

ethicsedp

we are what we do

edp code of ethics



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Message from the Board of Directors

EDP's size and ambition make it vital for us to be recognised as setting the corporate standard, both internally and externally.

As such, we must always keep in mind the principles that govern and guide our strategy. These should be internalised by all employees to form a basis for individual and corporate development.

This code of ethics aims to make clear to all – internally and externally – what our principles are. It is in this spirit that EDP has drafted this document, which will be reviewed on a regular basis as the company grows and develops, and as we reflect on the problems faced by the world.

EDP has always undertaken its activity within a framework of ethical values, whether these have been explicit or implicit. Examples can be found in our Vision, Values and Commitments defined by the Executive Board of Directors and the sustainable development principles we adhere to with our customers, our work relations and our commitments to shareholders.

Naturally, a code does not seek to provide all the answers. However, we can analyse any issue from an ethical perspective, taking into account three factors:

1. Transparency: "Would I like my actions to become known?"
2. Impact: "Who do my actions affect?"
3. Correctness: "Will my actions be seen as correct by those affected?"

Adopting this code as our own will turn us into a stronger company. We shoulder a great responsibility, since we represent EDP in all our actions. We are what we do.

With my best regards,

António Mexia

Scope of application

This Code of Ethics applies to all employees of Grupo EDP – Energias de Portugal, hereinafter referred to as EDP, including the EDP Foundation and all EDP subsidiaries, without prejudice to any other applicable legal or regulatory provisions they are under obligation to follow in the course of their duties. This Code of Ethics, adapted as appropriate, also applies to permanent and temporary employees, legal representatives, external auditors and to all other persons providing services to EDP on a permanent or occasional basis.

By “employees” we mean all members of the governing bodies, managers and staff of EDP Group.

“Customers” are individuals or companies to whom EDP supplies its product or provides its services.

“Suppliers” are individuals or companies who supply products or provide services to EDP.

“Stakeholders” are individuals or companies with whom EDP has corporate, institutional and civic relations, including employees, customers, suppliers, counterparts, business partners or members of the community with whom EDP interacts, who may have legitimate interests in the transparency, dialogue and ethical conduct of the EDP Group and its employees.

01 Legislation and ethics

1.1 COMPLIANCE WITH LAWS

- 1.1.1 EDP and all its employees commit to ensuring that their professional activities comply fully with the national and international legislation in force in the regions in which they operate. Employees should never do anything in the name of EDP that breaks the laws and regulations that apply to its activity.
- 1.1.2 EDP should provide the supervision and oversight authorities with as much assistance as possible, meeting any requests that are made and not doing anything that may hinder them from exercising their supervisory duties.

1.2 ETHICS

- 1.2.1 EDP shall ensure that the Code of Ethics is made available to all employees and that a communication channel is open for resolving queries.
- 1.2.2 The approach adopted by EDP in implementing this Code of Ethics shall be pro-active, open and accompanied by appropriate regulations.
- 1.2.3 EDP shall use this Code as the primary tool for resolving ethical issues and shall ensure it complies with current legal practices in all the regions in which the Group operates.

02 Conduct in the workplace

2.1 TRANSPARENCY, HONESTY AND INTEGRITY

- 2.1.1 EDP and all its employees shall act according to the highest ethical standards of integrity, honesty and transparency.
- 2.1.2 Employees shall fulfil their obligations with professionalism, responsibility and zeal, striving for excellence even under difficult circumstances.
- 2.1.3 EDP and all its employees shall agree to explain and clarify their decision-making and professional conduct with total transparency whenever duly requested, while observing their duties of confidentiality.
- 2.1.4 Employees shall always act in a manner that is loyal to the principles and interests of EDP. Any situation that is likely to generate conflicts between personal interests and loyalty to the company or to other employees must be immediately disclosed in writing by the employee to his/her superior.
- 2.1.5 Employees commit to not engage in any external employment that may interfere with their duties or with the company's activities.
- 2.1.6 Employees with family or otherwise related persons in the company should not be involved in direct hierarchical or functional work relations with such persons.

- 2.1.7 Employees must report any conduct that conflicts with this Code of Ethics. The confidentiality and legal protection of whistleblowers is guaranteed in accordance with specific regulations, and those reported shall be treated fairly.
- 2.1.8 Employees shall maintain confidentiality regarding all issues involving the company, its customers or suppliers. Information to which they have access shall only be used in the interest of EDP or when expressly authorised by the company.
- 2.1.9 Employees should protect the company's assets, use them only in the execution of business processes and ensure they are used efficiently.

2.2 WORKING ENVIRONMENT

- 2.2.1 EDP shall continue to invest in personal and professional staff development, while encouraging a health work-life balance.
- 2.2.2 EDP shall promote correctness, courtesy, friendliness and professional pride in relations between employees, as well as mutual respect for their rights, sensibilities and diversity.
- 2.2.3 The safety, health and well-being of employees is a top priority of EDP. All employees must be aware of, follow and enforce health and safety rules at work and report any non-compliances.
- 2.2.4 Employees shall respect and uphold EDP's values by promoting cooperation and individual responsibility and by accepting diversity.

2.3 DEVELOPMENT OF HUMAN CAPITAL

- 2.3.1** EDP shall make all efforts to afford its employees high levels of professional satisfaction and achievement by paying fair salaries, offering a safe and sound working environment and offering opportunities for professional development throughout their careers.
- 2.3.2** Employees must make continuous efforts to improve and update their knowledge and skills and to make the most of the vocational training sessions run by the company.

03 Human rights and equal opportunities

3.1 HUMAN RIGHTS

- 3.1.1 EDP is aligned with the international community in recognising that human rights are fundamental and universal, and are based on conventions, treaties and international initiatives such as the United Nations Universal Declaration of Human Rights, the International Labour Organization and the Global Compact.
- 3.1.2 EDP shall not use child or forced labour nor shall it consent to such practices by third parties that supply products or provide any kind of service to the company.
- 3.1.3 EDP is against arbitrary detention, torture or execution and in favour of freedom of peaceful assembly and association, freedom of thought, conscience and religion, and freedom of opinion and expression.

3.2 NON-DISCRIMINATION AND EQUAL OPPORTUNITIES

- 3.2.1 EDP is committed to providing equal opportunities for all its employees and potential employees. All its labour practices, policies and procedures seek to prevent discrimination on the basis of race, gender, sexual orientation, religion, marital status, disability, political orientation or opinions of any other nature, ethnic or social origin, place of birth or trade union membership.

- 3.2.2 EDP shall safeguard the moral integrity of its employees by ensuring their right to working conditions that respect their individual dignity. EDP shall seek to protect its employees from psychological abuse and condemns any attitude or conduct that results in discrimination or offends their beliefs, such as insults, threats, isolation, invasion of privacy or professional limitation.
- 3.2.3 EDP shall not permit any form of moral or psychological coercion or any behaviour that is offensive to human dignity.

04 Integrity

4.1 PROHIBITION OF CORRUPTION AND BRIBERY

- 4.1.1 Corruption is forbidden in all its active and passive forms, either through acts and omissions or through the creation and maintenance of situations of benefit or illicit influence.
- 4.1.2 EDP and its employees shall not make any monetary or other contributions to political parties in the name of the company, anywhere in the world, with the intention of securing advantage or influence.
- 4.1.3 EDP and its employees shall inform the relevant authorities of any situation linked to the company whose disclosure is likely to have an impact on its economic, environmental and social situation.
- 4.1.4 EDP and its employees shall refuse any gifts that may be considered or interpreted as an attempt to influence either the company or an employee. In case of doubt, the employee shall communicate the situation to his/her superior in writing.

4.2 PRIVATE TRANSACTIONS WITHIN THE COMPANY

- 4.2.1 Employees may not negotiate or enter into any agreement on prices, market share or customers in relation to any activity that could restrict competition.
- 4.2.2 Employees holding relevant information that has not yet been publicly disclosed and is likely to influence the share prices of EDP Group companies

on the stock exchange, in particular profit estimates, acquisitions or significant partnerships, win or loss of important contracts and the like, cannot, prior to official disclosure:

- disclose this information to third parties;
- buy or sell shares in EDP Group companies, strategic partners or companies involved in transactions or relations with EDP Group that are or may be deemed insider information.

4.3 SHAREHOLDER RELATIONS

- 4.3.1 One of EDP's key objectives is to create value for shareholders, through the commitment to strive for excellence in its professional, economic, social responsibility and sustainable development practices.
- 4.3.2 EDP is committed to respecting the principle of equal treatment of shareholders, by ensuring the disclosure of information in a timely, true, transparent and accurate manner.
- 4.3.3 Information provided to shareholders shall include qualitative and quantitative data that identify the company's economic, financial, social, environmental and sustainability risks, and EDP is committed to the uncompromising defence, proposal and use of adequate measures to eliminate or mitigate those risks.
- 4.3.4 EDP is under obligation to implement all mechanisms and rules of transparency, impartiality and objectivity it requires to separate the interests of the EDP Group from the interests of individual shareholders or groups of shareholders, without prejudice to the legal rights and duties arising from their shareholdings.

05 Customer and Supplier Relations

- 5.1 EDP shall ensure that its customers and suppliers comply with the safety regulations and practices in force at the company.
- 5.2 EDP shall promote correctness, courtesy, friendliness and professional pride in its relations with customers and suppliers, as well as respect for their rights, sensibilities and diversity.
- 5.3 EDP shall not maintain relations with suppliers who do not act in the spirit of this Code of Ethics. EDP is committed to monitoring the ethical conduct of its suppliers and adopting strict and immediate measures whenever such conduct is questionable.

06 Environment and sustainability

6.1 EDP and its employees are dedicated to mitigating the impact of its activities on the environment and promoting sustainability in accordance with the principles set forth in its Environment Policy and in the EDP Group's eight Principles of Sustainable Development:

- Value creation;
- Efficient use of resources;
- Environmental protection;
- Integrity;
- Dialogue with stakeholders;
- Management of human capital;
- Promotion of access to electricity;
- Support for sustainable development.

6.2 EDP commits to integrating the concept of sustainability into its decision-making processes and evaluating the impact of its activity on the regions affected.

Disciplinary action

Any employee who does not comply with the principles set forth in this Code shall be subject to disciplinary action pursuant to the regulations applicable to the infractions committed.

Management of the Ethics Process

For more information on the Ethics Process, please see:

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Code of Ethics Regulations

“IamEDP”

<http://www.souedp.edp.pt/irj/portal/edponto>
or go to www.edp.pt <<http://www.edp.pt/>>

Contact details for the Ethics Ombudsman

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