxes	23,264	-	-	-	27,527	-	-	-	-	27,527	-4,263
Exchange differences arising on consolidation	212,509	-	-	-	-	-	-	128,621	-	128,621	83,888
Total comprehensive income for the period	1,669,178	-	-	-	465,415	612,982	-887	131,526	-	1,209,036	460,142
Transfer to legal reserve	-	-	-	42,428	-42,428	-	-	-	-	-	-
Dividends paid	-791,427	-	-	-	-791,427	-	-	-	-	-791,427	-
Dividends attributable to non-controlling interests	-128,474	-	-	-	-	-	-	-	-	-	-128,474
Share Capital increase	992,815	218,341	774,474	-	-	-	-	-	-	992,815	-
Purchase and sale of treasury stock	-1,134	-	-	-	-	-	-	-	-1,134	-1,134	-
Share-based payments	4,176	-	-	-	1,633	-	-	-	2,543	4,176	-
Dilution in the financial interest by capital increase and scrip dividend EDPR S.A.	988,492	-	-	-	387,067	32,112	-739	-36,861	-	381,579	606,913
Changes resulting from acquisitions/sales, equity increases/decreases and other	62,896	-	-	-	18,430	-	-	-	-	18,430	44,466
Balance as at 30 June 2023	16,631,130	4,184,022	1,970,996	835,564	5,386,456	-850,008	14,034	-794,261	-49,879	10,696,924	5,934,206

(i) See note 28

(ii) See note 29

(iii) See note 30

LISBON, 27 JULY 2023

 THE CERTIFIED ACCOUNTANT
N.º 17,713

THE MANAGEMENT

THE EXECUTIVE BOARD OF DIRECTORS

**Condensed Consolidated and Company Statements of Cash Flows
for the six-month periods ended at 30 June 2023 and 2022**

Thousand Euros	Notes	Group		Company	
		2023	2022	2023	2022
Operating activities					
Profit before income tax and CESE		1,056,498	807,038	546,141	-446,016
Adjustments for:					
Amortisation and impairment		960,638	799,592	19,241	16,974
Provisions	33	20,976	2,845	-57	-107
Joint ventures and associates	20	-48,926	-96,220	-	-
Financial (income)/expenses	13	416,095	384,553	-485,272	-153,417
Other non recurring income and expenses	12	-	-	-940,653	-
Changes in working capital:					
Trade and other receivables		697,132	391,505	-33,207	839,119
Trade and other payables		-1,116,394	-243,934	84,615	-740,474
Personnel		-117,834	-135,161	-4,176	-1,858
Regulatory assets		-2,058,086	677,704	-	-
Other changes in assets/liabilities related with operating activities i)		-34,689	-641,283	942,773	353,787
Income tax and CESE		-140,222	-20,946	13,618	88,379
Net cash flows from operations		-364,812	1,925,693	143,023	-43,613
Net (gains) / losses with Asset Rotations		-3,872	-99,048	-	-
Net cash flows from operating activities		-368,684	1,826,645	143,023	-43,613
Investing activities					
Cash receipts relating to:					
Sale of business/assets/subsidiaries with loss of control ii)		180,298	625,538	1,169,510	-
Other financial assets and investments iii)		133,576	16,753	-	-
Other financial assets at amortised cost		-	-	116,742	151,395
Changes in cash resulting from consolidation perimeter variations		10,401	166,465	-	-
Property, plant and equipment and intangible assets		30,121	5,694	2,641	351
Other receipts relating to tangible fixed assets		10,105	6,587	-	-
Interest and similar income		83,440	36,328	35,204	18,791
Dividends		28,993	30,723	383,639	266,814
Loans to related parties		367,338	252,161	291,057	814,000
		844,272	1,140,249	1,998,793	1,251,351
Cash payments relating to:					
Acquisition of assets/subsidiaries		-10,717	-995,656	-	-
Other financial assets and investments iv)		-235,410	-496,819	-1,027,553	-27,458
Changes in cash resulting from consolidation perimeter variations		-129	-37,572	-	-
Property, plant and equipment and intangible assets		-2,540,878	-1,611,118	-18,844	-15,650
Loans to related parties		-380,884	-627,344	-850,000	-300,595
		-3,168,018	-3,768,509	-1,896,397	-343,703
Net cash flows from investing activities		-2,323,746	-2,628,260	102,396	907,648
Financing activities					
Receipts relating to financial debt (include Collateral Deposits)		2,657,079	2,742,672	1,750,000	1,559,236
(Payments) relating to financial debt (include Collateral Deposits)		-2,193,420	-968,508	-2,363,623	-1,970,658
Interest and similar costs of financial debt including hedge derivatives		-441,555	-349,739	-121,992	-104,768
Receipts/(payments) relating to loans from non-controlling interests		-12,307	241,147	-	-
Interest and similar costs relating to loans from non-controlling interests		-8,369	-8,246	-	-
Receipts/(payments) relating to loans from related parties		-	-	-1,304,697	-188,206
Share capital increases/(decreases) (includes subscribed by non-control. interests) v)		1,971,957	-56,533	990,905	-
Receipts/(payments) relating to derivative financial instruments		-14,411	-50,376	48,839	108,726
Dividends paid to equity holders of EDP		-791,427	-749,802	-791,427	-749,802
Dividends paid to non-controlling interests		-107,314	-164,441	-	-
Treasury stock sold/(purchased)		-1,134	-982	-1,134	-982
Lease (payments) vi)		-74,714	-59,039	-6,684	-6,305
Receipts/(payments) from institutional partnerships in North America vii)		-49,788	-42,222	-	-
Net cash flows from financing activities		934,597	533,931	-1,799,813	-1,352,759
Changes in cash and cash equivalents					
Effect of exchange rate fluctuations on cash held		47,644	103,845	3,885	814
Cash and cash equivalents reclassified as held for sale		-77,442	1,811	-	-
Cash and cash equivalents at the beginning of the period		4,900,205	3,222,409	4,145,074	2,490,453
Cash and cash equivalents at the end of the period viii)		3,112,574	3,060,381	2,594,565	2,002,543

- i) Relates, essentially, to payments/receipts related to commodity derivatives and constitution of collaterals to operate in energy markets;
- ii) On a consolidated basis, relates essentially to the receivment related to the sale of 11 companies fully owned by EDP Renováveis Brasil S.A. (see note 25). On an individual basis, relates to the receivment for the sale of the energy management business unit (see note 12);
- iii) Relates essentially to the impact with the sale of the stake in Principle Power, Inc. (see note 20) and receivments related to the scope of transactions in North America;
- iv) Relates essentially to the capital increase in OW Offshore S.L. (see note 20) and payments made within the scope of transactions in North America;
- v) Relates to the capital increase in Grupo EDP and the capital increase in EDP Renováveis S.A. not accompanied by EDP S.A. (see notes 28 and 29);
- vi) Includes capital and interest;
- vii) On a consolidated basis, refers to the receipts and payments net of transaction costs (transactions included in note 34);
- viii) See details of Cash and cash equivalents in note 27 and the Consolidated and Company Reconciliation of Changes in the responsibilities of Financing activities in note 45 of the Financial Statements.

LISBON, 27 JULY 2023

 THE CERTIFIED ACCOUNTANT
N.º 17,713

THE MANAGEMENT

THE EXECUTIVE BOARD OF DIRECTORS

Condensed Company Income Statements
for the six-month periods ended at 30 June 2023 and 2022

Thousand Euros	Notes	2023	2022
Revenues from energy sales and services and other	7	2,749,129	4,103,205
Cost of energy sales and other	7	-2,451,017	-4,553,639
		298,112	-450,434
Other income		11,340	7,542
Supplies and services	9	-101,387	-86,942
Personnel costs and employee benefits	10	-45,518	-44,082
Other expenses		-8,491	-8,665
Impairment losses on trade receivables and debtors		-437	15
Other non recurring income and expenses	12	-73,566	-
		-218,059	-132,132
		80,053	-582,566
Provisions		57	107
Depreciation, amortisation and impairment		-19,241	-16,974
		60,869	-599,433
Financial income	13	1,073,360	686,645
Financial expenses	13	-588,088	-533,228
Profit before income tax		546,141	-446,016
Income tax expense	14	4,691	150,652
Net profit for the period		550,832	-295,364
Earnings per share (Basic and Diluted) - Euros	28	0.13	-0.07

LISBON, 27 JULY 2023

THE CERTIFIED ACCOUNTANT
N.º 17,713

THE MANAGEMENT

THE EXECUTIVE BOARD OF DIRECTORS

**Condensed Company Statements of Comprehensive Income
for the six-month periods ended at 30 June 2023 and 2022**

Thousand Euros	2023	2022
Net profit for the period	550,832	-295,364
Items that will never be reclassified to profit or loss (i)		
Actuarial gains/(losses)	-	-
Tax effect from the actuarial gains/(losses)	-	-30
	-	-30
Items that may be reclassified to profit or loss (i)		
Fair value reserve (cash flow hedge) (ii)	799,890	-854,098
Tax effect from the fair value reserve (cash flow hedge) (ii)	-167,976	187,659
	631,914	-666,439
Other comprehensive income for the period (net of income tax)	631,914	-666,469
Total comprehensive income for the period	1,182,746	-961,833

(i) See Company Statement of Changes in Equity

(ii) See note 29

LISBON, 27 JULY 2023

THE CERTIFIED ACCOUNTANT
N.º 17,713

THE MANAGEMENT THE EXECUTIVE BOARD OF DIRECTORS

**Condensed Company Statements of Financial Position
as at 30 June 2023 and 31 December 2022**

Thousand Euros	Notes	2023	2022
Assets			
Property, plant and equipment		31,708	43,548
Right-of-use assets		94,843	96,845
Intangible assets		143,675	150,695
Investments in subsidiaries	19	16,604,628	15,427,399
Investments in joint ventures and associates		5,891	2,229
Equity instruments at fair value		1,328	1,328
Investment property		135,514	117,277
Deferred tax assets	22	147,042	314,760
Debtors and other assets from commercial activities		1,497	1,515
Other debtors and other assets	25	2,775,323	3,080,145
Total Non-Current Assets		19,941,449	19,235,741
Inventories		-	30,875
Debtors and other assets from commercial activities	24	254,159	2,113,792
Other debtors and other assets	25	4,229,406	4,202,640
Current tax assets	26	19,305	194,240
Cash and cash equivalents	27	2,594,565	4,145,074
Total Current Assets		7,097,435	10,686,621
Total Assets		27,038,884	29,922,362
Equity			
Share capital	28	4,184,022	3,965,681
Treasury stock		-49,879	-51,288
Share premium	28	1,970,996	1,196,522
Reserves and retained earnings	29	3,014,524	2,323,839
Net profit for the period		550,832	848,565
Total Equity		9,670,495	8,283,319
Liabilities			
Financial debt	31	7,507,188	5,754,070
Employee benefits		5,964	7,399
Provisions		5,047	5,142
Trade payables and other liabilities from commercial activities		20	20
Other liabilities and other payables	36	1,395,166	2,183,162
Total Non-Current Liabilities		8,913,385	7,949,793
Financial debt	31	4,521,120	8,189,632
Employee benefits		860	221
Provisions		933	895
Trade payables and other liabilities from commercial activities	35	354,672	2,070,498
Other liabilities and other payables	36	3,220,574	3,393,302
Current tax liabilities	37	356,845	34,702
Total Current Liabilities		8,455,004	13,689,250
Total Liabilities		17,368,389	21,639,043
Total Equity and Liabilities		27,038,884	29,922,362

LISBON, 27 JULY 2023

THE CERTIFIED ACCOUNTANT
N.º 17,713

THE MANAGEMENT

THE EXECUTIVE BOARD OF DIRECTORS

EDP – Energias de Portugal, S.A.
**Condensed Company Income Statements
for the three-month periods from 1 April to 30 June 2023 and 2022**

Thousand Euros	2023	2022
Revenues from energy sales and services and other	1,081,232	1,459,185
Cost of energy sales and other	-1,026,068	-1,649,919
	55,164	-190,734
Other income	7,239	4,237
Supplies and services	-50,223	-45,929
Personnel costs and employee benefits	-23,440	-22,250
Other expenses	-5,983	-7,418
Impairment losses on trade receivables and debtors	-437	15
	-72,844	-71,345
	-17,680	-262,079
Provisions	57	107
Depreciation, amortisation and impairment	-9,583	-8,404
	-27,206	-270,376
Financial income	515,764	398,567
Financial expenses	-232,624	-246,550
Profit before income tax	255,934	-118,359
Income tax expense	15,583	69,853
Net profit for the period	271,517	-48,506

LISBON, 27 JULY 2023

 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 2023 and 2022**

Thousand Euros	2023	2022
Net profit for the period	271,517	-48,506
Items that are or may be reclassified to profit or loss		
Fair value reserve (cash flow hedge)	3,187	-522,612
Tax effect from the fair value reserve (cash flow hedge)	-668	109,748
	2,519	-412,864
Other comprehensive income for the period (net of income tax)	2,519	-412,864
Total comprehensive income for the period	274,036	-461,370

LISBON, 27 JULY 2023

THE CERTIFIED ACCOUNTANT
N.º 17,713

THE MANAGEMENT

THE EXECUTIVE BOARD OF DIRECTORS

**Condensed Company Statements of Changes in Equity
for the six-month periods ended at 30 June 2023 and 2022**

Thousand Euros	Total Equity	Share capital (i)	Share premium (i)	Reserves and retained earnings (ii)			
				Legal reserve	Other Reserves and retained earnings	Fair value reserve (cash flow hedge)	Treasury stock
Balance as at 31 December 2021	9,213,104	3,965,681	1,196,522	782,932	2,891,903	428,726	-52,660
Comprehensive income:							
Net profit for the period	-295,364	-	-	-	-295,364	-	-
Changes in the fair value reserve (cash flow hedge) net of taxes	-666,439	-	-	-	-	-666,439	-
Actuarial gains / (losses) net of taxes	-30	-	-	-	-30	-	-
Total comprehensive income for the period	-961,833	-	-	-	-295,394	-666,439	-
Transfer to legal reserve	-	-	-	10,204	-10,204	-	-
Dividends paid	-749,802	-	-	-	-749,802	-	-
Purchase and sale of treasury stock	-982	-	-	-	-	-	-982
Share-based payments	3,273	-	-	-	919	-	2,354
Balance as at 30 June 2022	7,503,760	3,965,681	1,196,522	793,136	1,837,422	-237,713	-51,288
Balance as at 31 December 2022	8,283,319	3,965,681	1,196,522	793,136	2,983,401	-604,133	-51,288
Comprehensive income:							
Net profit for the period	550,832	-	-	-	550,832	-	-
Changes in the fair value reserve (cash flow hedge) net of taxes	631,914	-	-	-	-	631,914	-
Total comprehensive income for the period	1,182,746	-	-	-	550,832	631,914	-
Transfer to legal reserve	-	-	-	42,428	-42,428	-	-
Share Capital increase	992,815	218,341	774,474	-	-	-	-
Dividends paid	-791,427	-	-	-	-791,427	-	-
Purchase and sale of treasury stock	-1,134	-	-	-	-	-	-1,134
Share-based payments	4,176	-	-	-	1,633	-	2,543
Balance as at 30 June 2023	9,670,495	4,184,022	1,970,996	835,564	2,702,011	27,781	-49,879

(i) See note 28

(ii) See note 29

LISBON, 27 JULY 2023

THE CERTIFIED ACCOUNTANT
N.º17,713

THE MANAGEMENT

THE EXECUTIVE BOARD OF DIRECTORS

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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, Romania, Italy, Belgium, United Kingdom, Greece, Germany and Netherlands), American (Brazil, Colombia and North America) and Southeast Asia energy sectors.

2. Accounting policies

a) Basis of presentation

The accompanying condensed 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 2023 and 2022 and EDP S.A.'s Executive Board of Directors approved them on 27 July 2023. 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 and the changes introduced through Decree-law 98/2015 of 2 June, the condensed company's financial statements and the condensed 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 2023 were prepared in accordance with IFRS as adopted by the E.U. until 1 January 2023 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 2022.

As at 30 June 2023, following the Strategic Plan Update 2023-2026, the Executive Board of Directors reorganized the business segments in order to be aligned with this new view, with effect from 1 January 2023. Despite of this change in the composition of the segments, EDP Group has not identified any significant changes in key assumptions used in impairment tests performed in the end of 2022, which could indicate that an asset may be impaired.

The EDP Group's activity does not present, on a quarter basis, a level of seasonality that can be considered significant.

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 to standards already issued and effective that the Group applied in the preparation of its financial statements, can be analysed as follows:

- IAS 12 (Amended) - Deferred tax related to assets and liabilities arising from a Single Transaction

The IASB amended IAS 12, "Income taxes", in order to clarify the recognition of deferred tax on particular transactions that, on initial recognition, give rise to equal amounts of taxable and deductible temporary differences.

The amendments target the recognition of deferred tax in respect of:

- Right-of-use assets and lease liabilities; and
- Provision for dismantling, decommissioning and the corresponding tangible fixed assets.

As part of the adoption of these amendments, effective on 1 January 2023, the EDP Group proceeded with the breakdown of deferred tax assets and deferred tax liabilities related with: i) assets under right of use and lease liabilities; and ii) provisions for dismantling and decommissioning and corresponding tangible fixed assets, where and whenever these amounts are not deductible until the payment date.

Thus, on 30 June 2023, the impacts of this amendment are disclosed in note 22.

- IFRS 17 – Insurance Contracts (and amendments related to initial application and comparative information)

In preparation of the adoption of IFRS 17, effective as of 1 January 2023, the EDP Group carried out an analysis of the contracts of the subsidiary Energia RE – Sociedade Cativa de Resseguro. From the analysis performed, it was concluded that all contracts are eligible, and thus classified, within the Premium Allocation Approach (simplified model) measurement method provided for in IFRS 17. Thus, no material accounting impacts were determined for the EDP Group resulting from the adoption of IFRS 17, in replacement of IFRS 4.

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:

- IAS 1 (Amended) – Disclosure of Accounting Policies; and
- IAS 8 (Amended) – Definition of Accounting Estimates.

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:

- IAS 1 (Amended) – Classification of Liabilities as Current or Non-current;
- IAS 1 (Amended) – Non-current Liabilities with Covenants;
- IFRS 16 (Amended) – Lease liability in a sale and leaseback; and
- IAS 12 (Amended) – International Tax Reform: Pillar Two Model Rules.

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 2022, 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" – Portuguese regulatory mechanism to ensure the competitive balance in the wholesale electricity market, in particular Iberian

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 to the System an amount per MWh produced.

The amount payable should consider, on one hand, an estimate of the impact that the off-market events in the European Union (such as the above-mentioned tax changes in Spain) would have in pool prices, and on the other hand, the existence of national extra-market events that affect the competitiveness of electricity generators operating in Portuguese territory. 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 determined 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). It states that ERSE, after consulting DGEG, should 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 nullled the Dispatch 11566-A/2015, 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.

Based on its interpretation of the Law, as well as on legal opinions obtained, EDP Produção considers that the Decree-Law 74/2013, of 4 of June, aims to re-establish 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, supported by legal opinions, 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, as mentioned below.

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 generation 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 cancelled; and
- 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 generation 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 generation of electricity (ISP), CESE and the Social Electricity Tariff.

On 30 June 2020, Dispatch 6740/2020 was published by the Secretary State of Energy (SEAE) 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 – 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.

On 22 October 2020, Dispatch 10177/2020, issued by the SEAE 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, published the Royal Decree-Law 12/2021, which, among others, proceeds the suspension of the 7% tax on the generation 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 Royal Decree-Law 17/2021, the Spanish legislator has once again suspended the 7% tax on electricity generation for another 3 months, between 1 October and 31 December of 2021.

Following the temporary suspension of the tax on the generation of electricity in Spain, Dispatch 6398-A/2021, of 29 June, was published, which established the suspension of the "Clawback" in the period between 1 July 2021 and 30 September 2021, and Order 9975/2021, of 14 October, which determines the suspension of this mechanism between 1 October and 31 December 2021.

On 14 October 2021, Order 9974/2021, of the SEAE Office, was published, which determines the final compensation of the "Clawback" for the year 2020, considering as the only extra-market event within the National Electric System the regime of ISP (noting that it is consistent with the Dispatch that approved the final value for the year 2019), resulting in the following "Clawback" values: 3.64€/MWh for hydro plants and Special Regime generation (PRE) in the market; 3.42€/MWh for CCGTs; and 2.16€/MWh for coal plants. This determination is not coherent with the goals and rationale underlying the "Clawback" mechanism, as it does not admit the Social Tariff and CESE as internal extramarket events. EDP Produção challenged Order 9974/2021 on 14 January 2022.

The Spanish legislator suspended again the 7% tax on electricity generation for another 6 months, through Royal Decree-Ley 29/2021, of 21 December (for the period between 1 January and 31 March 2022) and Royal Decree-Ley 6/2022, of 29 March (for the period between 1 April and 30 June 2022). Following this temporary suspension of the tax on electricity generation in Spain, Order 1322/2022 of 1 February was published, which established the suspension of the "Clawback" between 1 January and 31 March 2022, and Order 6287/2022, of 19 May, which extended this suspension until 30 June 2022.

More recently, the Spanish legislator, due to the maintenance of high prices in the MIBEL resulting, above all, from the Russia-Ukraine conflict, resumed the suspension of the 7% tax on electricity generation until the end of 2022, through the Royal Decree-Ley 11/2022, of 25 June, and Order 9838/2022, of 9 August, determined the suspension of the "Clawback" for the period between 1 July and 31 December 2022 in Portugal.

In the year 2023 the tax on generation in Spain is suspended, in accordance with Royal Decree-Ley 20/2022 of 27 December. In Portugal, Order 5748/2023, of 22 May, of the Secretary of State for Energy and Climate, also suspended the "Clawback" during the year 2023.

Ancillary Services

i) Secondary regulation band service

On 3 September 2018 the Autoridade da Concorrência (AdC) adopted a Note of Illegality, under which it intended to attribute to EDP Produção a behaviour of abuse of a dominant position in the secondary regulation band service. AdC claimed that EDP Produção restricted the offer of a segment of the Electricity System (the secondary regulation band or teleregulation service) between January 2009 and December 2013, 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. 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 January 2009 and December 2013.

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, favouring 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. However, despite EDP Produção's well-founded convictions about the possibility of providing a bank guarantee or bond, instead of paying the fine, the TCRS ended up determining the payment of the fine, which occurred on 20 October 2021. The trial started in September 2021 and on 10 August 2022, the TCRS confirmed the AdC's decision, maintaining the fine of 48 million Euros to EDP Produção for alleged abuse of dominant position. EDP Produção filed an appeal against the aforementioned decision to the Lisbon Court of Appeal on 30 September 2022. On 30 June 2023, an oral hearing was held at the aforementioned Court, which dealt only with legal aspects, pending the delivery of the respective judgment.

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 29 September 2021, EDP Produção was cited in a class action filed by Associação IUS Omnibus based on the alleged abuse of dominant position in the secondary regulation band market between the beginning of 2009 and the end of 2013, requesting, in representation of consumers, a compensation in the amount of 94.8 million euros, as estimated by AdC in the scope of process PRC/2016/05. EDP Produção has already presented its defense within the legal deadline established for that purpose.

A Order was issued, in which the court decided, among other things, to suspend the proceedings until a final decision is rendered in administrative offense case 309/19.OYUSTR. The appeal filed by EDP Produção with the Lisbon Court of Appeal regarding this decision to suspend the proceedings is pending. EDP Produção filed a common review appeal and, alternatively, an exceptional review appeal with the Supreme Court of Justice.

ii) CMEC's revisability overcompensation

On 20 October 2020, EDP Produção became aware, by letter sent by DGEG, of the dispatch of the SEAE 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, and carried out a judicial appeal against the order of SEAE at the Administrative Court of the Lisbon Circle at 19 January 2021.

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 exclusive right to explore the AHF during the concession period.

EDP Produção followed up on the procedures for the implementation of these projects, having, in the case of the AHF, obtained a Favourable 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 was agreed 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.

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 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. The Group reclassified these Assets under construction to Other debtors and other assets and valued them in accordance with the principles defined in IFRS 9 (see note 25).

On 24 January 2020, EDP Produção initiated an arbitration process against the State in which it claimed its rights. The arbitration hearing sessions took place during the month of April 2021 and in July 2021 the closing arguments were presented. In July 2022, the competent Arbitration Decision was handed down, obliging the State to refund to EDP Produção the aforementioned amount of 217,798 thousand Euros, which concerns the exclusive right to explore the AHF during the concession period. The other requests by EDP Produção and the State were dismissed. On 7 October 2022, the Portuguese State filed an appeal against the aforementioned Arbitration decision and EDP Produção presented its counter-claims on the 11 November 2022. On the 15 December 2022, the Supreme Administrative Court delivered the Judgment admitting the review appeal filed by the Portuguese State. In view of the decision of the Supreme Administrative Court to admit the State's appeal, EDP Produção filed an appeal with the Constitutional Court, that was admitted, and EDP Produção presented the respective allegations in March 2023 and the State the respective counter-allegations. Recognizing the impact of the decision that the Constitutional Court will adopt, on 5 May 2023, the Supreme Administrative Court issued an order suspending the instance until the result of that appeal is known.

At the same time, EDP Produção submitted, on 13 December 2022, an application for the execution of the Arbitration Decision, demanding the payment of the amount in which the Portuguese State was condemned, in the amount of 217,798 thousand Euros. This application was admitted and the Ministry of the Environment and Climate Action, on 13 February 2023, filed opposition to the execution, requesting the acquittal of the Ministries of Economy and Digital Transition, Finance and Environment and Climate Action and, consequently, requesting the citation of the Public Prosecutor's Office, as a representative of the Portuguese State. The Court, by Order of 5 April 2023, ordered the summons of the Public Ministry, which presented its Opposition on 24 April 2023. EDP Produção awaits the formal notification of the Opposition, in order to present a Reply.

5. Financial risk management policies

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 2023 and 2022, would lead to an increase/(decrease) in the EDP Group results and/or equity as follows:

Thousand Euros	Jun 2023			
	Profit or loss		Equity	
	+10%	-10%	+10%	-10%
USD	21,585	-26,382	-31,201	38,135

Thousand Euros	Jun 2022			
	Profit or loss		Equity	
	+10%	-10%	+10%	-10%
USD	14,917	-18,232	-67,026	80,518

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 100 basis points change in the reference interest rates at 30 June 2023 and 2022 would lead to an increase/(decrease) in the EDP Group results and/or equity as follows:

Thousand Euros	Jun 2023			
	Profit or loss		Equity	
	100 bp increase	100 bp decrease	100 bp increase	100 bp decrease
Cash flow effect:				
Hedged debt	-10,103	10,103	-	-
Unhedged debt	-7,439	7,439	-	-
Fair value effect:				
Cash flow hedging derivatives	-	-	30,452	-30,452
Trading derivatives (accounting perspective)	55	-55	-	-
	-17,487	17,487	30,452	-30,452

Thousand Euros	Jun 2022			
	Profit or loss		Equity	
	100 bp increase	100 bp decrease	100 bp increase	100 bp decrease
Cash flow effect:				
Hedged debt	-10,103	10,103	-	-
Unhedged debt	-3,072	1,536	-	-
Fair value effect:				
Cash flow hedging derivatives	-	-	16,974	-16,974
Trading derivatives (accounting perspective)	557	-557	-	-
	-12,618	11,082	16,974	-16,974

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

Brazil – Sensitivity analysis – exchange rate

One Brazilian subsidiary is 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 in the amount of:

Thousand Euros	Jun 2023		Jun 2022	
	+ 25%	- 25%	+ 25%	- 25%
Financial instruments - assets	15,305	-14,709	12,761	-12,711
Financial instruments - liabilities	-74,037	84,771	-116,452	124,774
Derivative financial instruments	-15,881	16,803	-26,675	18,110
	-74,613	86,865	-130,366	130,173

Liquidity risk management

The table below shows the contractual undiscounted cash flows and the estimated interests due, computed using the rates available at 30 June 2023:

Thousand Euros	June 2024	Dec 2024	Dec 2025	Dec 2026	Dec 2027	Following years	Total
Bank loans	553,110	57,072	129,928	74,184	79,491	1,371,448	2,265,233
Bond loans	2,898,253	1,023,244	1,940,276	2,128,080	1,784,567	3,557,478	13,331,898
Hybrid bond	49,411	-	-	-	-	4,077,200	4,126,611
Commercial paper	375,001	56,831	333,609	-	-	-	765,441
Other loans	10,249	-	-	252	-	10,382	20,883
Interest payments (i)	517,204	243,593	462,067	367,618	290,200	476,114	2,356,796
	4,403,228	1,380,740	2,865,880	2,570,134	2,154,258	9,492,622	22,866,862

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

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 months. 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 by business segment	
		Jun 2023	Dec 2022
Business	Portfolio		
Electricity	Trading	7,883	50,483
Electricity	Trading + Hedging	179,530	342,309
Gas	Hedging	23,827	120,588
Diversification effect		-32,770	-93,380
		178,470	420,000

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 2023	Dec 2022
Credit risk rating (S&P)		
A+ to A-	8.34%	22.45%
BBB+ to BBB-	41.84%	49.88%
No rating assigned	49.82%	27.67%
	100.00%	100.00%

Brazil – Energy market risk management

For sensitivity analysis, the exposure of portfolio of operations is evaluated through 25% and 50% changes in the forward curve of market energy prices. Below shows the scenario with the highest probability of occurrence (25%).

Thousand Euros	Jun 2023		Jun 2022	
	+ 25%	- 25%	+ 25%	- 25%
Differences Settlement Price – PLD	-2,944	1,904	39,632	-40,377

6. Consolidation perimeter

During the first semester of 2023, 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:

Acquiring company	Acquired company	Acquired %	Obs.
Sunseap China Energy (Shanghai) Ltd.	Chuzhou Huitai Photovoltaic Power Generation Co., Ltd.	100%	
	Fangxian Tianhang New Energy Co., Ltd.	100%	
	Siping Lvsheng Energy Technology Co., Ltd.	100%	
RE Capital Co., Ltd.	Godo Kaisha NW-3	100%	
EDP Renovables España, S.L.U.	Global Pracima, S.L. (including 3 subsidiaries)	100%	
EDPR PT – Promoção e Operação, S.A.	SPEE – Sociedade Produção Energia Eólica, S.A.	100%	
EDP Renewables Italia Holding, S.R.L.	Solar Italy XXIII, S.r.l.	100%	
	Wind Energy Castelluccio, S.r.l.	100%	
EDP Renewables Polska, Sp. z o.o.	Farma Fotowoltaiczna Iłża, Sp. z o.o.	100%	
	Farma Fotowoltaiczna Pakosław, Sp. z o.o.	100%	
Sunseap Commercial & Industrial Assets (Vietnam) Co., Ltd.	Millennium Energy Investment Co., Ltd. (including 4 subsidiaries)	100%	
	2 companies in North America	100%	

Additionally, the following companies were acquired in the scope of IFRS 3 – Business Combinations:

- EDP Comercial – Comercialização de Energia, S.A. acquired 100% of Enerdeal Group S.A. and its subsidiaries (see note 18);
- EDP Renováveis, S.A., through a North American subsidiary, acquired the 100% stake in a distributed solar generation portfolio, which includes 44 MW solar operational projects, for an amount of 17,294 thousand Euros, and the assessment to determine its fair value allocation is still in progress (see note 18); and
- EDP Renovables España, S.L.U. acquired a 52.99% stake in the company San Juan de Bargas Eólica S.L., in which it previously held a 47.01% stake, increasing its participation to a 100% stake and obtaining control over the company. The total amount paid for this transaction has been 13,898 thousand Euros and the assessment to determine its fair value allocation is in progress (see note 18).

Sale of companies / investments:

Entity holding the stake	Company / investment sold	% sold	Previous %	Obs.
EDPR France Holding, S.A.S.	Eoles Montjean, S.A.S.	100%	100%	(1)
Sunseap Australia Investments Pty. Ltd.	Todae Solar Pty. Ltd.	49%	49%	(2)
EDP Renewables Europe, S.L.U.	EDPR Investment Hungary, Kft.	100%	100%	(2)
EDP Renováveis, S.A. / EDP Ventures, S.A.	Principle Power, Inc	25.41%	25.41%	(3)
EDP Ventures, S.A. / Fundo EDP CleanTech FCR	Zypho, S.A.	40.27%	40.27%	(4)
Viesgo Renovables, S.L.U.	Geólica Magallón, S.L.	36.23%	36.23%	(5)

(1) Sale occurred in first quarter, for an amount of 1,126 thousand Euros.

(2) Sale with no significant impacts in the condensed consolidated financial statements.

(3) Sale of direct stakes held in the associated company to OW Offshore, S.L., for a total amount of 25,816 thousand Euros (25,799 thousand US Dollars), generating a gain of 23,556 thousand Euros (see note 20).

(4) Sale of stakes held in the associated company for a total amount of 3,518 thousand Euros, generating a gain of 3,275 thousand Euros (see note 20).

(5) Sale of stake held in the associated company, generating a loss of 10,566 thousand Euros (see note 20).

Companies liquidated:

Company Viesgo Mantenimiento, S.L.U., fully owned by Viesgo Renovables, S.L.U., as well as 27 companies in North America (of which 26 were 100% owned and 1 was a joint venture held by 50%) have been liquidated.

Companies merged:

Acquiring company	Merged company	Previous %	Obs.
EDPR PT – Promoção e Operação, S.A.	EDP Renewables SGPS, S.A.	100%	

Companies incorporated:

Company	Company
EDP Transmissão Norte 2 S.A.	Fengcheng Xingtai New Energy Technology Co., Ltd.
EDPR Sicilia Quattro, S.r.l.	Gumisan Wind Power Co., Ltd.
Desarrollos Renovables de Alfajarin, S.L.U.	KS SPV 81 a 85 Limited (5 companies)
Central Eólica Itaúna III, S.A.	Central Eólica São Domingos IV and V, S.A. (2 companies)
KSD 41 UG to KSD 60 UG (20 companies)	Renewables Energy Colombia S.A.S.
EDP Group Brussels Representation	Fransol 51 to 70, S.A.S. (20 companies)
18 companies in North America	Miyagi Motoyoshi Solar GK

Other changes:

- On 3 March 2023, EDP Renováveis S.A. concluded a capital increase of 1,000,000,008 Euros through the issue of 50,968,400 new shares at a subscription price of 19.62 Euros per share. Following the capital increase, EDP kept the same 720,191,372 shares of EDP Renováveis that it previously held, and its stake in EDPR and its subsidiaries was diluted from 74.98% to 71.20%.

On 4 April 2023, the Annual General Shareholders's Meeting of EDP Renováveis S.A. approved for 2022 profits distribution through a scrip dividend to be executed as a share capital increase, through the issuance of new ordinary shares, with a par value of 5 Euros, without share premium.

On 25 May 2023, EDP Renováveis S.A. capital increase has been completed, through the incorporation of reserves, for a nominal amount of 62,257,695 Euros and through the issuance of 12,451,539 ordinary shares of the Company with a par value of 5 Euros each, having the scrip dividend been executed by 92,32% of the Shareholders.

EDP S.A., as per the intention communicated on 27 February 2023, opted to receive EDPR shares under this Programme, increasing its stake to 71.27% and holding 729,793,922 shares in EDP Renováveis.

This changes in EDPR's participation resulted in a global gain of 381,579 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, notes 29 and 30);

- In the second quarter, EDP Ventures, S.A. reduced its stake in the joint venture ARQUILED – Proj. Iluminação, S.A., maintaining a 17.8% financial interest in the company, which is recognized as an Equity Instrument at Fair Value through Profit or Loss. This change generated a loss of 857 thousand Euros, which has been registered within the "Joint Ventures and Associates" caption of the consolidated income statement.

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

Revenues from energy sales and services and other are as follows:

Thousand Euros	Group		Company	
	Jun 2023	Jun 2022	Jun 2023	Jun 2022
Energy and access	7,357,754	9,555,020	588,920	3,695,045
Revenue from assets assigned to concessions	485,784	348,035	-	-
Other	401,822	263,588	2,160,209	408,160
	8,245,360	10,166,643	2,749,129	4,103,205

Revenues from energy sales and services and other, by geographical market, for the Group, are as follows:

Thousand Euros	Jun 2023					
	Portugal	Spain	Brazil	USA	Other	Group
Energy and access	3,544,843	1,795,139	1,186,781	353,981	477,010	7,357,754
Revenue from assets assigned to concessions	175,378	-	310,406	-	-	485,784
Other	268,848	34,461	72,727	14,102	11,684	401,822
	3,989,069	1,829,600	1,569,914	368,083	488,694	8,245,360

Thousand Euros	Jun 2022					
	Portugal	Spain	Brazil	USA	Other	Group
Energy and access	4,119,969	3,343,631	1,135,882	366,653	588,885	9,555,020
Revenue from assets assigned to concessions	110,985	-	237,050	-	-	348,035
Other	126,801	32,901	84,486	15,060	4,340	263,588
	4,357,755	3,376,532	1,457,418	381,713	593,225	10,166,643

The caption Energy and access in Portugal, on a consolidated basis, includes a net revenue of 849,230 thousand Euros (cost in 30 June 2022: 479,199 thousand Euros) regarding tariff adjustments of the period (see notes 24 and 35). This caption also includes, in Brazil, a net cost of 100,556 thousand Euros (30 June 2022: net cost of 77,121 thousand Euros) related to recognition of tariff adjustments for the period (see note 35).

Additionally, the caption Energy and access includes, on a consolidated basis, a negative amount of 4,161 thousand Euros (30 June 2022: negative amount of 217 thousand Euros) related to the contractual stability compensation (CMEC) as a result of the power purchase agreements (PPA) termination, including an income of 27,394 thousand Euros related to the CMEC final adjustment (30 June 2022: positive amount of 28,734 thousand Euros), net from the recognised provision due to the final adjustment official approval.

The caption Others includes, on a consolidated and individual basis, 256,915 thousand Euros (30 June 2022: 119,291 thousand Euros) and 2,044,467 thousand Euros (30 June 2022: 298,810 thousand Euros), respectively, related to the sale of CO2 licenses.

The caption Energy and access, on a company basis, includes 258,042 thousand Euros (30 June 2022: 1,105,670 thousand Euros) related with energy sales under the purchase and sale agreement of evolutive energy between EDP, S.A. and EDP Comercial S.A. This agreement was included in the transfer of the energy management business unit to EDP GEM Portugal S.A. (see note 12).

The breakdown of Revenues from energy sales and services and other by segment, are as follows (see note 44- Operating Segments):

Thousand Euros	Jun 2023				
	Reported Operating Segments			Other Segments	Group
	Renewables, Clients & EM	Networks	Total		
Energy and access	7,228,766	129,067	7,357,833	-79	7,357,754
Revenue from assets assigned to concessions	2	485,782	485,784	-	485,784
Other	344,797	52,574	397,371	4,451	401,822
	7,573,565	667,423	8,240,988	4,372	8,245,360

Thousand Euros	Jun 2022				
	Reported Operating Segments			Other Segments	Group
	Renewables, Clients & EM	Networks	Total		
Energy and access	9,210,194	344,856	9,555,050	-30	9,555,020
Revenue from assets assigned to concessions	84	347,951	348,035	-	348,035
Other	190,420	65,098	255,518	8,070	263,588
	9,400,698	757,905	10,158,603	8,040	10,166,643

The segment "Renewables, Clients & 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. This activity was transferred to EDP GEM Portugal, S.A. under the signed transfer agreement (see note 12).

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 2023	Jun 2022	Jun 2023	Jun 2022
Cost of energy	3,305,035	5,813,821	395,133	3,317,405
Expenditure with assets assigned to concessions	375,859	273,282	-	-
Changes in inventories and cost of raw materials and consumables used				
Fuel, steam and ashes	182,055	245,040	-	-
CO2 Licenses	452,614	455,671	2,037,223	275,947
Gas and other costs	265,643	468,715	18,661	960,287
	900,312	1,169,426	2,055,884	1,236,234
	4,581,206	7,256,529	2,451,017	4,553,639

Cost of electricity includes, on a company basis, the cost of 183,238 thousand Euros (30 June 2022: 996,306 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. This contract was revoked on 1 February 2023 and was replaced by the Mandate Contract for the placement (purchase and sale) of electricity on the market. EDP S.A.'s contractual position in this Agreement was also assigned to EDP GEM, with all associated rights and obligations, in the context of the transfer of energy management activity (see note 12).

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 2023	Jun 2022
Revenue from assets assigned to concessions	485,784	348,035
Expenditure with assets assigned to concessions		
Subcontracts and other materials	-332,663	-233,561
Personnel costs capitalised (see note 10)	-40,514	-37,730
Capitalised borrowing costs (see note 13)	-2,682	-1,991
	-375,859	-273,282

Revenue from assets assigned to concessions include 326,453 thousand Euros (30 June 2022: 238,499 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 24).

On an individual basis, the changes that occurred in these captions are justified by the transfer of the energy management activity on 1 February 2023 to EDP GEM Portugal, S.A. (see note 12).

On a consolidated basis, the variation of the caption Revenues and cost of Energy Sales and Services and Other is explained by the recovery in electricity and gas prices, and by the changes in consolidation perimeter that occurred when compared to the homologous period.

8. Other income

Other income, for the Group, are as follows:

Thousand Euros	Group	
	Jun 2023	Jun 2022
Income arising from institutional partnerships (see note 34)	122,813	123,751
Gains on disposals – electricity business assets – Asset Rotation	3,861	99,048
Gains from contractual indemnities and insurance companies	23,544	20,712
Other	61,376	97,754
	211,594	341,265

The caption Other includes gains on: i) reinsurance activity; ii) on the sale of property, plant and equipment; and iii) changes in fair value of contingent prices of sales transactions. Additionally, on 30 June 2022, this caption included a gain of 23 million Euros resulting from a favorable decision by the Regional Economic–Administrative Court of the Principality of Asturias in favor of EDP España relating to the fee for the use of the public hydric domain called "Canon hidráulico".

9. Supplies and services

Supplies and services are as follows:

Thousand Euros	Group		Company	
	Jun 2023	Jun 2022	Jun 2023	Jun 2022
Consumables and communications	16,467	14,851	2,159	2,922
Rents and leases	27,267	28,424	2,389	1,978
Maintenance and repairs	214,746	189,073	17,420	11,811
Specialised works:				
- Commercial activity	93,989	82,401	26	24
- IT services, legal and advisory fees	79,511	76,341	44,431	39,065
- Other services	45,544	34,920	18,958	16,040
Provided personnel	-	-	5,226	4,134
Other supplies and services	71,582	66,284	10,778	10,968
	549,106	492,294	101,387	86,942

10. Personnel costs and employee benefits

Personnel costs and employee benefits are as follows:

Thousand Euros	Group		Company	
	Jun 2023	Jun 2022	Jun 2023	Jun 2022
Personnel costs				
Board of Directors remuneration	9,524	8,823	2,855	2,814
Employees' remuneration	322,758	284,423	26,527	26,578
Social charges on remuneration	74,197	66,157	6,462	6,282
Performance, assiduity and seniority bonus	63,712	51,190	10,313	8,236
Other costs	15,577	16,854	904	1,831
Own work capitalised:				
- Assigned to concessions (see note 7)	-40,514	-37,730	-	-
- Other (see note 15)	-67,766	-53,534	-4,295	-4,590
	377,488	336,183	42,766	41,151
Employee benefits				
Pension plans costs	12,552	10,437	917	812
Medical plans costs and other benefits (see note 32)	1,609	3,442	68	105
Other	28,758	29,156	1,767	2,014
	42,919	43,035	2,752	2,931
	420,407	379,218	45,518	44,082

Pension plans costs include 1,262 thousand Euros (30 June 2022: 1,933 thousand Euros) related to defined benefit plans (see note 32) and 11,290 thousand Euros (30 June 2022: 8,504 thousand Euros) related with defined contribution plans.

During the first semester of 2023, EDP Group distributed treasury stocks to employees (843,800 shares) totalling 4,176 thousand Euros.

11. Other expenses

Other Expenses are as follows:

Thousand Euros	Group	
	Jun 2023	Jun 2022
Concession rents paid to local authorities and others	155,377	144,094
Direct and indirect taxes	220,275	228,889
Donations	8,737	12,544
Other	84,279	67,756
	468,668	453,283

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 include the social tariff, the windfall taxes in Romania and Poland and the new tax of 1.2% on the turnover of companies in the energy sector in Spain.

The caption Other includes, essentially: i) losses on the reinsurance activity; and ii) losses on the sale of property, plant and equipment.

12. Other non recurring income and expenses (Company basis)

On 1 February 2023, EDP S.A. entered into a transfer ("trespasse") agreement with EDP GEM Portugal, S.A. (EDP GEM) with the aim of transferring its energy management business unit. This transfer of activity results from the global vision of energy management that the EDP Group has been developing which includes the transfer to EDP GEM of all assets, liabilities and contractual positions that make up that business unit, as well as its employees and associated means necessary to carry out its activity.

The total amount of the operation was 1,169,510 thousand Euros. On the transaction date, the book value of the net assets transferred under this contract was 228,858 thousand Euros and a gain of 940,653 thousand Euros was recorded.

As a result of this agreement, EDP S.A. transfers its energy management activity, so with reference to 1 February 2023, all existing cash flow hedges (related to foreign exchange, purchase and sale of electricity, gas and CO₂) have been discontinued, in the negative amount of 1,014,219 thousand Euros, reclassifying the cash flow reserve in the negative amount of 1,014,219 thousand Euros to profit or loss, since the underlying transactions subject to hedging were transferred to EDP GEM under the terms of the transfer agreement, and as such will not occur at EDP S.A.

The operationalization of this transfer occurs through the assignment of EDP S.A.'s contractual positions in favor of EDP GEM, with a back-to-back mechanism also foreseen for contractual positions whose assignment requires the fulfillment of formalities by third parties unrelated to EDP S.A., until such formalities are fulfilled. During this period, EDP GEM undertakes to assume all the risks and benefits associated with those positions, assuming EDP S.A. as an agent in relation to the rights and obligations that emerge from them.

Since the transfer of the energy management business unit is a specific and unique transaction within the scope of the individual financial statements of EDP S.A., it was considered that the result generated should be presented separately in the operating results of EDP, S.A.

On the same day and pursuant to this agreement, EDP S.A., the sole shareholder of EDP GEM, approved the provision of supplementary pecuniary capital contributions under the applicable rules for additional contributions, in the global amount of 1,000,000 thousand Euros (see note 19).

13. Financial income and expenses

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

Thousand Euros	Group	
	Jun 2023	Jun 2022
Financial income		
Interest income from bank deposits and other investments	76,780	29,874
Interest from derivative financial instruments	30,710	12,829
Interest income on tariff deficit:		
- Portugal - Electricity (see note 24)	8,815	26
- Brazil - Electricity (see note 35)	2,858	9,394
Other interest income	45,193	31,197
Derivative financial instruments	229,965	68,330
Foreign exchange gains	280,369	180,132
CMEC:		
- Interest on the initial CMEC	10,202	11,975
- Financial effect considered in the calculation	3,360	3,354
Other financial income	10,054	22,744
	698,306	369,855
Financial expenses		
Interest expense on financial debt	400,416	347,404
Bonds buyback	4,802	-
Capitalised borrowing costs:		
- Assigned to concessions (see note 7)	-2,682	-1,991
- Other (see note 15)	-50,346	-11,928
Interest from derivative financial instruments	97,723	59,303
Interest expense on tariff deficit:		
- Portugal - Electricity (see note 35)	1,464	687
- Brazil - Electricity (see note 35)	1,889	10,385
Other interest expense	17,078	12,644
Derivative financial instruments	320,120	104,475
Foreign exchange losses	188,174	94,752
CMEC	1,505	2,617
Unwinding of discounted liabilities	68,700	77,687
Unwinding of lease liabilities (see note 36)	22,901	21,015
Net interest on the net pensions plan liability (see note 32)	4,667	2,947
Net interest on the medical liabilities and other benefits (see note 32)	9,971	7,643
Other financial expenses	28,019	26,768
	1,114,401	754,408
Financial income/(expenses)	-416,095	-384,553

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 15 and 17), 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 of discounted liabilities refer essentially to: (i) the unwinding of the provision for dismantling and decommissioning of production assets in the amount of 7,942 thousand Euros (30 June 2022: 3,219 thousand Euros) (see note 33); (ii) the implied financial return in institutional partnerships of 41,752 thousand Euros (30 June 2022: 48,311 thousand Euros) (see note 34); and (iii) the financial expenses related to the discount of the liability associated to the concessions of Alqueva/Pedrogão, Investco and Enerpeixe of 5,373 thousand Euros (30 June 2022: 15,134 thousand Euros).

The Derivative financial instruments caption includes income and expenses related with financial assets and liabilities measured at 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.

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

Thousand Euros	Company	
	Jun 2023	Jun 2022
Financial income		
Interest income from loans to subsidiaries and related parties (see note 41)	26,306	16,792
Interest from derivative financial instruments	86,306	41,546
Derivative financial instruments	366,438	339,189
Income from equity investments (see note 41)	574,395	266,814
Other financial income	19,915	22,304
	1,073,360	686,645
Financial expenses		
Interest expense on financial debt	119,141	127,634
Bonds Buyback	4,802	-
Interest from derivative financial instruments	90,751	49,302
Derivative financial instruments	359,734	320,231
Unwinding of lease liabilities	2,884	2,453
Other financial expenses	10,776	33,608
	588,088	533,228
Financial income/(expenses)	485,272	153,417

On January 2023, EDP S.A. has repurchased an amount of 672,8 million Euros from the issue "EUR1.000.000.000 Fixed to Reset Rate Subordinated Notes due 2079", recognising a cost of 4,802 thousand Euros, on a consolidated and individual basis.

The caption Other financial income includes 3,301 thousand Euros related to nominal interests from bonds issued by EDP Finance B.V., repurchased by EDP S.A. (see notes 25 and 41). The effective interest of these instruments amounts to 759 thousand Euros (includes the recognition in profit or loss of premium and transaction costs associated with the buyback transaction by the effective interest rate method).

14. 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 2023

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

	Jun 2023	Jun 2022
United Kingdom	19%-25%	19%

Corporate income tax provision

Income tax expense is as follows:

Thousand Euros	Group		Company	
	Jun 2023	Jun 2022	Jun 2023	Jun 2022
Current tax	-289,528	-78,495	4,433	156,186
Deferred tax	-60,995	-65,371	258	-5,534
	-350,523	-143,866	4,691	150,652

Reconciliation between the theoretical and the effective income tax expense

The effective income tax rate is as follows:

Thousand Euros	Group		Company	
	Jun 2023	Jun 2022	Jun 2023	Jun 2022
Profit before tax and CESE	1,056,498	807,038	546,141	-446,016
Income tax expense	-350,523	-143,866	4,691	150,652
Effective income tax rate	33.2%	17.8%	-0.9%	33.8%

The difference between the theoretical and the effective income tax expense results from the application of the tax law provisions, in the various countries where EDP operates, in accordance with the accounting standards that are the basis for the preparation and disclosure of its financial statements, 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 2023 and 2022, is as follows:

Thousand Euros	Jun 2023	Jun 2022
Profit before income tax and CESE	1,056,498	807,038
Theoretical income tax rate *	29.5%	29.5%
Theoretical income tax expense	311,667	238,076
Different tax rates (includes state surcharge) and CIT rate changes	22,318	-32,496
Tax losses and tax credits	24,979	-34,941
Tax benefits	-6,579	-7,927
Differences between accounting and fiscal provisions/depreciations	3,862	6,770
Accounting/fiscal differences on the recognition/derecognition of assets	-6,323	3,032
Taxable differences attributable to non-controlling interests	-7,877	-10,491
Other adjustments and changes in estimates	8,476	-18,157
Effective income tax expense as per the Consolidated Income Statement	350,523	143,866

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

The reconciliation between the theoretical and the effective income tax expense for the Company, in June 2023, is as follows:

Thousand Euros	Jun 2023
Profit before income tax	546,141
Nominal income tax rate	21%
Theoretical income tax expense	114,690
Tax losses and tax credits	8,410
Dividends	-119,806
Other adjustments and changes in estimates	-7,985
Effective income tax expense as per the Company Income Statement	-4,691

15. Property, plant and equipment

This caption is as follows, for the Group:

Thousand Euros	Land and natural resources	Buildings and other construct.	Plant and machinery	Other tangible assets	Assets under construct.	Total
Gross Amount	100,869	368,156	38,733,617	645,869	6,415,020	46,263,531
Accumulated depreciation and impairment losses	-	182,177	19,993,084	511,127	128,299	20,814,687
Carrying Amount at 30 June 2023	100,869	185,979	18,740,533	134,742	6,286,721	25,448,844
Balance as at 31 December 2022	99,913	230,477	18,667,041	146,714	5,072,662	24,216,807
Additions	80	1,296	61,539	7,844	2,199,484	2,270,243
Depreciation and impairment	-	-4,899	-510,600	-23,011	-	-538,510
Disposals/Write-offs	-59	-	-891	-436	-2,932	-4,318
Transfers	-3,414	-42,595	515,721	2,958	-1,037,983	-565,313
Exchange Differences	1,956	7,952	-45,256	150	54,847	19,649
Perimeter Variations and Other	2,393	-6,252	52,979	523	643	50,286
Balance as at 30 June 2023	100,869	185,979	18,740,533	134,742	6,286,721	25,448,844

Gross amount of Assets under construction are as follows:

Thousand Euros	Jun 2023	Dec 2022
Wind and solar farms in North America	3,757,754	2,589,575
Wind and solar farms in Europe	1,279,184	1,072,644
Wind and solar farms in South America	875,119	1,098,165
Wind and solar farms in Southeast Asia	113,219	108,299
Convencional generation, energy management and client solutions assets	177,451	174,707
Other assets under construction	212,293	153,035
	6,415,020	5,196,425

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

Thousand Euros	Jun 2023	Dec 2022
Subcontracts and other materials	2,081,312	3,540,948
Purchase price allocation	63,700	74,213
Dismantling and decommissioning costs (see note 33)	7,039	9,841
Personnel costs (see note 10)	67,766	126,948
Borrowing costs (see note 13)	50,346	41,405
	2,270,163	3,793,355

Additions mainly include the investment in wind and solar farms by EDP Renováveis.

Transfers include the reclassification of some onshore wind generation assets in Spain and of thermal generation assets in Brazil to non-current assets held for sale (see note 38).

Perimeter Variations and Other mainly include the increase resulting from the acquisitions of Enerdeal Group S.A. and its subsidiaries, of the company San Juan de Bargas Eólica, S.L. and of a distributed solar generation portfolio in North America (see note 6).

16. Right-of-use assets

This caption is as follows, for the Group:

Thousand Euros	Land and natural resources	Buildings and other construct.	Plant	Other tangible assets	Total
Gross amount	1,100,302	299,878	170,569	15,412	1,586,161
Accumulated depreciation and impairment losses	132,376	96,844	63,924	9,165	302,309
Carrying Amount at 30 June 2023	967,926	203,034	106,645	6,247	1,283,852
Balance as at 31 December 2022	984,161	192,872	137,395	5,842	1,320,270
Additions	40,754	14,309	-	1,921	56,984
Depreciation and impairment	-19,037	-14,149	-24,510	-1,499	-59,195
Disposals/Write-offs	-137	-569	-1,767	-29	-2,502
Transfers	-25,688	10,047	-2,578	-109	-18,328
Exchange Differences	-8,240	-13	-1,895	142	-10,006
Perimeter Variations and Other	-3,887	537	-	-21	-3,371
Balance as at 30 June 2023	967,926	203,034	106,645	6,247	1,283,852

Additions include, essentially, new lease contracts registered, under IFRS 16, in Europe, North America and Southeast Asia.

Transfers include the reclassification of some onshore wind generation assets in Spain and of thermal generation assets in Brazil to non-current assets held for sale (see note 38).

17. 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	13,010,136	6,237	2,544,464	256,786	15,817,623
Accumulated amortisation and impairment losses	9,960,693	-	912,624	-	10,873,317
Carrying Amount at 30 June 2023	3,049,443	6,237	1,631,840	256,786	4,944,306
Balance as at 31 December 2022	3,076,318	25,551	1,646,753	235,380	4,984,002
Additions	478	1,086,622	1,026	64,390	1,152,516
Amortisation and impairment	-204,317	-	-62,212	-	-266,529
Disposals/Write-offs	-2,679	-1,105,936	-	-	-1,108,615
Transfers	138,004	-	32,652	-43,734	126,922
Exchange Differences	40,575	-	-4,294	719	37,000
Perimeter Variations and Other	1,064	-	17,915	31	19,010
Balance as at 30 June 2023	3,049,443	6,237	1,631,840	256,786	4,944,306

Additions of CO2 Licenses include CO2 Licenses granted free of charge to EDP Group power plants and licenses purchased in the market for own consumption. Disposals/Write-offs mainly include the delivery, in April 2023, of the licenses relating to 2022 consumption.

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

Transfers essentially refer to the intangible assets assigned to concessions that became operational, in the amount of 135,899 thousand Euros (see note 24).

18. 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	Networks	Renewables, Clients & EM	Total
Balance as at 31 December 2022	673,834	2,795,394	3,469,228
Increases	-	46,864	46,864
Decreases/Regularisations	-	-82,869	-82,869
Exchange differences	-	-10,659	-10,659
Balance as at 30 June 2023	673,834	2,748,730	3,422,564

Renewables, Clients & Energy Management

In the first semester of 2023, increases in goodwill include (i) 10,030 thousand Euros related with the acquisition of the company Enerdeal Group S.A. and its subsidiaries, (ii) 21,719 thousand Euros from the acquisition of control over the company San Juan de Bargas Eólica, S.L. and (iii) 15,116 thousand Euros related with the acquisition of a distributed solar generation portfolio in North America (see note 6).

The Decreases/Regularisations include the reclassification of some onshore wind generation assets in Spain to non-current assets held for sale, in the amount of 53,888 thousand Euros (see note 38), as well as adjustments resulting from business combinations carried out over the last 12 months and whose assessment to determine the fair value of assets and liabilities is still ongoing.

19. Investments in subsidiaries (Company basis)

This caption is as follows:

Thousand Euros	Company	
	Jun 2023	Dec 2022
Acquisition cost	17,642,324	16,450,564
Effect of equity method (transition to IFRS)	-785,593	-785,593
Equity investments in subsidiaries	16,856,731	15,664,971
Impairment losses on equity investments in subsidiaries	-252,103	-237,572
	16,604,628	15,427,399

On the date of transition to IFRS, EDP, S.A. ceased to apply the equity method of accounting to its investments in its separate financial statements, having considered this method in the determination of the deemed cost at transition date.

Investments in subsidiaries are as follows:

Thousand Euros	Company	
	Jun 2023	Dec 2022
	Net amount	Net amount
Equity investments in subsidiaries:		
EDP Renováveis, S.A. (see note 6)	4,345,187	4,154,431
EDP Gestão de Produção de Energia, S.A.	4,470,776	4,470,776
EDP España, S.A.U.	2,105,002	2,105,002
E-Redes – Distribuição de Eletricidade, S.A.	1,991,145	1,991,145
EDP International Investments and Services, S.L.	1,488,181	1,488,181
EDP GEM Portugal, S.A. (see note 12)	985,470	-
EDP Servicios Financieros España, S.A.U.	482,695	482,695
EDP Comercial – Comercialização de Energia, S.A.	344,444	344,444
SU Eletricidade, S.A.	259,818	259,818
Other	131,910	130,907
	16,604,628	15,427,399

20. Investments in joint ventures and associates

This caption is as follows:

Thousand Euros	Group	
	Jun 2023	Dec 2022
Investments in joint ventures	1,406,931	1,333,871
Investments in associates	272,498	271,872
	1,679,429	1,605,743

As at 30 June 2023, for the Group, this caption includes goodwill in investments in joint ventures of 8,047 thousand Euros (31 December 2022: 8,047 thousand Euros) and goodwill in investments in associates of 22,550 thousand Euros (31 December 2022: 28,131 thousand Euros).

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

Thousand Euros	Group	
	Jun 2023	Dec 2022
Balance at the beginning of the period	1,605,743	1,350,445
Acquisitions/Entries	-	25,058
Increases/Decreases of share capital	77,222	-929
Disposals (see note 6)	-26,111	-49,276
Share of profit for the period and capital gains from disposals	33,364	208,587
Dividends	-36,685	-74,311
Exchange differences	21,429	69,381
Cash flow hedging reserve	6,572	41,811
Transfer to Assets held for sale (see note 38)	6,095	56,496
Other	-8,200	-21,519
Balance at the end of the period	1,679,429	1,605,743

The caption Increases/Decreases of share capital essentially refers to a capital increase of 73,428 thousand Euros of EDP Renováveis S.A. in OW Offshores, S.L.

The caption Joint ventures and associates in the Consolidated Income Statement includes a positive amount of 33,364 thousand Euros from result of these investments, a gain of 23,556 thousand Euros and 3,275 thousand Euros, respectively, from the sale of Principle Power, Inc and Zypko, S.A. stake and a loss of 10,566 thousand Euros from the sale of Geóllica Magallón, S.L. (see note 6).

21. Equity instruments at fair value

As at 30 June 2023, the movements in Equity Instruments measured at Fair Value are as follows:

Thousand Euros	Group	
	Jun 2023	Dec 2022
Equity Instruments at Fair Value through Other Comprehensive Income (OCI)	145,060	139,270
Equity Instruments at Fair Value through Profit or Loss (PL)	79,455	77,148
	224,515	216,418

Under IFRS 13 (see note 42), 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 2023, there are no equity instruments at fair value within level 1.

As at 30 June 2023, this caption is analysed as follows:

	Other Comprehensive Income		Profit or Loss			Total
	Mercer and Dunas (Energ. RE portfolio)	Other	EDA Electricid. dos Açores, S.A.	Feedzai – Consult. e Inov. Tec., S.A.	Other	
Thousand Euros						
Balance as at 31 December 2022	83,062	56,208	16,549	38,607	21,992	216,418
Acquisitions	-	1,107	-	-	5,788	6,895
Disposals	-	-4	-	-	-1,300	-1,304
Change in fair value (see note 29)	4,807	-136	-	-	-2,245	2,426
Other variations	-	16	-	-	64	80
Balance as at 30 June 2023	87,869	57,191	16,549	38,607	24,299	224,515

22. 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 30 June 2023, on a consolidated basis, the movements by nature of Deferred Tax Assets and Liabilities are as follows:

Deferred Tax Assets					
	Balance at 31 December	Mov. Results	Mov. Reserves	Perimeter variations, exchange differences and others	Balance at 30 June
Thousand Euros					
Tax losses and tax credits	1,360,575	60,686	-1,993	-86,822	1,332,446
Provisions for social benefits, bad debts, dismt. and other risks	603,822	19,870	-10,262	7,127	620,557
Derivative financial instruments and Equity investments	796,860	-66,161	298,229	328,137	1,357,065
Property plant and equipment and intangible assets	265,413	-3,139	-	-3,890	258,384
Allocation of fair value to assets and liabilities acquired	79,680	-9,121	-87,904	26,610	9,265
Fiscal revaluations	221,431	-24,129	-	-	197,302
Lease liabilities and other temporary differences	348,882	-24,786	-	7,015	331,111
Assets/liabilities compensation of deferred taxes	-1,892,371	-96,220	-1,786	-321,836	-2,312,213
	1,784,292	-143,000	196,284	-43,659	1,793,917

Deferred Tax Liabilities					
	Balance at 31 December	Mov. Results	Mov. Reserves	Perimeter variations, exchange differences and others	Balance at 30 June
Thousand Euros					
Provisions for social benefits, bad debts and other risks	16,644	588	1,197	-	18,429
Derivative financial instruments and Equity investments	307,270	-70,626	455,926	39,729	732,299
Property plant and equip., intang. assets and right-of-use	758,981	38,537	-	74,129	871,647
Reinvested gains	3,674	-13	-	-	3,661
Tariff adjustments and tariff deficit	560	-59	-	1	502
Allocation of fair value to assets and liabilities acquired	1,159,890	38,520	-	96,222	1,294,632
Fiscal revaluations	52,718	-1,177	-	-	51,541
Deferred income relating to CMEC	183,959	-7,529	-	-	176,430
Gains from institutional partnerships in wind farms	440,264	7,526	35	-8,132	439,693
Fair value of financial assets (Brazil)	100,607	11,176	-	7,289	119,072
Other temporary differences	112,397	-2,728	-1,134	-6,049	102,486
Assets/liabilities compensation of deferred taxes	-1,892,371	-96,220	-1,786	-321,836	-2,312,213
	1,244,593	-82,005	454,238	-118,647	1,498,179

Provisions for social benefits, bad debts, dismt. and other risks, Lease liabilities and other temporary differences and Property plant and equip., intang. assets and right-of-use include deferred tax assets and deferred tax liabilities related with the recognition of provisions for dismantling, as well as deferred tax assets and deferred tax liabilities relating to lease contracts, pursuant to the amendments to IAS 12 - Income taxes as mentioned in note 3.

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 30 June 2023, on a Company basis, the movements by nature of Deferred Tax Assets and Liabilities are as follows:

Deferred Tax Assets					
	Balance at 31 December	Mov. Results	Mov. Reserves	Others	Balance at 30 June
Thousand Euros					
Tax losses and tax credits	159,351	-3,284	-	-	156,067
Provisions for social benefits, bad debts and other risks	7,558	-494	-	-	7,064
Derivative financial instruments	280,416	-	-280,002	-	414
Property plant and equipment	1,889	-14	-	-	1,875
Other temporary differences	2,945	-10	-	-	2,935
Assets/liabilities compensation of deferred taxes	-137,399	4,060	112,026	-	-21,313
	314,760	258	-167,976	-	147,042

Deferred Tax Liabilities					
	Balance at 31 December	Mov. Results	Mov. Reserves	Others	Balance at 30 June
Thousand Euros					
Derivative financial instruments	119,818	-	-112,026	-	7,792
Allocation of fair value to assets and liabilities acquired	5,941	-	-	-	5,941
Fiscal revaluations	163	-2	-	-	161
Other temporary differences	11,477	-4,058	-	-	7,419
Assets/liabilities compensation of deferred taxes	-137,399	4,060	112,026	-	-21,313
	-	-	-	-	-

23. Inventories

This caption is as follows:

Thousand Euros	Group	
	Jun 2023	Dec 2022
Merchandise	127,405	402,133
Finished, intermediate products and sub-products	32,916	37,284
Raw and subsidiary materials and consumables (coal and other fuels)	221,881	260,952
Nuclear fuel	13,494	14,446
CO2 licenses	5,038	30,875
Green certificates	175,421	172,658
Other	450,174	337,952
	1,026,329	1,256,300

The caption Other include materials for building energy distribution networks and photovoltaic solar panels.

The variation of the caption Inventories is essentially explained by the decrease in the value of gas stocks.

24. 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 2023	Dec 2022	Jun 2023	Dec 2022
Assets measured at amortised cost:				
Amounts receivable from tariff adjustments – Electricity – Portugal	1,094,454	441,035	212,207	13,825
Amounts receivable from tariff adjustments – Electricity – Brazil (see note 35)	14,284	12,883	6,485	14,310
Debtors for other goods and services	-	-	53,501	67,521
Amounts receivable relating to CMEC	312,427	353,619	257,569	249,856
Amounts receivable from concessions – IFRIC 12	841,297	846,875	1,152,841	1,120,064
Other assets measured at amortised cost	225,436	214,071	445,621	318,137
Impairment losses on other assets measured at amortised cost	-203	-82	-3,504	-3,024
	2,487,695	1,868,401	2,124,720	1,780,689
Trade receivables at amortised cost:				
Trade receivables	138,239	108,415	1,567,549	1,797,683
Impairment losses on trade receivables	-9,206	-8,810	-275,927	-259,025
	129,033	99,605	1,291,622	1,538,658
Assets measured at fair value through other comprehensive income:				
Amounts receivable from tariff adjustments – Electricity – Portugal	176	23	703	1,141
Assets measured at fair value through profit or loss:				
Amounts receivable from concessions – IFRIC 12	1,231,408	1,012,104	-	-
Contract assets:				
Contract assets receivable from energy sales contracts	5	4	1,114,944	1,452,371
Contract assets receivable from concessions – IFRIC 12	947,169	729,520	-	-
	947,174	729,524	1,114,944	1,452,371
Other assets:				
Incremental costs of obtaining contracts with customers	39,821	32,219	7,846	7,677
Other assets from commercial activities	51,007	30,250	123,589	107,684
	90,828	62,469	131,435	115,361
	4,886,314	3,772,126	4,663,424	4,888,220

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

Thousand Euros	Current	
	Jun 2023	Dec 2022
Assets measured at amortised cost:		
Debtors for other goods and services	53,019	50,959
Other assets measured at amortised cost	133,310	1,119,557
	186,329	1,170,516
Trade receivables at amortised cost:		
Trade receivables	42,841	465,630
Impairment losses on trade receivables	-647	-210
	42,194	465,420
Contract assets:		
Contract assets receivable from energy sales contracts	521	461,937
Other assets:		
Other assets from commercial activities	25,115	15,919
	254,159	2,113,792

On an individual basis, the changes that occurred in these captions are justified by the transfer of the energy management activity on 1 February 2023 to EDP GEM Portugal, S.A. (see note 12).

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
Balance as at 31 December 2022	441,058	14,966
Receipts through the electricity tariff	-	-7,247
Tariff adjustment of the period (see note 7)	967,321	31,501
Financial income (see note 13)	8,439	376
Transfer to/from tariff adjustment payable (see note 35)	-149,592	718
Transfer from Non-Current to Current	-172,596	172,596
Balance as at 30 June 2023	1,094,630	212,910

The tariff adjustment of the period, in the amount of 857,990 thousand Euros, includes 149,592 thousand Euros to be returned through the tariff, related to the Purchase and Sale of Electricity for Customers Supply of SU Eletricidade, which have been reclassified from Trade payables and other liabilities from commercial activities, since the tariff adjustment corresponds in its entirety to an amount to be recovered (see note 35).

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 42).

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 2023:

Thousand Euros	Deficit	Tariff adj.	Sales	Total
Year:				
2016	-	1,449	-	1,449
2019	219	718	-	937
2020	34	26,073	-	26,107
2021	626	37,350	-	37,976
2022	-	383,081	-	383,081
2023	-	857,990	-	857,990
	879	1,306,661	-	1,307,540

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

Thousand Euros	Non-Current	Current
Initial CMEC	212,952	54,039
Final adjustment	99,475	101,370
Revisibility 2014 - 2017 *	-	102,160
	312,427	257,569

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

The movement of the period in the captions Amounts receivable from concessions – IFRIC 12 and Contract assets receivable from concessions – IFRIC 12 is as follows:

Thousand Euros	Amounts receivable	Contract assets
Balance as at 31 December 2022	2,979,043	729,520
Investments of the period	-	375,607
Transfer to intangible assets (see note 17)	-	-135,899
Transfer between Amounts receivable and Contract assets	150,976	-150,976
Exchange differences	127,180	48,741
Perimeter variations and others	-31,653	80,176
Balance as at 30 June 2023	3,225,546	947,169

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 energy management business. The impairment losses on Trade receivables includes impairment losses related to Contract assets receivable from energy sales contracts.

25. Other debtors and other assets

Other debtors and other assets are as follows:

Thousand Euros	Group		Company	
	Jun 2023	Dec 2022	Jun 2023	Dec 2022
Debtors and other assets – Non-Current				
Assets measured at amortised cost:				
Loans to subsidiaries	-	-	1,489,444	1,141,944
Loans to related parties	456,872	186,885	90	90
Guarantees rendered to third parties	158,036	133,931	-	-
Other financial assets at amortised cost (i)	843	1,751	21	256,650
Assets measured at fair value through profit or loss:				
Derivative financial instruments (see note 39)	741,452	1,035,814	1,195,282	1,590,973
Contingent price	51,667	50,873	-	-
Other assets:				
Excess of the pension fund financing (see note 32)	149,651	92,694	410	410
Other debtors and sundry operations	431,835	422,562	90,076	90,078
	<u>1,990,356</u>	<u>1,924,510</u>	<u>2,775,323</u>	<u>3,080,145</u>
Debtors and other assets – Current				
Assets measured at amortised cost:				
Loans to subsidiaries	-	-	766,554	538,550
Loans to related parties	108,005	354,484	-	3,490
Guarantees rendered to third parties	456,991	992,370	92,349	720,465
Subsidiary companies	-	-	581,840	229,858
Other financial assets at amortised cost (i)	3,760	7,386	399,818	260,639
Assets measured at fair value through profit or loss:				
Derivative financial instruments (see note 39)	792,619	1,539,884	1,985,099	2,449,615
Other financial investments measured at fair value	16,735	346	-	-
Contingent price	62,282	108,636	-	-
Other assets:				
Other debtors and sundry operations	173,842	368,689	403,746	23
	<u>1,614,234</u>	<u>3,371,795</u>	<u>4,229,406</u>	<u>4,202,640</u>
	<u>3,604,590</u>	<u>5,296,305</u>	<u>7,004,729</u>	<u>7,282,785</u>

Loans to subsidiaries – Non-Current and Current, for the Company, mainly includes 1,655,314 thousand Euros (31 December 2022: 1,579,546 thousand Euros) of loans granted to E-Redes – Distribuição de Eletricidade, S.A. and 500,673 thousand Euros of loans granted to EDP International Investments and Services, S.L. within the scope of the Public Offer for Acquisition of EDP Energias do Brasil, S.A. (see note 41).

The caption Loans to related parties, on a consolidated basis, is mainly due to loans granted to OW FS Offshore, S.L. in the amount of 456,264 thousand Euros in Non-Current and 73,277 thousand Euros in Current.

(i) Other financial assets at amortised cost

On a consolidated basis, this caption mainly includes securities issued by Tagus – Sociedade de Titularização de Créditos, 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
Overcost from special regime production 2018	Jun 2018	15	-	-	15
Overcost from special regime production 2019	Jun 2019	100	93	3,552	3,745
		<u>115</u>	<u>93</u>	<u>3,552</u>	<u>3,760</u>

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

In the first quarter of 2023, EDP Finance B.V. repaid, at maturity, an emission of 489 million Euros, of which EDP S.A. had already repurchased 111,168 thousand Euros.

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.	29 Sep 2023	EUR	1.88%	462,465	137,535	136,906
EDP Finance B.V.	12 Feb 2024	EUR	1.13%	743,804	256,196	251,915

The variation of the caption Contingent prices mainly results from the receipt of the contingent consideration in connection with the sales in 2018 and 2020 of a stake in the companies Éoliennes en Mer Dieppe – Le Tréport, S.A.S and Éoliennes en Mer Îles d'Yeu et de Noirmoutier, SAS to Sumitomo Corporation and to OW Offshore S.L., respectively.

The variation of the caption Other debtors and sundry operations – Current is mainly from the receipt in the amount of 183,336 thousand Euros related to the sale of several wind farms in Brazil in 2022.

On an individual basis, the variation of the caption Other debtors and sundry operations is justified by the transfer of the energy management activity on 1 February 2023 to EDP GEM Portugal, S.A. (see note 12).

26. Tax assets

Current tax assets are as follows:

Thousand Euros	Group		Company	
	Jun 2023	Dec 2022	Jun 2023	Dec 2022
Non-Current:				
Special taxes Brazil	134,501	109,902	-	-
Current:				
Income tax	166,225	188,981	17,039	44,305
Value added tax (VAT)	511,027	516,010	1,414	149,058
Special taxes Brazil	67,812	87,004	-	-
Other taxes	29,504	22,303	852	877
	774,568	814,298	19,305	194,240
	909,069	924,200	19,305	194,240

On an individual basis, the variation of the caption Value added tax (VAT) is justified by the transfer of the energy management activity on 1 February 2023 to EDP GEM Portugal, S.A. (see note 12).

27. Cash and cash equivalents

Cash and cash equivalents are as follows:

Thousand Euros	Group		Company	
	Jun 2023	Dec 2022	Jun 2023	Dec 2022
Cash	643	636	31	38
Bank deposits				
Current deposits	1,203,507	3,553,609	81,987	1,445,638
Term deposits	1,972,775	1,331,823	353,000	450,000
Specific demand deposits in relation to institutional partnerships	1,761	1,633	-	-
	3,178,043	4,887,065	434,987	1,895,638
Operations pending cash settlement				
Current deposits	-	-	-	600,000
Other operations				
Other short term investments	11,330	12,504	-	-
Group Financial System (see note 41)	-	-	2,159,547	1,649,398
	3,190,016	4,900,205	2,594,565	4,145,074
Held for sale operations:				
Cash and cash equivalents reclassified as held for sale (see note 38)	-77,442	-	-	-
	3,112,574	4,900,205	2,594,565	4,145,074

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, which are described in EDP Group accounting policies (see note 34).

As at 31 December 2022, on a company basis, the caption Operations pending cash settlement represented commercial paper issued by EDP S.A. in the amount of 600,000 thousand Euros, acquired by EDP Finance B.V., which settlement date occurred on 3 January 2023.

28. Share capital and share premium

On 3 March 2022, EDP carried out, through an accelerated bookbuilding process ("ABB") without pre-emption rights, in compliance with the authorization given to the Executive Board of Directors for the latter to increase the share capital in an amount of up to 10% of EDP's share capital, under Article 4(4) of EDP's by-laws, a capital increase by issuing 218,340,612 ordinary, book-entry and nominative shares, with a unit face value of 1 Euro, with a unit subscription price of 4.58 Euros, offered to subscription of its shareholders, in the exercise of the respective preemptive rights. The new ordinary shares will be fungible with existing ordinary shares and will entitle their holders to the same rights as those of pre-existing shares. As such, the current share capital of EDP is now of 4,184,021,624 Euros, represented by 4,184,021,624 ordinaries, registered, book-entry shares with nominal value 1,00 Euro each.

EDP - Energias de Portugal S.A. shareholder structure as at 30 June 2023 is as follows:

	No. of Shares	% Capital	% Voting
China Three Gorges Corporation	872,818,863	20.86%	20.86%
Oppidum Capital, S.L.	285,414,883	6.82%	6.82%
BlackRock, Inc.	285,319,442	6.82%	6.82%
Canada Pension Plan Investment Board	234,948,845	5.62%	5.62%
EDP (Treasury Stock)	18,024,367	0.43%	n.a.
Remaining Shareholders	2,487,495,224	59.45%	n.a.
	4,184,021,624	100.00%	

Share capital and Share premium are as follows:

Thousand Euros	Group and Company	
	Share capital	Share premium
Balance as at 1 January	3,965,681	1,196,522
Movements during the period	218,341	774,474
Balance as at 30 June	4,184,022	1,970,996

The earnings per share (EPS) attributable to the equity holders of EDP are as follows:

	Group		Company	
	Jun 2023	Dec 2022	Jun 2023	Dec 2022
Net profit attributable to the equity holders of EDP (in Euros)	436,758,653	679,000,835	550,832,479	848,564,985
Net profit from continuing operations attributable to the equity holders of EDP (in Euros)	436,758,653	679,000,835	550,832,479	848,564,985
Weighted average number of ordinary shares outstanding	4,092,864,520	3,946,840,015	4,092,864,520	3,946,840,015
Weighted average number of diluted ordinary shares outstanding	4,092,864,520	3,946,840,015	4,092,864,520	3,946,840,015
Basic earnings per share attributable to equity holders of EDP (in Euros)	0.11	0.17	0.13	0.21
Diluted earnings per share attributable to equity holders of EDP (in Euros)	0.11	0.17	0.13	0.21
Basic earnings per share from continuing operations (in Euros)	0.11	0.17	0.13	0.21
Diluted earnings per share from continuing operations (in Euros)	0.11	0.17	0.13	0.21

EDP Group calculates basic and diluted earnings per share attributable to equity holders of EDP using the weighted average number of ordinary shares outstanding during the period, net of changes in treasury stock during the period. Basic earnings per share and diluted earnings per share are equal because there are no dilution factors.

The average number of shares is determined as follows:

	Group		Company	
	Jun 2023	Dec 2022	Jun 2023	Dec 2022
Ordinary shares issued at the beginning of the period	3,965,681,012	3,965,681,012	3,965,681,012	3,965,681,012
Effect of shares issued during the period	145,560,408	-	145,560,408	-
Average number of realised shares	4,111,241,420	3,965,681,012	4,111,241,420	3,965,681,012
Effect of treasury stock	-18,376,900	-18,840,997	-18,376,900	-18,840,997
Average number and diluted average number of shares during the period	4,092,864,520	3,946,840,015	4,092,864,520	3,946,840,015

29. Reserves and retained earnings

This caption is as follows:

Thousand Euros	Group		Company	
	Jun 2023	Dec 2022	Jun 2023	Dec 2022
Legal reserve	835,564	793,136	835,564	793,136
Fair value reserve (cash flow hedge)	-1,109,312	-1,962,818	35,214	-764,676
Tax effect of fair value reserve (cash flow hedge)	259,304	467,716	-7,433	160,543
Fair value reserve of assets measured at fair value through other comprehensive income	15,297	15,847	-	-
Tax effect of the fair value reserve of assets measured at fair value through other comprehensive income	-1,263	-187	-	-
Currency translation reserve - Exchange differences arising on consolidation	20,687	33,795	-	-
Currency translation reserve - Net investment hedge	-766,360	-860,381	-	-
Currency translation reserve - Net investment hedge - Cost of hedging	-48,588	-62,340	-	-
Treasury stock reserve (EDP, S.A.)	49,879	51,288	49,879	51,288
Other reserves and retained earnings	4,899,818	4,617,477	2,101,300	2,083,548
	4,155,026	3,093,533	3,014,524	2,323,839

The movement in Other reserves and retained earnings reflects the dilution effect resulting from EDPR's capital increase, in March 2023 by issuing new shares, not accompanied by EDP and the scrip dividend (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:

Milhares de Euros	Fair Value Reserve				Balance Jun 2023
	Balance Dec 2022	Increases	Decreases	Perimeter variations	
Defined Crowd Corporation	5,001	-	-	-	5,001
Mercer and Dunas Funds (Energia RE portfolio) (see note 21)	-3,852	4,807	-	-	955
SU Eletricidade, S.A. tariff deficit	352	-	-	-	352
Eólicas Páramo de Poza (associate portfolio)	7,761	-	-	-391	7,370
Other	6,585	268	-4,886	-348	1,619
	15,847	5,075	-4,886	-739	15,297

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					
		June 2023		Dec 2022		June 2022	
		Close	Average	Close	Average	Close	Average
US Dollar	USD	1.087	1.081	1.067	1.053	1.039	1.093
Brazilian Real	BRL	5.279	5.483	5.639	5.440	5.423	5.556
Macao Pataca	MOP	8.771	8.725	8.566	8.492	8.394	8.813
Canadian Dollar	CAD	1.442	1.457	1.444	1.369	1.343	1.390
Singapore Dollar	SGD	1.473	1.444	1.430	1.451	1.448	1.492
Polish Zloty	PLN	4.450	4.628	4.690	4.688	4.681	4.636
Romanian Leu	RON	4.963	4.934	4.947	4.931	4.945	4.946
Pound Sterling	GBP	0.858	0.876	0.887	0.853	0.858	0.842
Mexican Peso	MXN	18.598	19.769	20.781	21.198	20.942	22.168
Colombian Peso	COP	4,572.686	4,961.362	5,133.686	4,470.960	4,315.064	4,283.193
Chinese Yuan	CNY	7.898	7.489	7.358	7.211	7.531	7.239
Korean Won	WON	1,435.880	1,400.435	1,344.090	1,358.073	1,351.600	1,347.836
Japanese Yen	JPY	157.160	145.760	140.660	138.027	141.540	134.307
Australian Dollar	AUD	1.640	1.599	1.579	1.516	1.510	1.520
Indonesian Rupiah	IDR	16,384.540	16,275.091	16,474.654	15,625.767	15,552.000	15,798.551
Malaysian Ringgit	MYR	5.072	4.819	4.692	4.629	4.578	4.669
Thai Bath	THB	38.482	36.956	36.648	36.869	20.964	31.483
Vietnamese Dong	VND	25,616.600	25,427.572	25,182.430	24,601.278	24,154.970	24,891.592
Hungarian Forint	HUF	371.930	380.848	400.870	391.286	397.040	375.129

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
Balance as at 31 December 2022	-860,381	-62,340
Changes in fair value	94,021	13,752
Balance as at 30 June 2023	-766,360	-48,588

Dividends

On 12 April 2023, the Shareholders General Meeting of EDP, S.A. approved the dividends distribution to shareholders of the net profit for the year 2022 in the amount of 794,964 thousand Euros, corresponding to a dividend of 0.19 Euros per share (including the treasury stock dividend). This distribution occurred on 03 May 2023.

30. Non-controlling interests

This caption is as follows:

Thousand Euros	Group	
	Jun 2023	Dec 2022
Non-controlling interests in income statement	219,857	490,748
Non-controlling interests in equity and reserves	5,714,349	4,460,411
	5,934,206	4,951,159

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

Thousand Euros	EDP Renováveis Group	EDP Brasil Group	Other	Total
Balance as at 31 December 2022	3,757,137	1,027,390	166,632	4,951,159
Results	169,586	36,394	13,877	219,857
Dividends	-109,156	-19,318	-	-128,474
Currency Exchange differences	14,454	69,423	11	83,888
Capital Increases/Decreases	43,410	1,205	-	44,615
Changes in the fair value reserve (cash flow hedge)	159,608	-818	179	158,969
Perimeter variations and Others	609,496	-6,290	986	604,192
Balance as at 30 June 2023	4,644,535	1,107,986	181,685	5,934,206

The movement in Perimeter variations and Others reflects, essentially, the dilution effect resulting from EDPR's capital increase, in March 2023 by issuing new shares, not accompanied by EDP, and the scrip dividend in the amount of 606,913 thousand Euros (see Condensed Consolidated Statements of Changes in Equity and note 6).

31. Financial debt

This caption is as follows:

Thousand Euros	Group		Company	
	Jun 2023	Dec 2022	Jun 2023	Dec 2022
Debt and borrowings – Non-current				
Bank loans:				
- EDP, S.A.	2,500	3,333	2,500	3,333
- EDP Finance B.V. **	660,246	-13,566	-	-
- EDP Brasil Group	30,501	284,657	-	-
- EDP Renováveis Group	962,803	936,595	-	-
- Others	4,154	370	-	-
	1,660,204	1,211,389	2,500	3,333
Non-convertible bond loans:				
- EDP S.A.	2,041,473	1,294,988	3,441,473	2,694,988
- EDP Finance B.V.	7,088,135	8,244,657	-	-
- EDP Brasil Group	1,258,886	1,389,029	-	-
	10,388,494	10,928,674	3,441,473	2,694,988
Hybrid bonds:				
- EDP S.A.	4,043,101	3,044,554	4,043,101	3,044,554
	4,043,101	3,044,554	4,043,101	3,044,554
Commercial paper:				
- EDP Finance B.V.	333,609	339,865	-	-
- EDP Brasil Group	56,831	250,429	-	-
	390,440	590,294	-	-
Other loans	10,635	36,108	-	-
	16,492,874	15,811,019	7,487,074	5,742,875
Accrued interest	19,267	31,482	-	-
Other liabilities:				
- Fair value of the issued debt hedged risk	-16,229	-59,897	20,114	11,195
Total Debt and Borrowings	16,495,912	15,782,604	7,507,188	5,754,070
Collateral Deposits – Non-current *	-44,245	-23,765	-	-
	16,451,667	15,758,839	7,507,188	5,754,070

* Deposits constituted as collateral for financial guarantee.

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

Thousand Euros	Group		Company	
	Jun 2023	Dec 2022	Jun 2023	Dec 2022
Debt and borrowings – Current				
Bank loans:				
– EDP, S.A.	1,667	1,667	1,667	1,667
– EDP Finance B.V.	-	216	-	-
– EDP Brasil Group	316,870	153,853	-	-
– EDP Renováveis Group	194,083	432,012	-	-
– Other	660	-	-	-
	513,280	587,748	1,667	1,667
Non-convertible bond loans:				
– EDP S.A.	499,075	500,000	3,499,075	3,500,000
– EDP Finance B.V.	1,744,557	1,100,288	-	-
– EDP Brasil Group	475,553	212,976	-	-
	2,719,185	1,813,264	3,499,075	3,500,000
Hybrid bonds:				
– EDP, S.A.	-	672,800	-	672,800
	-	672,800	-	672,800
Commercial paper:				
– EDP S.A.	-	-	-	1,690,000
– EDP Finance B.V.	306,000	750,475	-	-
– EDP Brasil Group	66,303	117,029	-	-
	372,303	867,504	-	1,690,000
Other loans				
– Group Financial System (see note 41)	-	-	891,029	2,195,726
– Other	7,991	3,804	-	-
	7,991	3,804	891,029	2,195,726
Accrued interest	263,987	258,232	115,587	97,380
Other liabilities:				
– Fair value of the issued debt hedged risk	-7,336	36,517	13,762	32,059
Total Debt and Borrowings	3,869,410	4,239,869	4,521,120	8,189,632
Collateral Deposits – Current *	-40,986	-29,336	-	-
	3,828,424	4,210,533	4,521,120	8,189,632

* Deposits constituted as collateral for financial guarantee.

Non-current Commercial Paper refers to three Commercial Paper programs with firm underwriting commitment for a period of over one year, in the total amount of 362,500 thousand US Dollars and 300,000 thousand Brazilian Real.

Main events of the period:

On 16 January 2023, EDP issued a subordinated hybrid green bond of 1,000 million Euros, which are non-callable up to 5.25 years respectively, and final maturity in April 2083.

In January 2023, EDP S.A. repurchased 672.800 thousand Euros of an issue called "EUR1,000,000,000 Fixed to Reset Rate Subordinated Notes due 2079" (see note 13).

On April 2023, EDP has signed a five-year loan facility, in the amount of 1,000 million Singapore Dollar (SGD), strengthening its commitment with the APAC region.

On 19 June 2023, under its "Debt Issuance Program (EMTN)", EDP issued a green bond of 750 million Euros maturing in June 2028.

The nominal value of outstanding Bond loans placed with external counterparties, as at 30 June 2023, is as follows:

Issuer	Issue date	Interest rate	Type of hedge	Conditions/Redemp.	Nominal Value in Million Currency	Thousand Euros	
						Group	Company
Hybrids by EDP S.A.							
EDP S.A. (i)	Jan-23	Fixed rate EUR 5.943% (ii)	n.a.	Apr-83	1,000 EUR	1,000,000	1,000,000
						1,000,000	1,000,000
Issued under the Euro Medium Term Notes program (EMTN)							
EDP S.A.	Jun-23	Fixed rate EUR 3.875%	n.a.	Jun-28	750 EUR	750,000	750,000
						750,000	750,000

(i) There is a call option exercisable at par by EDP from January 2028 until April 2028 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.

The Group has project finance funding that include the usual guarantees on this type of financings, namely the pledge or a promise of pledge of bank accounts and assets of the related projects. As of 30 June 2023, these financings amount to 1,153,611 thousand Euros (31 December 2022: 1,097,179 thousand Euros), which are included within the financial debt caption. At 30 June 2023 and 31 December 2022, the Group confirms the fulfilment of all the covenants of the Project Finance Portfolio under the Facilities Agreements. Additionally, there are no loans, as of 30 June 2023, that are being guaranteed by EDPR (31 December 2022: 16,111 thousand Euros), due to an early repayment performed in June 2023.

EDP Group has several credit facilities it uses for liquidity management. EDP Group has short-term credit facilities of 240 million Euros, indexed to Euribor for the agreed period of use with spread conditions agreed in advance, all with a firm underwriting commitment. The Group also has three Commercial Paper programs with underwriting commitments: (i) two totaling 363 million US Dollars, maturing in 2025, both fully used at 30 June 2023; and (ii) 200 million Euros, maturing in 2025, which is fully available on 30 June 2023. Regarding medium-term credit facilities with a firm underwriting commitment, EDP Group has two Revolving Credit Facilities, namely (i) 3,650 million Euros that mature in 2027, totally available as at 30 June 2023; and (ii) 2,095 million Euros, which mature in 2025, totally available as at 30 June 2023.

As at 30 June 2023, future debt and interest payments and origination fees, by type of loan and currency, are as follows:

Thousand Euros	June 2024	Dec 2024	Dec 2025	Dec 2026	Dec 2027	Following years	Total
Bank loans:							
Euro	99,580	8,138	13,422	-	-	4,154	125,294
Brazilian Real	159,553	15,897	34,190	23,021	22,871	255,362	510,894
US Dollar	223,189	12,689	27,930	31,125	39,845	226,939	561,717
Other	70,788	20,348	54,386	20,038	16,775	884,993	1,067,328
	553,110	57,072	129,928	74,184	79,491	1,371,448	2,265,233
Bond loans:							
Euro	2,323,976	-	1,350,000	1,900,000	1,250,000	2,500,000	9,323,976
Brazilian Real	546,694	102,942	590,276	228,080	74,416	275,221	1,817,629
US Dollar	27,583	920,302	-	-	460,151	782,257	2,190,293
	2,898,253	1,023,244	1,940,276	2,128,080	1,784,567	3,557,478	13,331,898
Hybrid Bonds:							
Euro	49,411	-	-	-	-	4,077,200	4,126,611
	49,411	-	-	-	-	4,077,200	4,126,611
Commercial paper:							
Euro	306,000	-	-	-	-	-	306,000
Brazilian Real	66,303	56,831	-	-	-	-	123,134
US Dollar	2,698	-	333,609	-	-	-	336,307
	375,001	56,831	333,609	-	-	-	765,441
Other loans:							
Euro	2,201	-	-	252	-	-	2,453
Brazilian Real	3,403	-	-	-	-	12,364	15,767
US Dollar	2,342	-	-	-	-	-	2,342
Other	2,303	-	-	-	-	-1,982	321
	10,249	-	-	252	-	10,382	20,883
Fair Value	-7,336	-	-33,747	-	-	17,519	-23,564
Origination Fees	-9,278	-11,035	-4,650	-3,971	-4,974	-87,272	-121,180
	3,869,410	1,126,112	2,365,416	2,198,545	1,859,084	8,946,755	20,365,322

32. Employee benefits

Employee benefits are as follows:

Thousand Euros	Non-Current		Current	
	Jun 2023	Dec 2022	Jun 2023	Dec 2022
Provisions for pension liabilities	236,555	254,005	93,939	92,192
Provisions for medical liabilities and other benefits	370,680	390,294	51,644	34,575
	607,235	644,299	145,583	126,767

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

Thousand Euros	Jun 2023	
	Pensions	Medical and Other
Balance at the beginning of the period	346,197	424,869
Charge for the period	5,929	11,580
Actuarial (gains)/losses	-28,462	-4,945
Charge-off	-53,386	-15,858
Surplus/(Deficit) pension funding (see note 25)	56,957	-
Transfers, reclassifications and exchange differences	3,259	6,678
Balance at the end of the period	330,494	422,324

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

Thousand Euros	Jun 2023	
	Pensions	Medical and Other
Current service cost	1,262	1,609
Operational component (see note 10)	1,262	1,609
Net interest on the net pensions plan liability	4,667	9,971
Financial component (see note 13)	4,667	9,971
	5,929	11,580

With reference to 30 June 2023, the net movement of the Provision for pension liabilities period corresponds to a decrease of 14,805 thousands of Euros, which includes 24,710 thousands of Euros correspond to the negative net movement seen in Portugal and 9,906 thousands of Euros correspond to the positive net movement seen in Brazil.

In turn, the net movement in the Provision period for liabilities for medical care and other benefits corresponds to a decrease of 3,443 thousands of Euros, of which 13,011 thousands of Euros correspond to the negative net movement in Portugal, 4,461 thousands of Euros correspond to the negative net movement seen in Spain and 14,029 thousands of Euros correspond to the positive net movement seen in Brazil.

On 30 June 2023, 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 2022.

33. Provisions

Provisions are as follows:

Thousand Euros	Non-Current		Current	
	Jun 2023	Dec 2022	Jun 2023	Dec 2022
Provision for legal and labour matters and other contingencies	155,260	123,230	2,427	2,510
Provision for customer guarantees under current operation	-	-	2,169	2,092
Provision for dismantling and decommissioning	486,522	498,694	16,665	8,500
Provision for other liabilities and charges	308,996	300,135	34,231	38,183
	950,778	922,059	55,492	51,285

With reference to 30 June 2023, 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 customers in the context of current activity	Dismantling and Decommissioning	Other risks and charges	Total
Balance as at 31 December 2022	125,740	2,092	507,194	338,318	973,344
Perimeter variations (see note 6)	-	-	4,995	-	4,995
Charge for the period	26,766	384	-	941	28,091
Reversals	-4,707	-107	-	-2,301	-7,115
Charge-off for the period	-9,707	-243	-2,641	-2,919	-15,510
Unwinding (see note 13)	14,233	-	7,942	736	22,911
Increase of the responsibility (see note 15)	-	-	7,039	-	7,039
CMEC	-	-	-	8,286	8,286
Exchange differences and other	9,898	43	-13,498	2,409	-1,148
Reclassification to Liabilities Held for Sale (see note 38)	-4,536	-	-7,844	-2,243	-14,623
Balance as at 30 June 2023	157,687	2,169	503,187	343,227	1,006,270

EDP and its subsidiaries' Board of Directors, based on the information provided by its legal advisors and on the analysis of pending lawsuits, 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 authorities. 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 2023, there were no significant changes in the losses considered as possible as of 31 December 2022, with the following exception:

i) 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 6 April 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, with written observations having been submitted by the parties on the questions referred by the Lisbon Court of Appeal. Following the oral trial hearing at the Court of Justice of the European Union held on 9 November 2022, EDP and EDP Comercial were notified on 2 March 2023 of the Advocate General's conclusions, and are currently awaiting delivery of judgment;

ii) 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 (see note 4). 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.

However, on 12 October 2020, EDP Produção was notified of the appeal filed by the Public Prosecutor's Office, at the Lisbon Court of Appeal, against the TCRS order of 16 July 2020, and considered the existence of considerable damage in the early payment of the fine and suspended the payment order. 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. On 16 September 2021, the TCRS issued an order that demanded the payment of the fine. Despite having lodged an appeal against this order, on 20 October 2021 EDP Produção paid the amount under appeal, and is waiting for a decision on the appeals submitted. The trial hearing, which began in October 2021, continued with several inquiries until the end of March 2022, with closing arguments taking place on 6 July 2022. On 10 August 2022, the TCRS delivered a judgement, through which it confirmed the conviction of EDP Produção and the imposition of a fine of 48 million Euros, which had already been paid. On 30 September 2022, EDP Produção filed an appeal against the aforementioned decision to the Lisbon Court of Appeal. This was followed by the filing of counter-claims by the AdC and the Public Prosecutor's Office. On 30 June 2023, the trial hearing was held before the Lisbon Court of Appeal, and is currently awaiting delivery of the judgement.

iii) On 19 July 2021, Celulose Beira Industrial, SA (CELBI), submitted to SU Eletricidade, SA a constitutional request of an Arbitral Tribunal, regarding a conviction of a payment of the energy produced by it under special production in cogeneration, and its interest, since April 2020 (date on which, in accordance with the law and the understanding of DGEG and followed by SU Eletricidade, CELBI has moved to the transitional remuneration scheme provided for in DL No. 23/2010 and Ordinance No. 140/2012), and throughout the term of operation of its Cogeneration Center (which it estimates to be at least 25 years), i.e. at least until 24 March 2035 (supporting this understanding in the fact that the 2002 Remuneration Scheme does not establish any period); or, in the alternative, until 24 March 2030 (claiming that you are entitled to be remunerated under the 2002 Remuneration Scheme for a further 120 months (10 years) from March 2020); or, in the alternative, until November 2020 (claiming that the transition to the 2012 Remuneration Scheme should only take place six months after the effective knowledge of the communication sent by the SRB); or, in the alternative, until August 2020 (in the alternative claiming that the transition from CELBI's remuneration scheme would operate from the beginning of the month following the date of the audit report certifying primary energy savings, which means the transition would operate from August 2020 because the audit report is from July 2020). The overall value of the application amounts to 6,839 thousand Euros and has been classified as possible risk. In October 2021, SU Eletricidade filed a challenge. In February 2022, Procedural Decision No. 1 was issued, by which the Arbitral Tribunal considered itself competent to adjudicate the dispute between the parties, which was challenged by SU Eletricidade through annulment action filed in March 2022, currently pending at the Central Administrative Court, the pleadings phase having elapsed. In April 2022, the preparatory hearing was held, which was intended in particular to discuss previous questions raised as well as to the fixing of the list of the facts not at issue and the themes of the evidence. In June 2022, the parties filed a joint application alleging supervening facts. The trial hearing took place on 13, 14 and 15 September 2022 and, on 5 of December 2022, the parties presented the respective final written arguments. On 30 January 2023, the parties were notified of the arbitral award, which partially upheld one of the claims filed by CELBI (corresponding to 11.75% of them). On 31 March 2023, SU Eletricidade filed an action to annul the arbitral award at the South Administrative Central Court.

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 2023, the amount of this tax contingency amounts to 320 million Euros (31 December 2022: 315 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.

34. Institutional partnerships in North America

The caption Institutional partnerships in North America is as follows:

Thousand Euros	Group	
	Jun 2023	Dec 2022
Deferred income related to benefits provided	771,835	798,363
Liabilities arising from institutional partnerships	1,313,421	1,413,799
	2,085,256	2,212,162

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

Thousand Euros	Group	
	Jun 2023	Dec 2022
Balance at the beginning of the period	2,212,162	2,259,741
Proceeds received from institutional investors	12,112	53,714
Cash paid for deferred transaction costs	-411	-2,172
Cash paid to institutional investors	-61,489	-128,927
Other Income (see note 8)	-122,813	-233,505
Unwinding (see note 13)	41,752	96,955
Perimeter variations (see note 6)	45,607	24,892
Exchange differences	-40,243	144,123
Other	-1,421	-2,659
Balance at the end of the period	2,085,256	2,212,162

During the first semester of 2023, EDPR NA, has secured and received proceeds amounting to 12,112 thousand Euros related to institutional equity financing in exchange for an interest in onshore wind projects.

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 2023, the liabilities associated with these guarantees are not expected to exceed the amounts already recognized under the caption Liabilities arising from institutional partnerships.

35. 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 2023	Dec 2022	Jun 2023	Dec 2022
Contract liabilities:				
Energy sales contracts – North America	3,758	4,238	-	-
Deferred income – CMEC	25,134	24,950	49,478	55,616
Amounts received from the Fund for systemic sustainability of the energy sector	-	-	-	630,053
	28,892	29,188	49,478	685,669
Other liabilities:				
Investment government grants	313,536	327,118	-	-
Customer contract obligations	439,615	443,517	-	-
Amounts payable for tariff adjustments – Electricity – Portugal	-	-	481,064	958,357
Amounts payable for tariff adjustments – Electricity – Brazil	37,280	20,767	162,948	184,381
Amounts payable – securitisations	-	-	70,246	89,027
Amounts payable – CMEC	-	-	229,340	228,247
Amounts payable for concessions	215,999	211,056	-	-
Property, plant and equipment suppliers	237,821	202,861	2,652,957	2,549,047
Suppliers	-	-	967,079	1,256,420
Accrued costs related with commercial activities	-	-	847,640	984,040
Holiday pay, bonus and other charges with employees	-	-	175,821	225,599
CO2 emission Licenses	-	-	257,126	707,920
Other creditors and sundry operations	186,504	177,947	393,104	536,263
	1,430,755	1,383,266	6,237,325	7,719,301
	1,459,647	1,412,454	6,286,803	8,404,970

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

Thousand Euros	Current	
	Jun 2023	Dec 2022
Other liabilities:		
Suppliers	117,909	1,291,273
Accrued costs related with commercial activities	35,725	503,498
Property, plant and equipment suppliers	1,010	2,701
Holiday pay, bonus and other charges with employees	30,502	39,298
Other creditors and sundry operations	169,526	233,728
	354,672	2,070,498

On an individual basis, the changes that occurred in these captions are justified by the transfer of the energy management activity on 1 February 2023 to EDP GEM Portugal, S.A. (see note 12).

The caption Deferred income – CMEC is detailed as follows:

Thousand Euros	Non-current	Current
Initial CMEC	9,990	21,872
Final adjustment	15,144	27,606
	25,134	49,478

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 12,941 thousand Euros as at 30 June 2023.

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
Balance at the beginning of the period	-	958,357
Payment through the electricity tariff	-	-479,475
Tariff adjustment of the period (see note 7)	149,592	-
Interest expense (see note 13)	-	1,464
Transfer to/from tariff adjustment payable (see note 24)	-149,592	718
Balance at the end of the period	-	481,064

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 2023	Dec 2022	Jun 2023	Dec 2022
Amounts payable for tariff adjustments – Electricity – Brazil	37,280	20,767	162,948	184,381
Amounts receivable from tariff adjustments – Electricity – Brazil (see note 24)	-14,284	-12,883	-6,485	-14,310
	22,996	7,884	156,463	170,071

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

Thousand Euros	Jun 2023
Balance at the beginning of the period	177,955
Tariff adjustment of the period (see note 7)	100,556
Payment/Receipt through the electricity tariff	-109,816
Interest expense/income (see note 13)	-969
Effect of exchange differences of the Brazilian Real against the Euro	11,733
Balance at the end of the period	179,459

The movement includes the recognition of 125,056 thousand Euros (660,144 thousand Brazilian Real) of the refund and a negative amount of 132 thousand Euros (696 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 1,594,512 thousand Brazilian Real were returned, between 2020 and June 2023, through the electricity tariff, with an unwinding of 148,488 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 129,598 thousand Euros (31 December 2022: 125,154 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 86,401 thousand Euros (31 December 2022: 85,903 thousand Euros).

The caption Property, plant and equipment suppliers – Current and Non-current includes amounts payable arising from assets and projects acquisitions in the amount of 368,100 thousand Euros (31 December 2022: 332,727 thousand Euros) and the amounts due related with the construction of windfarms and solar parks in North America in the amount of 1,670,880 thousand Euros (31 December 2022: 1,409,674 thousand Euros), in Europe in the amount of 483,192 thousand Euros (31 December 2022: 466,270 thousand Euros) and in South America in the amount of 252,710 thousand Euros (31 December 2022: 375,583 thousand Euros).

The caption CO2 emission licenses includes the licenses corresponding to CO2 emissions made during 2023 in Portugal and Spain, in the amount of 48,559 thousand Euros and 208,567 thousand Euros, respectively (31 December 2022: 149,733 thousand Euros and 558,187 thousand Euros). The variation that occurred includes the consumption of 2023 and return, in 2023, of the licenses related to 2022 consumptions, which are delivered by April of the year following their consumption to the regulatory authorities.

The caption Other creditors and sundry operations – Current and Non-current includes, essentially, the amount payable to Mibel for daily energy transactions, amounts referring to the adjustments of the pool's price estimate in accordance with the regulatory mechanism for the renewable generation sector in Spain and amounts payable related to the reinsurance activity.

36. Other liabilities and other payables

Other liabilities and other payables are as follows:

Thousand Euros	Group		Company	
	Jun 2023	Dec 2022	Jun 2023	Dec 2022
Other liabilities and other payables – Non-Current				
Liabilities measured at amortised cost:				
Loans from non-controlling interests	645,991	659,367	-	-
Lease Liabilities	1,237,911	1,252,000	137,885	139,728
Liabilities measured at fair value through profit or loss:				
Derivative financial instruments (see note 39)	1,436,042	2,701,116	1,227,148	2,013,300
Amounts payable and contingent prices for acquisitions/sales	150,269	152,614	30,133	30,134
Other Liabilities:				
Other creditors and sundry operations	390,495	394,399	-	-
	3,860,708	5,159,496	1,395,166	2,183,162
Other liabilities and other payables – Current				
Liabilities measured at amortised cost:				
Loans from non-controlling interests	20,536	17,582	-	-
Dividends attributed to related companies	45,535	77,182	-	-
Group companies	-	-	6,018	3,857
Lease Liabilities	120,055	135,792	12,144	12,603
Liabilities measured at fair value through profit or loss:				
Derivative financial instruments (see note 39)	1,948,737	3,052,590	1,989,341	3,192,332
Amounts payable and contingent prices for acquisitions/sales	173,758	274,974	14,809	32,325
Other Liabilities:				
Other creditors and sundry operations	57,654	42,773	1,198,262	152,185
	2,366,275	3,600,893	3,220,574	3,393,302
	6,226,983	8,760,389	4,615,740	5,576,464

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

Thousand Euros		Jun 2023	Dec 2022
ACE Portugal (CTG Group)	Fixed rate of 3.75%	21,104	20,713
ACE Poland (CTG Group)	Fixed rate of a range between 2.95% / 7.23%	34,175	41,026
ACE Italy (CTG Group)	Fixed rate of 4.5%	29,885	31,954
Macquarie Super Core Infrastructure Fund SD Holdings S.À.R.L.	Fixed rate of a range between 0.40% / 2.73%	570,105	572,124
		655,269	665,817

The variation of the caption Amounts payable and contingent prices for acquisitions/sales results essentially from the recognition of the costs actually incurred in the construction of the respective wind farms, as provided for in the context of the operation to sell projects in North America in 2021 and 2022.

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

Thousand Euros	Jun 2023
Balance at the beginning of the period	1,387,792
Charge for the period	58,611
Unwinding of lease liabilities (see note 13)	22,901
Lease payments (principal and interests)	-74,714
Exchange differences	-10,724
Perimeter variations and other regularisations	-25,900
Balance at the end of the period	1,357,966

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

Thousand Euros	Jun 2023				
	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	2,095,946	556,835	416,061	396,359	726,691

On an individual basis, the changes that occurred in the caption Other creditors and sundry operations is justified by the transfer of the energy management activity on 1 February 2023 to EDP GEM Portugal, S.A. (see note 12).

37. Tax liabilities

Tax liabilities are as follows:

Thousand Euros	Group		Company	
	Jun 2023	Dec 2022	Jun 2023	Dec 2022
Non Current				
Special tax Brazil	195,009	179,250	-	-
Current				
Income tax	407,233	163,784	323,232	28,913
Withholding tax	67,516	85,207	1,420	1,322
Value Added Tax (VAT)	323,694	558,718	7,481	3,097
Special taxes Brazil	66,537	50,510	-	-
CESE	49,359	-	-	-
Other taxes	212,894	142,883	24,712	1,370
	<u>1,127,233</u>	<u>1,001,102</u>	<u>356,845</u>	<u>34,702</u>
	<u>1,322,242</u>	<u>1,180,352</u>	<u>356,845</u>	<u>34,702</u>

The Special taxes Brazil caption relates to the following taxes: CSLL (Social Contribution on net profits), PIS (Social integration programme) and COFINS (Social Security Financing Contribution).

38. Non-Current assets and liabilities held for sale

These captions are as follows:

Thousand Euros	Group	
	Jun 2023	Dec 2022
Assets held for sale		
Electricity generation - Onshore wind	382,225	-
Electricity generation - Thermal	410,333	-
Electricity generation - Joint Ventures	86,607	92,702
Electricity generation - Onshore wind - Other	8,072	9,198
	<u>887,237</u>	<u>101,900</u>
Liabilities held for sale		
Electricity generation - Onshore wind	96,284	-
Electricity generation - Thermal	269,232	-
	<u>365,516</u>	<u>-</u>
	<u>521,721</u>	<u>101,900</u>

During the fourth quarter of 2022, EDP Group started the process of selling an electricity production joint ventures. The asset associated with this investment was presented in non-current assets held for sale.

During the second quarter of 2023, the EDP Brasil Group, as part of its decarbonisation plan, started the process of selling Porto do Pecém Geração de Energia, S.A., which owns its coal power plant in Brazil. Assets and liabilities associated with this company were presented in non-current assets and liabilities held for sale.

During the second quarter of 2023, EDPR Group, as part of its asset rotation program, started the process of selling an onshore wind portfolio in Spain (ver nota 43). Assets and liabilities associated with this portfolio were presented in non-current assets and liabilities held for sale.

As at 30 June 2023 the following reclassifications were made to held for sale:

Thousand Euros	Renewables, Clients & EM		Other Segments	Total
	Onshore wind	Thermal	Joint Ventures	
Assets				
Property, plant and equipment (see note 15)	-261,824	-303,489	-	-565,313
Right-of-use assets (see note 16)	-15,156	-3,172	-	-18,328
Goodwill (see note 18)	-53,888	-	-	-53,888
Deferred tax assets	-38,387	-52,497	-	-90,884
Investments in joint ventures and associates (see note 20)	-	-	6,095	6,095
Other assets	-12,970	-79,009	-	-91,979
Cash and cash equivalents (see note 27)	-	-77,442	-	-77,442
Assets Held for Sale	382,225	515,609	-6,095	891,739
Liabilities				
Financial debt	-	-240,688	-	-240,688
Provisions (see note 33)	-5,669	-8,954	-	-14,623
Deferred tax liabilities	-41,456	-	-	-41,456
Other liabilities	-49,159	-19,590	-	-68,749
Liabilities Held for Sale	96,284	269,232	-	365,516
	-	-	-	-

The classification of assets and liabilities of Porto de Pecém Geração de Energia, S.A. as held for sale resulted in an impairment loss of 105,276 thousand Euros (577.195 thousand Reais), since the fair value less costs to sell is lower than its book value. The remaining reclassifications were made only for financial statement presentation purposes, without impact on the measurement of these assets and liabilities.

39. 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.

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

Thousand Euros	Jun 2023		Dec 2022	
	Assets	Liabilities	Assets	Liabilities
Net investment hedge				
Cross-currency interest rate swaps	47,955	-155,149	36,986	-211,081
Currency forwards	7,770	-12,495	25,726	-84,063
Fair value hedge				
Interest rate swaps	430	-36,632	479	-34,407
Cross-currency interest rate swaps	8,801	-39,078	26,007	-47,711
Cash flow hedge				
Interest rate swaps	46,187	-4,233	114,670	-1,611
Swaps related to gas commodity	267,426	-1,154,488	557,885	-2,279,446
Electricity swaps	247,729	-752,809	306,998	-1,262,063
Currency forwards (includes commodities forwards)	56,253	-42,191	71,295	-37,437
Trading				
Interest rate swaps	73,395	-33,225	14,474	-10,625
Cross-currency interest rate swaps	458	-40,621	11,382	-48,289
Commodity swaps and forwards	725,201	-1,012,976	1,277,258	-1,680,641
Currency forwards	16,004	-76,815	81,990	-33,173
CO ₂ forwards	2,808	-14,033	2,196	-12,116
Currency forwards associated to commodities	33,654	-10,034	48,352	-11,043
	1,534,071	-3,384,779	2,575,698	-5,753,706

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

Thousand Euros	Jun 2023		Dec 2022	
	Assets	Liabilities	Assets	Liabilities
Cash flow hedge				
Interest rate swaps	15,768	-7,088	92,527	-57,498
Swaps related to gas commodity	-	-	-187,698	-1,260,430
Electricity swaps	-	-	438,952	-142,417
Currency forwards (includes commodities forwards)	-	-	60,352	8,382
Trading				
Interest rate swaps	82,707	-81,551	36,637	-35,203
Cross-currency interest rate swaps	128,494	-174,454	165,562	-217,572
Commodity swaps	2,741,673	-2,741,673	3,143,029	-3,186,752
Currency forwards	95,197	-95,181	189,713	-189,713
Commodity forwards	26,774	-26,774	33,618	-92,557
Currency forwards associated to commodities	89,768	-89,768	67,896	-31,872
	3,180,381	-3,216,489	4,040,588	-5,205,632

The fair value of derivative financial instruments is booked in Other debtors and other assets (see note 25) and Other liabilities and other payables (see note 36), according to its nature.

As at 30 June 2023, 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 e Robor 3M; and exchange rates: EUR/GBP, EUR/BRL, EUR/CAD, EUR/COP, EUR/USD, USD/EUR.
Interest rate swaps	Interest rates: Euribor 3M, Euribor 6M, Wibor 6M, US Libor 3M e CAD Libor 3M, COOVIBR, Daily CDI, IPCA and SOFTRATE.
Currency forwards	Exchange rates: EUR/USD, EUR/PLN, EUR/BRL, EUR/HUF, EUR/CAD, EUR/COP, EUR/JPY, EUR/KRW, EUR/TWD, GBP/EUR, SGD/EUR, USD/CAD, USD/EUR, USD/HUF, USD/PLN, VND/USD.
Commodity swaps	Market quotes of commodities: Brent, NBP Natural Gas, Electricity, Henry Hub, TTF, Coal, CO ₂ , JKM and Mibgas.

40. 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 2023	Dec 2022	Jun 2023	Dec 2022
Operating guarantees				
EDP S.A.	726,036	966,223	726,036	966,223
EDP España Group	56,527	56,894	-	-
EDP Brasil Group	163,704	158,503	-	-
EDP Renováveis Group	3,698,534	3,717,511	-	-
	4,644,801	4,899,131	726,036	966,223

In addition to the above warranties, the amount of 7,374 thousand Euros refers to guarantees of an operating nature related to Spanish, Polish, Italian and Brazilian entities sold in 2022, but for which EDP assumes the responsibility temporarily until they are effectively replaced.

Additionally there are guarantees of an operational nature in the amount of 11,619 thousand Euros, associated with the portfolio of EDP Renewables of companies that were classified as held for sale on 30 June 2023.

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 893,260 thousand Euros and 331,242 thousand Euros, respectively (31 December 2022: 595,766 thousand Euros and 475,044 thousand Euros).

Additionally EDP – Energias de Portugal, S.A., Sucursal en España issued a Parent Company Guarantee (PCG) in favour of Banco BTG Pactual, S.A., dated 12 May 2023 and limited to a maximum amount of 6,000,000,000 BRL, destined to ensure any payment obligations to minority shareholders in the context of the tender offer launched by EDP International Investments and Services, S.L.U. (the Offeror) for the acquisition of minority-held shares issued by EDP – Energias do Brasil S.A. (the Offer), which the bank was jointly and severally liable for liquidating, as financial intermediary of the Offer under applicable Brazilian Law. The actual liabilities arising from the PCG have been reduced progressively up to the date of the Offer auction (which took place on 11 July 2023), through the funding of the Offeror. As of 30 June 2023, the total price of the minority-held shares object of the Offer not covered by funds deposited by the Offeror (i.e., the maximum potential liability under the PCG) was 2,799,516,000 BRL, corresponding to 530,331,893.61 EUR. As of 14 July 2023, the Offer auction has been carried out and successfully liquidated. Only 9,58% of the share capital of EDP – Energias do Brasil S.A. remains in free-float. The current nominal liability amount of the PCG is 255,387,738.82 BRL, corresponding to 47,428,406.19 EUR. In any event, the Offeror has allocated enough funds to the Offeror's Brazilian accounts as of 14 July 2023, so that 100% of the amounts to be potentially paid to minority shareholders of EDP – Energias do Brasil S.A. pursuant to the Offer, are ready to be deployed.

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 2023				
	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	162,512	25,646	27,365	13,200	96,301
Purchase obligations	27,984,549	7,907,955	5,141,655	2,899,165	12,035,774
	28,147,061	7,933,601	5,169,020	2,912,365	12,132,075

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 2023				
	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	39	35	4	-	-
Purchase obligations	221,569	81,032	106,105	27,899	6,533
	221,608	81,067	106,109	27,899	6,533

41. Related parties

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 2023			Total
	Intra-Group Financial	Loans and Interests	Other	
EDP Comercial, S.A.	-	67,345	197,865	265,210
E-Redes – Distribuição de Eletricidade, S.A	210,838	1,655,314	42,426	1,908,578
EDP Finance B.V.	782,955	396,757	39,008	1,218,720
EDP Produção, S.A.	-	-	125,385	125,385
EDP Renováveis, S.A.	-	-	80,973	80,973
EDP Servicios Financieros España, S.A.U.	563,321	-	17,270	580,591
SU Eletricidade, S.A.	589,930	-	7,134	597,064
EDP España, S.A.U.	-	-	90,785	90,785
EDP GEM Portugal, S.A.	-	-	2,415,230	2,415,230
EDP Renováveis Servicios Financieros, S.A.	-	-	200,671	200,671
EDP International Investments and Services, S.L.	-	500,673	40,514	541,187
Other	12,503	32,756	144,683	189,942
	2,159,547	2,652,845	3,401,944	8,214,336

The amount of 396,757 thousand Euros refers to one private placement by EDP S.A. of a bond issued by EDP Finance B.V.

Debits held

Thousand Euros	30 June 2023			Total
	Intra-Group Financial Mov.	Loans and Interests payable	Other Debits	
EDP Finance B.V.	-	4,460,847	102,362	4,563,209
EDP Produção, S.A.	528,889	-	17,832	546,721
EDP España, S.A.U.	-	-	38,533	38,533
EDP Clientes, S.A.	-	-	82,838	82,838
EDP GEM Portugal, S.A.	144,030	-	1,791,227	1,935,257
EDP Comercial, S.A.	98,706	-	399	99,105
EDP Global Solutions – Getsão Integrada de Serviços, S.A.	68,733	-	4,211	72,944
Other	50,671	-	141,632	192,303
	891,029	4,460,847	2,179,034	7,530,910

At 30 June 2023, the amount of 4,460,847 thousand Euros includes three intragroup bonds issued by EDP Finance BV and acquired by EDP S.A., in the total amount of 4,454,828 thousand Euros, with fixed and variable rate and a term to maturity up to 10 years.

Expenses

Thousand Euros	30 June 2023			Total
	Interest on Intra-Group Financial Mov.	Interest on Loans Obtained	Other Losses	
EDP Finance B.V.	-	33,353	63,120	96,473
EDP Produção, S.A.	4,388	-	471,168	475,556
EDP España, S.A.U.	-	-	1,906,656	1,906,656
EDP Clientes, S.A.	-	-	241,599	241,599
EDP Comercial, S.A.	1,416	-	151,648	153,064
EDP Renováveis S.A.	1	-	121,267	121,268
EDP GEM Portugal, S.A.	1,902	-	25,219	27,121
EDP Renováveis Servicios Financieros, S.A.	-	-	69,798	69,798
Other	2,891	-	50,424	53,315
	10,598	33,353	3,100,899	3,144,850

Income

Thousand Euros	30 June 2023			Total
	Interest on Intra-Group Financial Mov.	Interest on Loans Granted	Other Gains	
EDP Comercial, S.A.	482	733	467,311	468,526
E-Redes – Distribuição de Eletricidade, S.A	2,855	9,609	150,482	162,946
EDP Produção, S.A.	34	-	401,610	401,644
EDP Finance B.V.	455	3,301	18,041	21,797
SU Eletricidade, S.A.	1,281	-	79,833	81,114
EDP Renováveis, S.A.	-	-	260,543	260,543
EDP España, S.A.U.	-	-	1,735,600	1,735,600
EDP GEM Portugal, S.A.	2,271	70	151,346	153,687
EDP Clientes, S.A.	-	19	104,960	104,979
EDP Renováveis Servicios Financieros, S.A.	-	-	84,384	84,384
Other	7,465	1,032	143,612	152,109
	14,843	14,764	3,597,722	3,627,329

Other gains include income from equity investments of 574,395 thousand Euros (see note 13).

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

Assets and Liabilities

Thousand Euros	30 June 2023		
	Assets	Liabilities	Net Value
Joint Ventures			
Companhia Energética do JARI – CEJA	11,673	378	11,295
Empresa de Energia São Manoel, S.A.	1,250	14,990	-13,740
OW FS Offshore, S.A.	536,666	-	536,666
Other	5,931	577	5,354
	555,520	15,945	539,575
Associates			
Parque Eólico Sierra del Madero, S.A.	5,640	-	5,640
Centrais Elétricas de Santa Catarina, S.A. – Celesc	9,175	1,488	7,687
Eólica de São Julião, Lda.	9,129	1,485	7,644
Other	3,467	1,842	1,625
	27,411	4,815	22,596
	582,931	20,760	562,171

Transactions

Thousand Euros	30 June 2023			
	Operating Income	Financial Income	Operating Expenses	Financial Expenses
Joint Ventures				
Companhia Energética do JARI – CEJA	115	-	1,562	-
Empresa de Energia São Manoel, S.A.	251	-	9,609	-
OW FS Offshore, S.A.	7,817	12,101	-	-
Other	1,148	50	479	-
	9,331	12,151	11,650	-
Associates				
Eólica de São Julião, Lda	1,561	-	13,773	31,128
HC Tudela Cogeneración, S.L.	991	26	2,729	-
Eos Pax lía, S.L.	-	-	-	13,688
Unión de Generadores de Energia, S.L.	-	-	-	6,757
Other	534	220	106	5,655
	3,086	246	16,608	57,228
	12,417	12,397	28,258	57,228

During the first semester of 2023, EDP Group contributed with 6,200 thousand Euros of donations to Fundação EDP (see note 11).

42. Fair value of financial assets and liabilities

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

Thousand Euros	Jun 2023			Dec 2022		
	Carrying amount	Fair value	Difference	Carrying amount	Fair value	Difference
Assets						
Equity instruments at fair value	224,515	224,515	-	216,418	216,418	-
Investment property	27,971	27,971	-	27,294	27,294	-
Debtors/other assets from commercial activities	9,549,738	9,549,738	-	8,660,346	8,660,346	-
Other debtors and other assets	2,070,519	2,070,519	-	2,720,607	2,720,607	-
Derivative financial instruments	1,534,071	1,534,071	-	2,575,698	2,575,698	-
Collateral deposits/financial debt	85,231	85,231	-	53,101	53,101	-
Cash and cash equivalents	3,112,574	3,112,574	-	4,900,205	4,900,205	-
	16,604,619	16,604,619	-	19,153,669	19,153,669	-
Liabilities						
Financial debt	20,365,322	19,472,386	-892,936	20,022,473	18,938,885	-1,083,588
Suppliers and accruals	3,620,036	3,620,036	-	3,805,467	3,805,467	-
Institutional partnerships	2,085,256	2,085,256	-	2,212,162	2,212,162	-
Trade payables and other liabilities from commercial activities	3,373,263	3,373,263	-	5,241,322	5,241,322	-
Other liabilities and other payables	2,842,204	2,842,204	-	3,006,683	3,006,683	-
Derivative financial instruments	3,384,779	3,384,779	-	5,753,706	5,753,706	-
	35,670,860	34,777,924	-892,936	40,041,813	38,958,225	-1,083,588

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 2023			Dec 2022		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Financial assets						
Equity instruments at fair value through Other comprehensive income (note 21)	-	87,869	57,191	-	83,062	56,208
Profit or loss (note 21)	-	-	79,455	-	-	77,148
Tariff deficit at fair value through other comprehensive income (note 24)	-	879	-	-	1,164	-
Amounts receivable from concessions-IFRIC 12 at fair value through profit or loss (note 24)	-	1,231,408	-	-	1,012,104	-
Investment property	-	27,971	-	-	27,294	-
Derivative financial instruments (note 39)	-	1,534,071	-	-	2,575,698	-
	-	2,882,198	136,646	-	3,699,322	133,356
Financial liabilities						
Derivative financial instruments (note 39)	-	3,384,779	-	-	5,753,706	-
	-	3,384,779	-	-	5,753,706	-

43. Relevant or subsequent events

EDP reaches shareholding threshold allowing for compulsory acquisition of remaining shares in EDP Brasil

As announced to the market on 11 July 2023, EDP announced the result of the Auction following the Tender Offer in which EDP acquired 185,169,240 common shares issued by EDP - Energias do Brasil, which represent 31.86% of its total share capital. Having reached the quorum for the Registration Conversion set forth in article 22, item II, of CVM Resolution no. 85, of 31 March 2022, and in item 3.4 of the Offer notice and, consequently, the quorum for the Novo Mercado's Delisting set forth in article 43, item II, of B3's Novo Mercado regulations and in item 3.5 of the Offer Notice, the necessary measures have been taken for EDP - Energias do Brasil's Registration Conversion and delisting of its shares from B3, and the common shares issued by EDP - Energias do Brasil started to be traded in B3's basic segment as of 12 July 2023 until the effective Registration Conversion. The shareholders who did not sell their shares during the Auction could still do so (i) by means of negotiations at B3, until the date of the effective Registration Conversion or (ii) during the period of three months following the Auction, that is, until 11 October 2023, by means of a request submitted to the Bookkeeping Agent (Itaú Corretora De Valores S.A.), subject to the procedure described in item 8.1.1 of the Offer Notice, including with respect to the date of payment.

Additionally, as announced to the market on 26 July 2023, EDP announced that on 25 July 2023, as a result of the acquisitions carried out in the context of the EDP's obligation to extend the possibility of sale to those shareholders who did not sell on the Offer's auction during the subsequent three-month period, EDP's aggregate shareholding in EDP Brasil's share capital has reached 538,259,059 common shares, representing approximately 92.62% of the total common shares issued by EDP Brasil. As a result of the latest acquisitions and considering the total number of treasury shares (2.51%), outstanding shares currently represent less than 5% of the total shares issued by EDP Brasil. Accordingly, pursuant to item 9.1.1 of the Offer notice, and the provisions of Article 4, Paragraph 5, of the Brazilian Corporate Law, EDP will endeavor to, under the terms of applicable law, propose the convening of EDP Brasil's general shareholders' meeting to resolve on the compulsory acquisition of the remaining shares outstanding. With the approval of this resolution, the period allowed for supervening acquisitions may be closed earlier.

Norges Bank informs on qualified shareholding in EDP

On 6 July 2023, Norges Bank notified EDP, in accordance with article 16 of the Portuguese Securities Code, that it had increased its respective shareholder participation to 5.06% of EDP's share capital and of the respective voting rights. The 5% threshold was crossed by such company on 5 July 2023.

EDPR has closed the sale of a 257 MW wind portfolio in Spain

On July 2023, EDPR has closed the sale of a 257 MW wind portfolio in Spain to Verbund AG for an Enterprise Value of 460 million Euros. The transaction scope comprises 9 operating wind farms with an average age of 14 years and with the potential for repowering and additional hybrid solar capacity. The assets sold were part of the acquisition of the renewable business of Viesgo, closed on December 2020.

This transaction comes in the context of the 7 billion Euros Asset rotation program for 2023-26 announced in EDP's Capital Markets Day in March 2023.

44. 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.

Following the Strategic Plan Update 2023-2026, announced in the last 2 March 2023, the Executive Board of Directors reorganized the business segments in order to be aligned with this new view, with effect from 1 January 2023.

For comparability purposes and regarding the changes occurred in the segments' composition, a corresponding restatement of the previous year information was made.

The new segments defined by the Group are the following:

- Renewables, Clients & Energy Management
- Networks

The Renewables, Clients & Energy Management segment corresponds to the activity of generation of electricity from renewable sources, mainly hydro, wind and solar. This segment also 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.;
- EDP España, S.A.U.;
- EDP Renováveis, S.A. and all EDPR Group subsidiaries;
- Enerpeixe, S.A.;
- Investco, S.A.;
- Lajeado Energia, S.A.;
- EDP Comercial – Comercialização de Energia, S.A.;
- EDP Trading Comercialização e Serviços de Energia, S.A.;
- SU Eletricidade, S.A.;
- EDP Gás Serviço Universal, S.A.;
- EDP GEM Portugal, S.A.

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 Distribucion 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.

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, net of increases in Government grants, customers contributions for investment and sales of properties in the period. Goodwill is disclosed in note 18.

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 2023

Thousand Euros	Renewables, Clients & EM	Networks	Total Segments
Revenues from energy sales and services and other			
Revenues inter-segments	7,348,746	2,085,389	9,434,135
Revenues from third parties	-224,819	1,417,966	1,193,147
	7,573,565	667,423	8,240,988
Gross Profit	2,480,673	1,177,425	3,658,098
Other income	173,694	25,481	199,175
Supplies and services	-402,571	-182,537	-585,108
Personnel costs and employee benefits	-233,147	-110,585	-343,732
Other costs	-273,836	-171,484	-445,320
Impairment losses on trade receivables and debtors	-19,319	-12,522	-31,841
Joint ventures and associates	5,953	-4	5,949
Gross Operating Profit	1,731,447	725,774	2,457,221
Provisions	-16,037	-4,756	-20,793
Amortisation and impairment	-669,941	-268,603	-938,544
Operating Profit	1,045,469	452,415	1,497,884
Assets	29,783,867	6,356,946	36,140,813
Financial assets - Investments in joint ventures and associates	1,502,329	244	1,502,573
Operating Investment	2,208,064	452,998	2,661,062

Reconciliation of information between Operating Segments and Financial Statements for 30 June 2023

Thousand Euros	
Total Revenues from energy sales and services and other of Reported Segments	9,434,135
Revenues from energy sales and services and others from Other Segments	144,090
Adjustments and Inter-segments eliminations*	-1,332,865
Total Revenues from energy sales and services and other of EDP Group	8,245,360
Total Gross Profit of Reported Segments	3,658,098
Gross Profit from Other Segments	146,183
Adjustments and Inter-segments eliminations*	-140,127
Total Gross Profit of EDP Group	3,664,154
Total Gross Operating Profit of Reported Segments	2,457,221
Gross Operating Profit from Other Segments	15,347
Adjustments and Inter-segments eliminations*	-18,361
Total Gross Operating Profit of EDP Group	2,454,207
Total Operating Profit of Reported Segments	1,497,884
Operating Profit from Other Segments	-12,130
Adjustments and Inter-segments eliminations*	-13,161
Total Operating Profit of EDP Group	1,472,593
Total Assets of Reported Segments	36,140,813
Assets Not Allocated	21,221,171
Financial Assets	4,309,557
Trade Receivables and Other Debtors	9,549,738
Inventories	1,026,329
Tax Assets	2,702,986
Other Assets	3,632,561
Assets from Other Segments	661,168
Inter-segments assets eliminations*	-22,986
Total Assets of EDP Group	58,000,166
Total Equity accounted Investments in joint ventures and associates of Reported Segments	1,502,573
Equity accounted Investments in joint ventures and associates from Other Segments	176,856
Total Equity accounted Investments in joint ventures and associates of EDP Group	1,679,429
Total Operating Investment of Reported Segments	2,661,062
Operating Investment from Other Segments	32,053
Total Operating Investment of EDP Group	2,693,115
Dismantling/discomission of PP&E	7,039
Emission of CO2 Licenses	1,086,622
Concession Rights - IFRIC 12 **	-375,607
Investment Grants	-
Other Investments	11,590
Total Fixed Assets additions of EDP Group (Notes 15 and 17)	3,422,759

	Total of Reported Segments	Other Segments	Adjustments and Inter-segments eliminations*	Total of EDP Group
Other income	199,175	27,098	-14,679	211,594
Supplies and services	-585,108	-91,151	127,153	-549,106
Personnel costs and employee benefits	-343,732	-78,832	2,157	-420,407
Other costs	-445,320	-24,765	1,417	-468,668
Impairment losses on trade receivables and debtors	-31,841	-445	-	-32,286
Joint ventures and associates	5,949	37,258	5,719	48,926
Provisions	-20,793	-183	-	-20,976
Amortisation and impairment	-938,544	-27,294	5,200	-960,638

* Mainly related with intragroup balances and transactions eliminations.

** See Note 24 - Debtors and Other Assets from Commercial Activities

EDP Group Operating Segments Information as at 30 June 2022 *

Thousand Euros	Renewables, Clients & EM	Networks	Total Segments
Revenues from energy sales and services and other	9,480,937	1,930,546	11,411,483
Revenues inter-segments	80,239	1,172,641	1,252,880
Revenues from third parties	9,400,698	757,905	10,158,603
Gross Profit	1,771,026	1,140,458	2,911,484
Other income	290,120	43,655	333,775
Supplies and services	-368,047	-171,950	-539,997
Personnel costs and employee benefits	-208,963	-104,977	-313,940
Other costs	-274,883	-159,847	-434,730
Impairment losses on trade receivables and debtors	-13,302	-15,492	-28,794
Joint ventures and associates	69,704	113	69,817
Gross Operating Profit	1,265,655	731,960	1,997,615
Provisions	-616	-1,896	-2,512
Amortisation and impairment	-522,092	-257,922	-780,014
Operating Profit	742,947	472,142	1,215,089
Assets (31 December 2022)	28,616,881	6,374,655	34,991,536
Financial assets - Investments in joint ventures and associates Assets (31 December 2022)	1,441,056	248	1,441,304
Operating Investment	1,356,242	332,960	1,689,202

* Includes restatement originated by the reorganization of the business segments

Reconciliation of information between Operating Segments and Financial Statements for 30 June 2022

Thousand Euros	
Total Revenues from energy sales and services and others of Reported Segments	11,411,483
Revenues from energy sales and services and others from Other Segments	130,548
Adjustments and Inter-segments eliminations*	-1,375,388
Total Revenues from energy sales and services and others of EDP Group	10,166,643
Total Gross Profit of Reported Segments	2,911,484
Gross Profit from Other Segments	127,475
Adjustments and Inter-segments eliminations*	-128,845
Total Gross Profit of EDP Group	2,910,114
Total Gross Operating Profit of Reported Segments	1,997,615
Gross Operating Profit from Other Segments *	11,104
Adjustments and Inter-segments eliminations*	-14,691
Total Gross Operating Profit of EDP Group	1,994,028
Total Operating Profit of Reported Segments	1,215,089
Operating Profit from Other Segments	-13,946
Adjustments and Inter-segments eliminations*	-9,552
Total Operating Profit of EDP Group	1,191,591
Total Assets of Reported Segments (31 December 2022)	34,991,536
Assets Not Allocated	23,220,360
Financial Assets	5,271,624
Trade Receivables and Other Debtors	8,660,346
Inventories	1,256,300
Tax Assets	2,708,492
Other Assets	5,323,598
Assets from Other Segments	649,050
Inter-segments assets eliminations*	-44,535
Total Assets of EDP Group (31 December 2022)	58,816,411
Total Equity accounted Investments in joint ventures and associates of Reported Segments (31 December 2022)	1,441,304
Equity accounted Investments in joint ventures and associates from Other Segments	164,439
Total Equity accounted Investments in joint ventures and associates of EDP Group (31 December 2022)	1,605,743
Total Operating Investment of Reported Segments	1,689,202
Operating Investment from Other Segments	24,534
Total Operating Investment of EDP Group	1,713,736
Discomission of Property, plant and equipment	6,499
Emission of CO2 Licenses	457,117
Concession Rights - IFRIC 12 **	-272,915
Investment Grants	-111
Other Investments	-3,152
Total Fixed Assets additions of EDP Group	1,901,174

	Total of Reported Segments	Other Segments	Adjustments and Inter-segments eliminations*	Total of EDP Group
Other income	333,775	18,435	-10,945	341,265
Supplies and services	-539,997	-77,531	125,234	-492,294
Personnel costs and employee benefits	-313,940	-66,875	1,597	-379,218
Other costs	-434,730	-16,820	-1,733	-453,283
Impairment losses on trade receivables and debtors	-28,794	17	-	-28,776
Joint ventures and associates	69,817	26,404	-	96,220
Provisions	-2,512	-334	-	-2,845
Amortisation and impairment	-780,014	-24,717	5,139	-799,592

* Mainly related with intragroup balances and transactions eliminations

** See note 24 - Debtors and other assets from commercial activities

45. Reconciliation of Changes in the responsibilities of Financing activities

Thousand Euros	Group					
	Financial debt and Derivative financial instruments (including Collateral Deposits)			Institutional partnerships in North America (Note 34)	Lease Liabilities (Note 36)	Loans from non-controlling interests (Note 36)
	Loans obtained (Note 31)	Collateral Deposits (Note 31)	Derivative financial instruments (Note 39)*			
Balance as at 31 de December 2022	20,022,473	-53,101	159,246	2,212,162	1,387,792	676,949
Cash flows:						
Receipts relating to financial debt (including Collateral Deposits)	2,657,079	-	-	-	-	-
(Payments) relating to financial debt (including Collateral Deposits)	-2,164,393	-29,027	-	-	-	-
Interest and similar costs of financial debt including hedge derivatives	-387,702	-	-53,853	-	-	-
Receipts/(payments) relating to loans from non-controlling interests	-	-	-	-	-	-12,307
Interest and similar costs relating to loans from non-controlling interests	-	-	-	-	-	-8,369
Receipts/(payments) relating to derivative financial instruments	-	-	-14,411	-	-	-
Receipts/(payments) from institutional partnerships	-	-	-	-49,788	-	-
Lease (payments)	-	-	-	-	-74,714	-
Perimeter variations	5,278	-4	-	45,607	-7,127	170
Exchange differences	105,956	-3,099	21,657	-40,243	-10,724	1,860
Fair value changes	6,181	-	17,596	-	-	-
Interests and accrued and deferred costs	352,187	-	67,013	-1,421	-	8,224
Unwinding	-	-	-	41,752	22,901	-
ITC/PTC recognition	-	-	-	-122,813	-	-
New lease contracts/Increments in rent values	-	-	-	-	58,611	-
Reclassification to Liabilities held for sale	-231,737	-	-	-	-18,773	-
Balance as at 30 June 2023	20,365,322	-85,231	197,248	2,085,256	1,357,966	666,527

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

Thousand Euros	Company			
	Financial debt and Derivative financial instruments		Lease Liabilities (Note 36)	Group companies (Note 36)
	Loans obtained (Note 31)	Derivative financial instruments (Note 39)*		
Balance as at 31 December 2022	13,943,702	15,547	152,331	3,857
Cash flows:				
Receipts relating to financial debt (including Collateral Deposits)	1,750,000	-	-	-
(Payments) relating to financial debt (including Collateral Deposits)	-2,363,623	-	-	-
Interest and similar costs of financial debt including hedge derivatives	-118,464	-3,528	-	-
Receipts/(payments) relating to loans from related parties	-1,304,697	-	-	-
Receipts/(payments) relating to derivative financial instruments	-	48,839	-	-
Lease (payments)	-	-	-6,684	-
Fair value changes	-	-29,196	-	-
Unwinding	-	-	2,883	-
Interests and accrued and deferred costs	121,390	4,446	-	2,161
New lease contracts/Increments in rent values	-	-	1,499	-
Balance as at 30 June 2023	12,028,308	36,108	150,029	6,018

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

46. 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.

Our future



Part V

Annexes



Annexes

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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 CO₂ 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. $ROIC = \frac{EBIT \text{ Adjusted}}{\text{annual average Invested Capital}}$. 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 $EBIT - (\text{nominal tax rate} \times EBIT) + \text{share of net profit in joint ventures and associates}$. 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.



EDP – Energias de Portugal, S.A.
Felix Arribas Arias
Senior Accounting Officer - Corporate Centre

STATEMENT

With reference to the first half of 2023 financial year, and according to No. 1, item c) of article 29.º-J of the Portuguese Securities Code, I hereby declare that, to the best of my knowledge, the condensed of financial statements, were 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 the companies included in the consolidation perimeter, and that the Interim Management Report faithfully sets out the information required pursuant to No. 2 of the aforementioned article.

Lisbon, July 27, 2023

A handwritten signature in blue ink, appearing to be 'Felix Arribas Arias', written over a horizontal line.

Certifications and Declarations



EDP – Energias de Portugal, S.A.
Executive Board of Directors

STATEMENT

With reference to the first half of 2023 financial year, and according to No. 1, item c) of article 29.º-J of the Portuguese Securities Code, the signatories, acting as members of the Executive Board of Directors of EDP – Energias de Portugal, S.A. (“EDP”), hereby declare that, to the best of their knowledge, the condensed financial statements, were prepared according to the applicable accounting standards, giving a true and fair view of the assets, liabilities, financial position and results of EDP and the companies included in the consolidation perimeter, and that the Interim Management Report faithfully sets out the information required pursuant to No. 2 of the aforementioned article.

Lisbon, July 27, 2023

Miguel Stilwell de Andrade, Chairman

Rui Manuel Rodrigues Lopes Teixeira

Vera de Moraes Pinto Pereira Carneiro

Ana Paula Garrido de Pina Marques

Pedro Collares Pereira de Vasconcelos



General and Supervisory Board

STATEMENT

Pursuant article 29.º-J, 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 29.º-J No. 1, item a) of CVM (“condensed financial statements”) regarding 2023 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 29.º-J, No. 2 of CVM, the 2023 interim report faithfully states the events that have occurred on the referred period, their impact on the respective financial statements and contains a description of the principal risks and uncertainties for the coming six months of the 2023 financial year.

Lisbon, 27 July 2023

João Luís Ramalho de Carvalho Talone - Chairman

Dingming Zhang (as representative of China Three Gorges Corporation)

Shengliang Wu (as representative of China Three Gorges International Limited)

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

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

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

Felipe Fernández Fernández (as representative of DRAURSA, S.A.)

Fernando Maria Masaveu Herrero

João Carvalho das Neves

Maria del Carmen Fernández Rozado

Laurie Lee Fitch

Esmeralda da Silva Santos Dourado

Helena Sofia Silva Borges Salgado Fonseca Cerveira Pinto

Sandrine Dixson-Declève

Zili Shao

Luís Maria Viana Palha da Silva



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, 2023 (which shows total assets of Euros 58,000,166 thousand and total equity of Euros 16,631,130 thousand, including a consolidated a net profit for the period attributable to equity holders of EDP of Euros 436,759 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.

PricewaterhouseCoopers & Associados – Sociedade de Revisores Oficiais de Contas, Lda.

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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

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, 2023 are not prepared, in all material respects, in accordance with International Accounting Standard 34 – Interim Financial Reporting as adopted by the European Union.

July 27, 2023

PricewaterhouseCoopers & Associados
- Sociedade de Revisores Oficiais de Contas, Lda
represented by:

Signed on the original

João Rui Fernandes Ramos, ROC no. 1333
Registered with the Portuguese Securities Market Commission under no. 20160943



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, 2023 (which shows total assets of Euros 27,038,884 thousand and total equity of Euros 9,670,495 thousand, including a net profit for the period of Euros 550,832 thousand), the condensed company income statement, the condensed 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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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.

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, 2023 are not

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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.

prepared, in all material respects, in accordance with International Accounting Standard 34 – Interim Financial Reporting as adopted by the European Union.

July 27, 2023

PricewaterhouseCoopers & Associados
- Sociedade de Revisores Oficiais de Contas, Lda
represented by:

Signed on the original

João Rui Fernandes Ramos, ROC no. 1333
Registered with the Portuguese Securities Market Commission under no. 20160943

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