



*edp*

# MATERIALITY REPORT

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**2021**



# 2021

## MATERIALITY REPORT

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# 01

## EXECUTIVE SUMMARY



## 01 EXECUTIVE SUMMARY

This Materiality Analysis refers to the 2021 financial year and corresponds to the activities, corporate strategy, and stakeholders of EDP España.

The methodology used for the analysis does not differ from that used in previous years, although new topics and sources of information have been incorporated in order to improve the analysis and provide the most reliable, complete, and objective results possible.

The 2020 and 2021 financial years have entailed a change in trends at EDP España. This period saw the consolidation of two major changes at corporate level: the acquisition of the company VIESGO and the sale of the customer portfolio (B2C).

Similarly, in 2021 a new Group strategy was approved, 'ESG 2030 Ambition', which, for the first time, places ESG criteria at the forefront of the company's lines of action.

For its implementation, the 'Ambition 2030' strategy focuses on 3 pillars:

- Rapid and sustainable growth, as green, resilient, and robust growth
- A future-ready, global, agile, innovative, and digitally-driven organisation
- With ESG excellence at the heart of the strategy, alongside leadership, positioning, and returns.

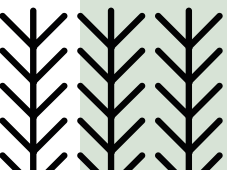
In turn, there are 12 strategic objectives, grouped into four major blocks or cores: leadership in the energy transition, commitment to environmental protection, positive impact on society, and a solid governance structure. Two of the main milestones are the phasing out of coal from the production process by 2025 and achieving carbon neutrality by 2030.

Externally, ESG-related topics are becoming increasingly important, whether at an institutional, regulatory, or social level.

With regard to environmental issues, we focus on three key points, which are the baseline of our sustainability strategy: The objectives of the Paris Agreement (+1.5 °C by the end of the century), climate neutrality by 2050, and achieving a positive impact on biodiversity, in line with the objectives of the COP Biodiversity Conference held in China in October 2021.

In terms of social aspects, internal organisation, labour aspects, gender equality, and mental health stand out, among other elements. In the external sphere, we focus on supporting human and labour rights in supply chains, and building strong relationships with administrations, local communities, and other stakeholders.

Lastly, on governance-related issues, we pay particular attention to the latest developments and trends in the field. Examples of this include Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020 on the establishment of a framework to facilitate sustainable investment, the current status of the future Directive on company's due diligence and corporate responsibility.



# MATERIALITY REPORT

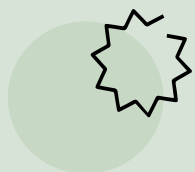
## MAIN RESULTS

In 2021, we have identified 21 categories, grouped into 60 topics, as in the previous financial year.

The results per category, on an **external** level, are:



### ECONOMIC COMMITMENT



- Sustainable mobility (93%)
- Crisis management (91%)
- Digital transformation (86%)
- Innovation and research (79%)
- Energy infrastructures (75%)
- Corporate governance (71%)
- Business ethics (68%)
- Socially responsible investment (61%)
- Business sustainability (57%)
- Supplier management (54%)

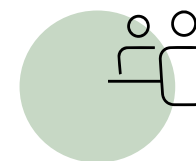
%: Level of relevance

### ENVIRONMENTAL COMMITMENT



- Energy efficiency (100%)
- Climatic changes (93%)
- Environmental management (89%)
- Renewable energy promotion (79%)

### SOCIAL COMMITMENT



- Human and labour rights (93%)
- Vulnerable customers (93%)
- Communication and transparency (89%)
- Engagement with local communities (87%)
- Customer satisfaction and service (77%)
- People management (75%)
- Safety (70%)

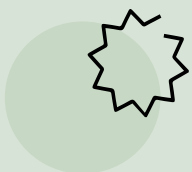
# MATERIALITY REPORT

## MAIN RESULTS

The results per category, on an **internal level**, are:



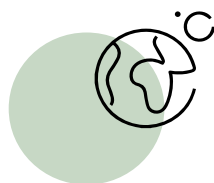
### ECONOMIC COMMITMENT



- Sustainable mobility (95%)
- Supplier management (79%)
- Digital transformation (69%)
- Crisis management (64%)
- Innovation and research (63%)
- Energy infrastructures (58%)
- Business sustainability (55%)
- Socially responsible investment (48%)
- Business ethics (25%)
- Corporate governance (23%)

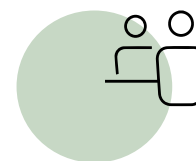
%: Level of relevance

### ENVIRONMENTAL COMMITMENT



- Energy efficiency (100%)
- Climatic changes (98%)
- Renewable energy promotion (95%)
- Environmental management (91%)

### SOCIAL COMMITMENT



- Safety (68%)
- Engagement with local communities (67%)
- Customer satisfaction and service (58%)
- People management (50%)
- Human and labour rights (48%)
- Communication and transparency (39%)
- Vulnerable customers (30%)

# MATERIALITY REPORT

The most relevant categories on an external level in 2021 have been:

1. Energy efficiency (100%)
2. Human and labour rights (93)
3. Sustainable mobility (93%)
4. Vulnerable customers (93%)
5. Climatic changes (93%)
6. Crisis management (91%)
7. Environmental management (89%)
8. Communication and transparency (89%)
9. Engagement with local communities (87%)
10. Digital transformation (86%)

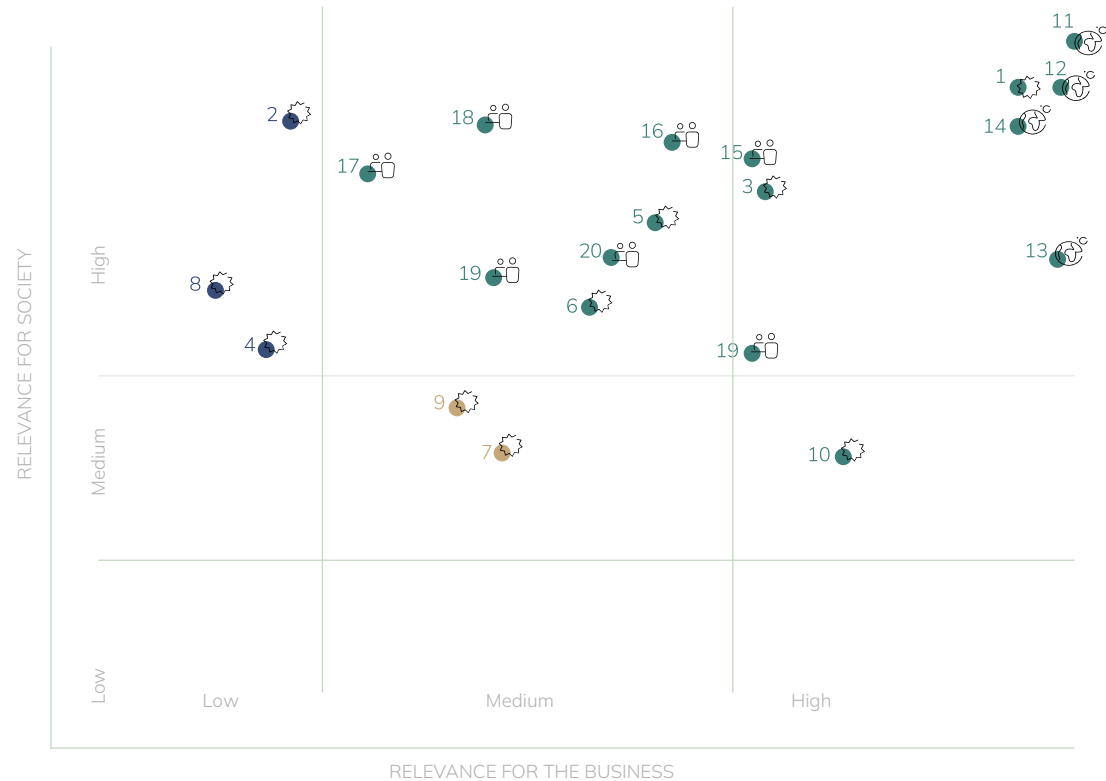
The most relevant categories on an internal level in 2021 have been:

1. Energy efficiency (100%)
2. Climatic changes (98%)
3. Sustainable mobility (95%)
4. Renewable energy promotion (95%)
5. Environmental management (91%)
6. Supplier management (79%)

## RELEVANT CATEGORIES

The following matrix is obtained from the analysis of the internal and external relevance.

The matrix shown below is divided into 9 sections that represent the materiality level in each category



**CRITICAL RELEVANCE**  
(Very relevant for the society and the business)

**SENSITIVE TOPICS FOR THE BUSINESS**  
(Very relevant for the society and not much relevant for the business)

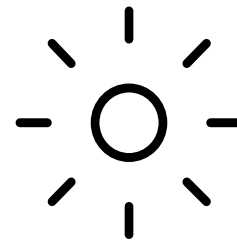
**HIGH RELEVANCE**  
(Medium-high relevance for the business and medium-low relevance for the society)

**MEDIUM RELEVANCE**  
(Medium relevance for the society or medium relevance for the business)

**LOW RELEVANCE**  
(Low relevance for the society and for the business)







# MATERIALITY REPORT

## RELEVANT CATEGORIES

The materiality level is determined by the degree of relevance of each core.

### CRITICAL RELEVANCE

(Very relevant for the society and the business)

### TOPICS SENSIBLES PARA EL NEGOCIO

(Very relevant for the society and not much relevant for the business)

### HIGH RELEVANCE

(Medium-high relevance for the business and medium-low relevance for the society)

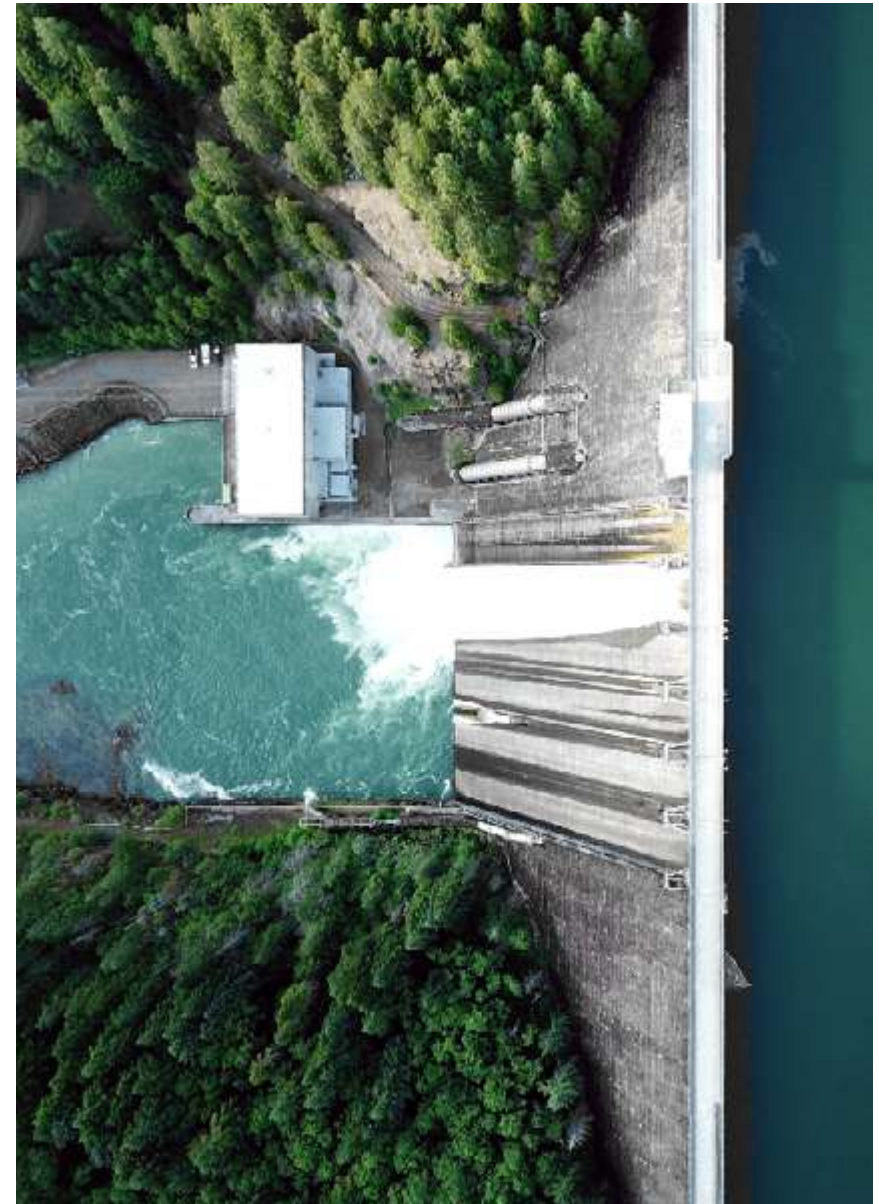
### MEDIUM RELEVANCE

(Medium relevance for the society or medium relevance for the business)

### LOW RELEVANCE

(Low relevance for the society and for the business)

1. Sustainable mobility (93%)
2. Vulnerable customers (93%)
3. Digital transformation (75%)
4. Business ethics (65%)
5. R&D (64%)
6. Energy infrastructures (61%)
7. Economic sustainability of the business (57%)
8. Corporate governance (54%)
9. Socially responsible investment (46%)
10. Supplier management (46%)
11. Energy efficiency (93%)
12. Climatic changes (89%)
13. Renewable energy promotion (75%)
14. Environmental management (86%)
15. Engagement with local communities (80%)
16. Crisis management (79%)
17. Communication and transparency (75%)
18. Human rights (71%)
19. Safety (64%)
20. Customer satisfaction and service (60%)



# 02

## IDENTIFICATION OF TOPICS



# 02

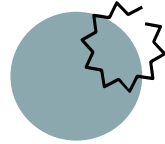
## IDENTIFICATION OF TOPICS

Below, we have gathered the main material ESG topics identified by EDP (see appendix I), grouped into the three dimensions and categorised according to recognised international standards (DJSI, GRI, SASB...). Each of these topics has been assigned a more exhaustive description, based on which information is searched for obtaining relevant information for the study. Such description by them and category is developed in Appendix I of this document.

Its subsequent analysis will allow the company to reach optimal management levels in sustainability, while fostering transparency with its stakeholders.

In this sense, the first stage of internal analysis (initial identification) is carried out by EDP taking into account its corporate policies, stakeholder perception analysis from previous years, strategic plan and ESG risk map, among others.

ECONOMIC DIMENSION



### CORPORATE GOVERNANCE

- Structure and operation of corporate governance
- Assessment and remuneration

### BUSINESS ETHICS

- Effective and confidential management of ethical complaints
- Risk of corruption/bribery/fraud/money laundering
- Promotion of an ethical culture in the organisation
- Responsible political engagement
- Unfair competition practices Information security and privacy

### BUSINESS SUSTAINABILITY

- Creation of long-term value
- Solvency and financial management

### SOCIALLY RESPONSIBLE INVESTMENT

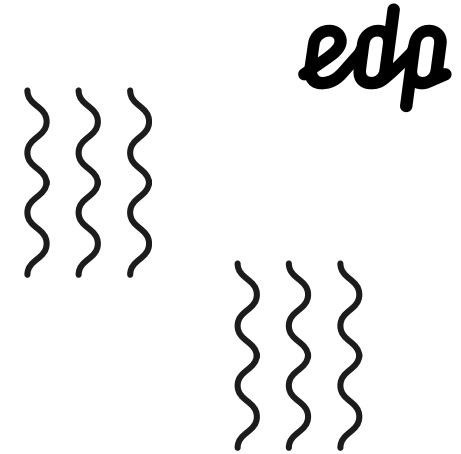
- Assessment of the company's ESG performance
- Responsible investment and financing

### INNOVATION AND RESEARCH

- Partnership, funding and research dissemination agreements
- Development of innovative technologies

### DIGITAL TRANSFORMATION

- Digital transformation
- Digital inclusion



### SUSTAINABLE MOBILITY

- Electric mobility

### SUPPLIER MANAGEMENT

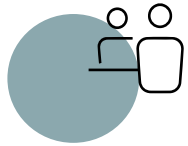
- Sustainability in the supply chain
- CO2 in the supply chain

### ENERGY INFRASTRUCTURES

- Quality of the technical support
- Distributed generation/Self-consumption

### CRISIS MANAGEMENT

- Critical infrastructures
- Information security
- Infectious diseases
- Critical suppliers



### HUMAN AND LABOUR RIGHTS

- ☞ Respect for human and labour rights

### COMMUNICATION AND TRANSPARENCY

- ☞ Communication and transparency
- ☞ Fiscal transparency

### CUSTOMER SATISFACTION AND SERVICE

- ☞ Customer satisfaction and service
- ☞ Claim and complaint management
- ☞ Energy prices
- ☞ New energy services
- ☞ Product and service safety
- ☞ Sustainable consumption

### VULNERABLE CUSTOMERS

- ☞ Energy poverty

### ENGAGEMENT WITH LOCAL COMMUNITIES

- ☞ Engagement with local communities
- ☞ Management of impacts on local communities
- ☞ Respect for the indigenous communities
- ☞ Just energy transition
- ☞ Access to energy

### PEOPLE MANAGEMENT

- ☞ Attracting and retaining talent
- ☞ Training and development
- ☞ Employee satisfaction
- ☞ Work-life balance and social protection measures
- ☞ Compensation and benefits
- ☞ Labour relations
- ☞ Job stability
- ☞ Diversity / Equal opportunities



### SAFETY

- ☞ Occupational incidents and diseases
- ☞ Occupational health promotion
- ☞ Physical safety in premises
- ☞ Mental health at work

*This first stage of internal analysis is carried out by EDP taking into account its corporate policies, stakeholder perception analysis from previous years, strategic plan and ESG risk map, among others.*



### CLIMATIC CHANGES

- ☞ Mitigation of climate change
- ☞ Adaptation to climate change

### RENEWABLE ENERGY PROMOTION

- ☞ Renewable energy promotion

### ENERGY EFFICIENCY

- ☞ Energy efficiency

### ENVIRONMENTAL MANAGEMENT

- ☞ Circular economy
- ☞ Water management
- ☞ Biodiversity protection
- ☞ Pollution prevention

03

EXTERNAL  
PRIORITISATION



# 03

## EXTERNAL PRIORITISATION



After the initial identification of topics, internally carried out by EDP, the next step of the methodology is identifying all the relevant sources of information available (standards, analysts' and investors' requirements on ESG matters, studies by relevant entities, media analyses, public peer information, regulations and trends in the sector, among others).

Subsequently, the level of management and relevance identified for each category and topic is analysed per each stakeholder and source.

The results observed per stakeholder are detailed below:

### SHAREHOLDERS AND INVESTORS

#### A. Analysed sources

With respect to the Materiality Analysis for year 2020, the information sources for 'Shareholders and Investors' stakeholders have been extended in 2021 as follows: Dow Jones Sustainability Index, other ESG indices, EDP '2030 Ambition' strategy, Investor and Stakeholder Relationship Division of the EDP Group (DRIS), EDP España Sustainability Plan (Global and Platforms), EDP España Circular Economy Strategy, EDP España 2020 Social Investment Plan, 2020 Sustainability Reports (EDP España/EDP Redes España), Fundación EDP 2020 Report, and interviews with the Management.

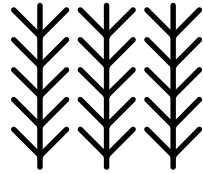
#### B. Common topics to all the analysed sources

For year 2021, the following material topic has been found relevant, to the extent to which it is observed in the sources analysed:

1. Climate change mitigation

#### C. Statistical weighting

TOPICS	WEIGHTING		TREND
	2021	2020	
Climate change mitigation	100%	100%	=
Biodiversity protection	90%	65%	↗ <sub>+25</sub>
Information security	90%	75%	↗ <sub>+15</sub>
Energy efficiency	87%	60%	↗ <sub>+20</sub>
Engagement with local communities	87%	70%	↗ <sub>+17</sub>
Labour relations	87%	55%	↗ <sub>+32</sub>
Progress of the company's ESG performance	85%	65%	↗ <sub>+20</sub>
Management of impacts on local communities	84%	70%	↗ <sub>+14</sub>
Diversity / Equal opportunities	84%	65%	↗ <sub>+19</sub>
Creation of long-term value	80%	75%	↗ <sub>+5</sub>
New energy services	80%	75%	↗ <sub>+5</sub>
Adaptation to climate change	80%	85%	↘ <sub>-5</sub>
Renewable energy promotion	80%	65%	↗ <sub>+15</sub>
Water management	80%	40%	↗ <sub>+40</sub>
Occupational incidents and diseases	80%	55%	↗ <sub>+25</sub>
Circular economy	77%	70%	↗ <sub>+7</sub>
Employee satisfaction	75%	70%	↗ <sub>+5</sub>
Just energy transition	74%	60%	↗ <sub>+14</sub>
Physical safety in premises	70%	75%	↘ <sub>-5</sub>
Development of innovative technologies	70%	50%	↗ <sub>+20</sub>
Pollution prevention	67%	45%	↗ <sub>+22</sub>
Sustainability in relationships with suppliers	65%	55%	↗ <sub>+10</sub>
Customer satisfaction and service	65%	60%	↗ <sub>+5</sub>
Critical suppliers	65%	65%	=



#### D. General analysis

Compared to the previous year, it is generally clear that the relative importance of environmental matters in the overall ranking of material topics has been maintained, highlighting aspects related to climate change mitigation (100%) and biodiversity protection (+25 points).

Information security is also of particular importance, as it is a cross-cutting topic that affects all EDP España companies and/or platforms in their relationships with stakeholders.

These topics are aligned with the global topics highlighted by the [World Economic Forum, en su informe anual de riesgos ESG \(pág.:14\)](#)

#### E. Analysis per dimension

##### ECONOMIC COMMITMENT



- Information security (90%)
- Assessment of the company's ESG performance (85%)
- Creation of long-term value (80%)
- Development of innovative technologies (70%)
- Sustainability in relationships with suppliers (65%)
- Critical suppliers (65%)

##### ENVIRONMENTAL COMMITMENT

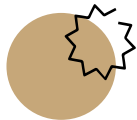


- Climate change mitigation (100%)
- Biodiversity protection (90%)
- Energy efficiency (87%)
- Adaptation to climate change (80%)
- Renewable energy promotion (80%)
- Water management (80%)
- Circular economy (77%)
- Pollution prevention (67%)

##### SOCIAL COMMITMENT



- Engagement with local communities (87%)
- Labour relations (87%)
- Management of impacts on local communities (84%)
- Diversity/ Equal opportunities (84%)
- New energy services (80%)
- Occupational incidents and diseases (80%)
- Employee satisfaction (75%)
- Just energy transition (74%)
- Physical safety in premises (70%)
- Customer satisfaction and service (65%)



a. ECONOMIC DIMENSION

In the economic field, the study conducted for 2021 shows the main material topics to be information security with 90% (+15 points compared to 2020), assessment of the company's ESG performance with 85% (+20 points) and the creation of long-term value with 80% (+5 points). Two of these topics, long-term value creation and information security, were already at the top of the list of major social and government matters and concerns in previous analyses.

It is worth noting the increased weight given to the company's assessment of its ESG performance, from 65% in 2020 to 85% in the current study. In this respect, EDP continues to work to direct its long-term strategy according to sustainability criteria, which is reflected for yet another year in the DJSI, where it continues to lead from the front as number 1 for utilities in the global and European indices, achieving its highest score in history (91 points).

The Strategic Update of the 2019-2022 corporate Business Plan provides the main cores that support this strategic position of the Group:

**OUR COMMITMENTS**

**Accelerated and sustainable growth**  
Increasing green growth Distinctive and resilient portfolio Solid balance sheet

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

**Future-ready organisation Global, agile and efficient**  
Talented and empowered people. Innovative and digitally-driven

**ESG excellence and appealing returns ESG benchmark**

Green leadership position  
Solid visibility of returns



b. SOCIAL DIMENSION

The social dimension analyses both internal aspects, related to employees, and external aspects, mainly regarding local communities where assets exist and/or activities are carried out.

Internally, the main material topics that directly affect EDP España employees are both labour relations aspects and the occupational health and safety of the people who work and/or operate at EDP España's facilities and their satisfaction.

Externally, engagement with local communities (87%, an increase of 17 points compared to 2020) where EDP has a presence and dealing with their needs and expectations has increased in importance, being coordinated through the Social Investment Plan.



# 03

## EXTERNAL PRIORITISATION

These results evidence that EDP 'ESG Ambition 2030' Strategy is in line with the international trends and the qualified investors' and analysts' expectations



### LEADING THE ENERGY TRANSITION

#### 1. CLEAN GENERATION

Decarbonising generation, attaining carbon neutrality and offsetting residual CO2 emissions

#### 2. SUSTAINABLE CONSUMPTION

Decarbonising consumption and promoting low-carbon and energy-efficient products and services

#### 3. INNOVATION AND DIGITAL TRANSFORMATION

Strengthening the company's approach based on four innovation pillars: cleaner energy, smarter grids, storage and flexibility, and customer-oriented solutions, reinforced by a solid digital culture

#### 4. JUST TRANSITION

Promoting a just transition by mobilising investments in renewable energies in the regions in which coal has been phased out, and supporting workers and communities in a sustainable and economically inclusive way Committed to the protection of the environment



### COMMITTED TO THE PROTECTION OF THE ENVIRONMENT

#### 5. CIRCULAR ECONOMY

Accelerating the circularity of our assets and business model, paying special attention to water management

#### 6. NATURAL CAPITAL

Assessing and integrating natural capital into our decision-making processes, placing biodiversity protection as our main driver

#### 7. ADAPTATION AND RESILIENCE

Mitigating the climate risks and strengthening EDP's resilience to medium- and long-term climate effects



Lastly, in the results of the 2021 analysis, on environmental matters, compared to the previous year's analysis, it should be highlighted the increased relevance of biodiversity protection (+25 points) and energy efficiency (+20 points). Climate change mitigation, as the most relevant topic, is in line with the results of the previous year, as well as with the strategy of the company.

From this analysis, it can thus be inferred that the company's shareholders attribute major significance to the topics related to climate change and environmental protection, as well as the responsible use of resources in order to attain circular economy, which will align the business with the new regulations that are expected to be passed in the national and European market.



...WITH A POSITIVE IMPACT ON SOCIETY

8. **DIVERSITY AND WELL-BEING**

Ensuring a just and safe workplace in EDP, based on solid principles of diversity and inclusion

9. **SUSTAINABLE VALUE CHAIN**

Applying decarbonising, gender equality and reporting criteria in the selection of materials and services and in the selection of suppliers

10. **INCLUSIVE COMMUNITIES**

Contributing to a better society and to the development of local communities through continuous social investment



...AND A SOLID GOVERNANCE STRUCTURE

11. **ETHICAL BEHAVIOUR**

Continuing to foster a solid ethical culture internalised in all the company's principles and policies

12. **ESG GOVERNANCE STRUCTURE**

Further linking variable remuneration to the ESG standards and shareholder value, and better practices in the remuneration policy

.... **12 OBJECTIVES TO FOSTER SUSTAINABILITY**



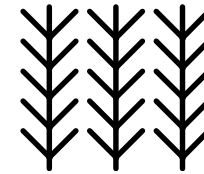
# 03 EXTERNAL PRIORITISATION

## CITY COUNCILS

### A. Analysed sources

Compared to the sources used in 2020, the following have been added: the Cantabria Municipality Federation and the Active Listening Report. Furthermore, as regards city councils, this study has assessed Los Barrios (Algeciras) and Puente Nuevo (Córdoba). The Mining Region Association (ACOM) has been eliminated due to not publishing relevant information on ESG matters nor offering information sources throughout the year.

With respect to 2020, the following have been maintained as sources: the Spanish Federation of Municipalities and Provinces (hereinafter, FEMP) and the Investor and Stakeholder Relationship Division of the EDP Group (DRIS).

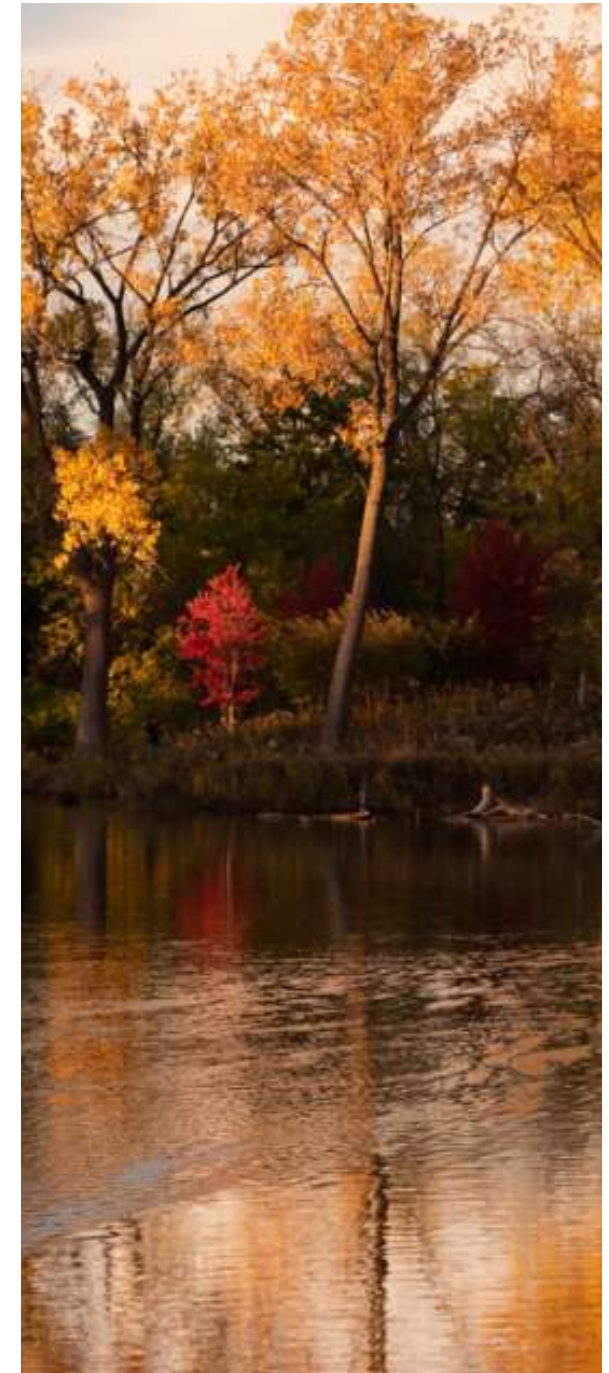


### B. Common topics to all the analysed sources

None of the topics assessed in the 2021 materiality report is unanimously included in the matters addressed by each of the consulted sources.

### C. Statistical weighting

TOPICS	WEIGHTING		TREND
	2021	2020	
Energy efficiency	90%	65%	↗ +25
Infectious diseases	80%	70%	↗ +10
Electric mobility	70%	55%	↗ +15
Digital inclusion	70%	15%	↗ +55
Climate change mitigation	70%	45%	↗ +25
Pollution prevention	70%	55%	↗ +15
Engagement with local communities	70%	30%	↗ +40
Management of impacts on local communities	70%	40%	↗ +30
Adaptation to climate change	65%	10%	↗ +55
Just energy transition	65%	55%	↗ +10





#### D. General analysis

In general, the assessment of the analysis of material topics by city councils has varied significantly compared to the previous year. In 2020, the most important topic was critical infrastructure (80%), followed by communication and transparency, energy poverty, infectious diseases, and biodiversity protection (70%).

However, in 2021, the most important topic was energy efficiency with 90% (+25 points) and, as is logical in the current healthcare situation, infectious diseases with 80% (+10 points), which has affected the general population and, therefore, the management by municipal entities.

Energy poverty, given that EDP España no longer has a portfolio of B2C (domestic) customers, is not significant for the company's current business structure, beyond the social investment aspects that can be developed together with the Local Communities.

As new developments, the list of important topics stands out with 70% for electric mobility (+15 points), and digital inclusion (+55 points), among others.

#### E. Analysis per dimension

ECONOMIC COMMITMENT



- Infectious diseases (80%)
- Electric mobility (70%)
- Digital inclusion (70%)
- Quality of the technical support (50%)
- Information security (50%)

ENVIRONMENTAL COMMITMENT

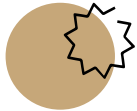


- Energy efficiency (90%)
- Climate change mitigation (70%)
- Pollution prevention (70%)
- Adaptation to climate change (65%)

SOCIAL COMMITMENT



- Engagement with local communities (70%)
- Management of impacts on local communities (70%)
- Just energy transition (65%)
- Communication and transparency (55%)

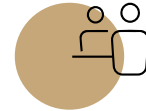


a. ECONOMIC DIMENSION

In the analysis of the economic dimension, the sources consulted prioritise topics related to infectious diseases (+10 points compared to 2020), electric mobility (+15 points), and digital inclusion (+55 points).

With regard to infectious diseases, as was the case in 2020, the special significance is due to the impact of COVID-19. City councils had to ensure that essential services continued to function smoothly despite the crisis caused by the disease. In this regard, EDP España has carried out important actions aimed at improving the quality of life of the inhabitants of the municipalities particularly vulnerable to the situation caused by COVID-19.

Electric mobility continues to be a pillar of the strategy of EDP España, which supports the result of this analysis. In terms of digital inclusion, it is necessary to take action to facilitate access to corporate information for all groups, both the elderly and young people. EDP is aligned with these needs and adapts all its digital content to accessibility best practices.



b. SOCIAL DIMENSION

In the social dimension, engagement with local communities and their management stand out with 70% and an increase of 40 and 30 points respectively. This result differs from the 2020 analysis, where the most important issues were communication and transparency and energy poverty.

In the energy sphere, the just energy transition stands out, increasing by 10 points compared to 2020, which reinforces the strategy for a change in the business model, which is in line with national regulations on energy transition and climate change.



c. ENVIRONMENTAL DIMENSION

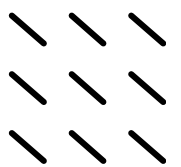
In environmental terms, the relative importance is focused on energy efficiency with 90% (+25 points) and climate change mitigation and adaptation with 70% and 65% respectively, with an increase over the previous year of 25 and 55 points respectively.

These aspects, which are among the main environmental concerns of society in general, extend to local corporations, which are demanding or undertaking actions aimed at sustainability and the reduction of environmental impacts in the activities/services they provide to their citizens.

# 03

## EXTERNAL PRIORITISATION

### CUSTOMERS



#### A. Analysed sources

In 2021, the following sources have been taken into consideration for the 'Customers' stakeholder: the National Council of Consumers and Users (CCU), the Energy Consumer Association (ANAE), the Energy-Intensive Undertaking Association (AEGE), the report on customer and non-customer satisfaction and the Investor and Stakeholder Relationship Division of the EDP Group (DRIS).

Compared to 2020, the B2C study has not been used anymore, as a result of the sale of the domestic portfolio to the French oil company TOTAL, and B2B has been added as a new source for customer satisfaction.

#### B. Common topics to all the analysed sources

None of the topics assessed in the 2021 materiality analysis is unanimously included in the matters addressed by each of the consulted sources.

#### C. Statistical weighting:

Even though only one source exceeds a 65% relevance for the analysed sources, the four most relevant topics are gathered below.

TOPICS	WEIGHTING		TREND
	2021	2020	
Energy prices	80%	100%	↓ -20
Communication and transparency	60%	45%	↑ +15
Critical suppliers	60%	15%	↑ +45
Energy efficiency	60%	55%	↑ +5

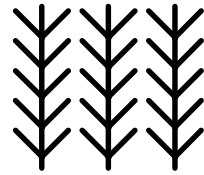
#### D. General analysis

With respect to the 2021 analysis, the result of the assessment has not undergone any major changes with respect to the study conducted in 2020.

In general terms, the trend in energy prices continues to be the most important topic for the sources analysed, although it has decreased in intensity compared to the previous year (from 100% in 2020 to 80% in 2021). This reduction is due to the increase in the number of sources analysed, although high prices and their volatility is a topic of great importance for the stakeholder.

Energy efficiency (+5 points compared to 2020) and communication and transparency (+15 points compared to 2020) are still important topics.

Critical suppliers have been added to the list of important topics for this stakeholder, increasing by 45 points with respect to the 2020 study.



## E. Analysis per dimension

### ECONOMIC COMMITMENT



- Critical suppliers (60%)
- Structure and operation of corporate governance (40%)
- Digital transformation (40%)
- Digital inclusion (40%)
- Critical infrastructures (40%)

### ENVIRONMENTAL COMMITMENT



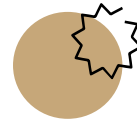
- Energy efficiency (60%)
- Climate change mitigation (20%)
- Circular economy (20%)

### SOCIAL COMMITMENT



- Energy prices (80%)
- Communication and transparency (60%)
- Energy poverty (40%)
- Customer satisfaction and service (20%)
- Claim and complaint management (20%)
- New energy services (20%)
- Product and service safety (20%)
- Sustainable consumption (20%)

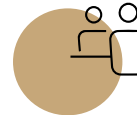
### a. ECONOMIC DIMENSION



Critical suppliers stand out in economic areas with 60% (+45 points), as well as the structure and functioning of corporate governance (40% in 2021, being 0 in 2020) and two interrelated topics, digital transformation (45% in 2020) and digital inclusion (15% in 2020), each with a weight of 40%.

In this regard, the National Council of Consumers and Users (CCU) considers that digital transformation must be accompanied by effective digital literacy, as well as offering online solutions designed to be accessible to people with disabilities, as they indicate in their 2021-2027 Digital Education Action Plan. This aspect, which was certainly more important in the energy marketing business in the B2C segment, could have some significance in other digitalized aspects and processes at the company.

### b. SOCIAL DIMENSION



In the social dimension, as in previous years, the interest on topics related to energy prices stands out, as it has been already mentioned.

### c. ENVIRONMENTAL DIMENSION



In the environmental dimension, energy efficiency (+5 points with respect to 2020) remains the main topic of interest for this stakeholder. This continues to reveal the concern of the qualified consumer (B2B) over the price of energy services and energy efficiency is considered a significant fact when trying to mitigate the increase in their energy bill.

# 03

## EXTERNAL PRIORITISATION



### EMPLOYEES



#### A. Analysed sources

For analysing the materiality of the 'Employees' stakeholder, the main trade unions operating in EDP España Business Unit (CCOO, Cuadros and UGT) have been kept as information sources.

Likewise, the information relating the employee satisfaction survey has been updated, incorporating the results obtained from the 2020 Spain Climate Survey, and the 2018-2022 People Plan has been kept as source as well.

As a new addition, in 2021, the trade union forces operating in Viesgo have been incorporated as a source.

#### B. Common topics to all the analysed sources

For year 2021, the following material topics have been found relevant, to the extent to which they are observed in the analysed sources:

1. Compensation and benefits
2. Labour relations

#### C. Statistical weighting

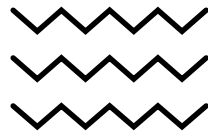
TOPICS	WEIGHTING		TREND
	2021	2020	
Compensation and benefits	100%	55%	↗ +45
Labour relations	100%	70%	↗ +30
Infectious diseases	80%	70%	↗ +10
Attracting and retaining talent	80%	55%	↗ +25
Training and development	80%	100%	↘ -20
Work-life balance and social protection measures	80%	85%	↘ -5
Job stability	80%	70%	↗ +10
Diversity / Equal opportunities	80%	85%	↘ -5

#### D. General analysis

In this year's analysis, greater importance has been attributed to compensation and benefits (+45 points compared to 2020), as well as to the matter of labour relations with 70% (+30 points compared to 2020) with regard to training and development, an issue that ranked first in the materiality analysis carried out in 2020 with a 100% weighting, falling by 20 points in 2021.

Compared to the previous year, the relative importance of diversity and equal opportunities and work-life balance and social protection measures has decreased slightly from 85% in 2020 to 80% in 2021, adjusting for the increase in sources, but this still remains relatively important in the current business climate. However, the importance of job stability has increased by ten points in light of the current economic downturn due to the health crisis, which is also reflected in the concern about infectious diseases, an issue that has once again marked the 2021 financial year.





## E. Analysis per dimension

### ECONOMIC COMMITMENT



- Enfermedades infecciosas (80%)
- Promoción de una cultura ética en la organización (40%)
- Movilidad eléctrica (40%)
- Transformación digital (40%)
- Generación distribuida/Autoconsumo (40%)

### ENVIRONMENTAL COMMITMENT



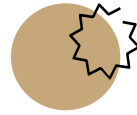
- Climate change mitigation (40%)
- Energy poverty (20%)
- Energy efficiency (20%)
- Circular economy (20%)
- Biodiversity protection (20%)
- Pollution prevention (20%)

### SOCIAL COMMITMENT



- Compensation and benefits (100%)
- Labour relations (100%)
- Attracting and retaining talent (80%)
- Training and development (80%)
- Work-life balance measures (80%)
- Job stability (80%)
- Diversity / Equal opportunities (80%)

### a. ECONOMIC DIMENSION



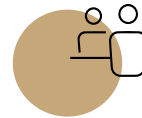
Infectious diseases is the only economic topic with a score over 65%, an increase of 10 points compared to 2020. In this regard, trade unions show a greater concern for working conditions and safety measures in relation to COVID-19.

### a. ECONOMIC ENVIRONMENTAL



Although no environmental topic obtains a significant score in the analysis for this stakeholder group, it should be noted that the trade unions evaluated stress that companies must be pioneers in the fight against climate change and report that while the COP 26 held in 2021 demonstrated some progress in this regard, countries are still far from tackling the climate emergency with clear targets and measures

### b. SOCIAL DIMENSION



The rest of the topics that obtain a relatively high score of over 65% are all of a social nature and, more specifically, are topics related to people management, as was the case in 2020.

As for the topics common to all sources, compensation and benefits (+45 points compared to 2020) and labour relations (+30 points compared to 2020), this is closely related to the increase in the minimum wage and to the negotiation of collective agreements.

With regard to the compensation and benefits policies of EDP España, it continues to implement various benefits for its employees, such as the restaurant card and travelcards, among others. As for the rest of the topics analysed, and in line with the results obtained in 2020, diversity and equal opportunities are still present (-5 points compared to 2020), with the focus being mainly on equality plans and gender-based violence. Another significant point is work-life balance (-5 points compared to 2020). In this regard, EDP, as a family-responsible company, needs to comply with the requirements of the EFR 1000--1 Standard in order to demonstrate its work-life balance policies. To this end, AENOR carries out external audits, which have been successfully passed.

Job stability is another issue of concern for the trade unions (10 points higher than in 2020), as a necessary condition to strengthen the economic recovery.

### COMPETITORS

#### A. Analysed sources

As observed in the analysis of the relevant topics for this stakeholder, there are many matters tackled in the different publications and sources consulted of the main competitors of EDP España. In general terms, the publications on the corporate websites, sectoral documents, corporate governance reports, etc. have been consulted.

As a main novelty in the analysed sources with respect to year 2020, this year the following solar competitors have been eliminated: Otovo, Fenie Energía and Enchufe Solar, and the Finnish electricity distribution company ELENIA has been added as a new source.

With respect to 2020, the following have been kept: GALP, EDF, TE Acciona, Red Eléctrica, ENDESA, NATURGY, Iber and Holaluz.

#### B. Common topics to all the analysed sources

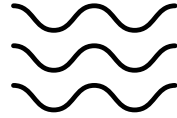
For year 2021, the following material topics have been found relevant, to the extent to which they are observed in the sources analysed:

1. Digital transformation
- 2 Self-consumption
- 3 Climate change mitigation
- 4 Renewable energy promotion
- 5 Biodiversity protection

#### C. Statistical weighting:

TOPICS	WEIGHTING		TREND
	2021	2020	
Digital transformation	100%	37%	↗ +45
Self-consumption	100%	47%	↗ +53
Climate change mitigation	100%	84%	↗ +16
Renewable energy promotion	100%	19%	↗ +81
Biodiversity protection	100%	74%	↗ +26
Structure and operation of corporate governance	98%	12%	↗ +86
Engagement with local communities	98%	60%	↗ +38
Diversity / Equal opportunities	98%	71%	↗ +27
Occupational incidents and diseases	98%	22%	↗ +76
Development of innovative technologies	93%	44%	↗ +49

TOPICS	WEIGHTING		TREND
	2021	2020	
Training and development	93%	52%	↗ +41
Just energy transition	89%	37%	↗ +52
Adaptation to climate change	88%	18%	↗ +70
Infectious diseases	84%	75%	↗ +9
Circular economy	84%	58%	↗ +26
Attracting and retaining talent	84%	77%	↗ +7
Electric mobility	79%	78%	↗ +1
Pollution prevention	79%	38%	↗ +41
Employee satisfaction	76%	24%	↗ +52
Respect for human and labour rights	75%	47%	↗ +28
Energy efficiency	75%	43%	↗ +32
Management of impacts on local communities	75%	60%	↗ +15
Work-life balance and social protection measures	75%	40%	↗ +35
Occupational health promotion	72%	36%	↗ +36
Promotion of an ethical culture in the organisation	68%	58%	↗ +10
Sustainability in relationships with suppliers	68%	34%	↗ +34
Water management	68%	40%	↗ +28
Assessment of the company's ESG performance	67%	19%	↗ +48
Physical safety in premises	67%	28%	↗ +39
Partnership, funding and innovation dissemination agreements	66%	19%	↗ +47



### D. General analysis

Major changes can be observed in this stakeholder compared to the previous year. In 2020, only seven topics exceeded 65% in significant importance, while this year there were thirty, approaching the levels seen in 2019, when there were forty-one.

It can be noted that one of the topics at the top is digital transformation (100%; +63 points compared to 2020). Due to the pandemic, many organisations had to make an effort in terms of digitisation in order to continue their normal operations.

In terms of environmental importance, climate change mitigation (+16 points), renewable energy promotion (+81 points) and biodiversity protection (+26 points) stand out, obtaining 100% in 2021.

Self-consumption stands out in the economic dimension with 100% (+53 points compared to 2020), since solar energy and self-consumption have increased significantly this last year for society in general, partly caused by increased energy prices.

Personnel-related topics, despite not reaching 100%, are of great importance for this Stakeholder.

### E. Analysis per dimension

#### ECONOMIC COMMITMENT



- Digital transformation (100%)
- Distributed generation/Self-consumption (100%)
- Structure and operation of corporate governance (98%)
- Development of innovative technologies (93%)
- Infectious diseases (84%)
- Electric mobility (79%)
- Promotion of an ethical culture in the organisation (68%)
- Sustainability in relationships with suppliers (68%)
- Assessment of the company's ESG performance (67%)

#### ENVIRONMENTAL COMMITMENT



- Climate change mitigation (100%)
- Renewable energy promotion (100%)
- Biodiversity protection (100%)
- Adaptation to climate change (88%)
- Circular economy (84%)
- Pollution prevention (79%)
- Energy efficiency (75%)
- Water management (68%)

#### SOCIAL COMMITMENT



- Engagement with local communities (98%)
- Diversity / Equal opportunities (98%)
- Occupational incidents and diseases (98%)
- Training and development (93%)
- Just energy transition (89%)
- Attracting and retaining talent (84%)
- Employee satisfaction (76%)
- Respect for human and labour rights (75%)
- Management of impacts on local communities (75%)
- Work-life balance and social protection measures (75%)
- Occupational health promotion (72%)
- Physical safety in premises (67%)

# 03

## EXTERNAL PRIORITISATION



### BUSINESS PARTNERS

### SCIENTIFIC COMMUNITY

#### A. Analysed sources

Compared to 2020, new sources have been added, while others have been eliminated.

As new sources, we can list the following: the University of Santiago (Lugo campus), BBVA, MasyMas and the Spanish Women in Energy Association (AEMENER).

The following sources have been dropped from the analysis: Worten, El Corte Inglés, the Spanish Golf Federation, Securitas, Idealista, LG, RECS (Spanish Network of Healthy Cities) and REDS (Spanish Sustainable Development Network).

EECTI 2021-2027 (Spanish Science, Technology and Innovation Strategy), the University of Oviedo, the University of the Basque Country, Deusto University, the Universities of Madrid (UPM, ICAI, UCM and UAM), Liberbank/Unicaja and the Investor and Stakeholder Relationship Division of the EDP group (DRIS) have been kept as sources.

#### B. Common topics to all the analysed sources

None of the topics assessed in the 2021 materiality analysis is unanimously included in the matters addressed by each of the consulted sources.

#### C. Statistical weighting:

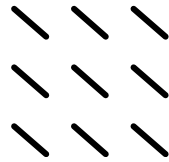
TOPICS	WEIGHTING		TREND
	2021	2020	
Diversity / Equal opportunities	93%	71%	↗ +22
Climate change mitigation	91%	50%	↗ +41
Energy efficiency	91%	50%	↗ +41
Training and development	85%	36%	↗ +49
Structure and operation of corporate governance	81%	29%	↗ +52
Labour relations	78%	50%	↗ +28
Infectious diseases	77%	71%	↗ +6
Pollution prevention	75%	64%	↗ +11
Work-life balance and social protection measures	73%	50%	↗ +23
Circular economy	72%	43%	↗ +29
Engagement with local communities	68%	64%	↗ +4

#### D. General analysis

In general terms, it is observed that in this analysis, the relevant topics for this stakeholder are once again scattered, existing eleven relevant topics, whereas, in 2020, there were only two topics that exceeded 65%.

In terms of their relative importance, diversity and equal opportunities (+22 points compared to 2020) continues to be the most important topic, followed by climate change mitigation (+41 points) and energy efficiency (+41 points).

## E. Analysis per dimension



### ECONOMIC COMMITMENT



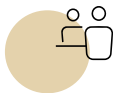
- Structure and operation of corporate governance (81%)
- Infectious diseases (77%)
- Electric mobility (64%)
- Partnership, financing and research dissemination agreements (62%)
- Information security (60%)

### ENVIRONMENTAL COMMITMENT



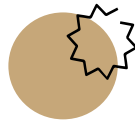
- Climate change mitigation (91%)
- Energy efficiency (91%)
- Pollution prevention (75%)
- Circular economy (72%)

### SOCIAL COMMITMENT



- Diversity / Equal opportunities (93%)
- Training and development (85%)
- Labour relations (78%)
- Work-life balance and social protection measures (73%)
- Engagement with local communities (68%)

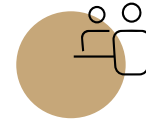
### a. ECONOMIC DIMENSION



In the economic dimension, the study conducted for year 2021 reveals the importance given by these institutions to infectious diseases +6 point compared to 2020), as COVID-19 remains one of the most widespread concerns and with a major economic repercussion.

The relevance obtained in this study by the structure and operation of corporate governance (+52 points) also stands out.

### b. SOCIAL DIMENSION



As regards the social dimension, once again this year, interest on diversity and equal opportunities still stands out with 93% (+22 points), especially as concerns gender. This is followed by training and development with 85% (+49 points), labour relations with 78% (+28 points) and work-life balance and social protection measures with 73% (+23 points). Personnel management and their satisfaction and development are increasingly acquiring more relevance.

The last relevant topic in the social area is the engagement with local communities, going from 64% in 2020 to 68% in this materiality analysis.

### c. ENVIRONMENTAL DIMENSION



Lastly, the results of the 2021 analysis on environmental matters highlight climate change mitigation with 91% and a 41-point increase with respect to 2020 and energy efficiency (+41 points), obtaining the same relative weight. With a lower weight, but also relevant, the pollution prevention (+11 points) and circular economy (+29) topics are also featured.

Universities in general, given their education and society-supporting commitment, are in line with the sustainable development goals and, specifically, with those of an environmental nature. The bank institutions incorporated into this year's analysis, as essential organisations for the society, have also begun to assume commitments to support the transition to a circular economy.

### COMUNIDADES LOCALES

#### A. Analysed sources

Compared to 2020 analysis, the following sources have been added: The Cantabrian Federation of Neighbour Associations, the ENTAMA programme, the Youth Council of the Principality of Asturias, the Youth Portal of the Cantabrian Government and the Andalusian Youth Institute.

The Regional Federation of Neighbour Associations of Madrid, the Regional Federation of Neighbour Associations of Gijón, the Regional Federation of Neighbour Associations of Bilbao, and the Investor and Stakeholder Relationship Division of the EDP Group (DRIS) have been kept as sources.

#### B. Common topics to all the analysed sources

For year 2021, the following material topic has been found relevant, to the extent to which it is observed in the analysed sources:

**-Engagement with local communities**

#### C. Statistical weighting:

TOPICS	WEIGHTING		TREND
	2021	2020	
Engagement with Local Communities	100%	82%	↗ +18
Management of impacts on local communities	84%	82%	↗ +2
Diversity / Equal opportunities	52%	12%	↗ +40

#### D. General analysis

The relevant topics for this stakeholder have sustained a major change with respect to the study conducted in 2020, where the most important topics were pollution prevention with 94% and climate change mitigation with 88%.

The change in trend of this stakeholder has to do with the analysed sources, since the new youth-related sources included are not represented in environmental topics, but in those of a social nature.

Diversity and equal opportunities has significantly increased. In this analysis, this topic is in the third place with 52%, a 40-point increase with respect to 2020.

#### E. Analysis per dimension:

ECONOMIC COMMITMENT



- Structure and operation of corporate governance (44%)
- Digital transformation (35%)
- Infectious diseases (32%)
- Risk of corruption/bribery/fraud/money laundering (25%)
- Information security and privacy (25%)

ENVIRONMENTAL COMMITMENT

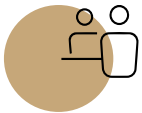


- Pollution prevention (43%)
- Biodiversity protection (37%)
- Climate change mitigation (20%)
- Circular economy (20%)
- Water management (20%)

SOCIAL COMMITMENT



- Engagement with local communities (100%)
- Management of impacts on local communities (84%)
- Diversity / Equal opportunities (52%)
- Respect for human and labour rights (31%)



#### a. SOCIAL DIMENSION

In the social dimension, engagement with local communities has the most priority with 100% (+18 points with respect to 2020), as well as the management thereof.

Diversity and equal opportunities remains one of the relevant topics for this stakeholder. In this sense, the neighbours' associations continue to show their support to the fight against gender-based violence. The new youth-related sources analysed also find this topic especially relevant, due to the growing number of gender-based violence cases among teenagers. In this sense, workshops are taught about, for instance, how to address gender-based violence among young people.



#### b. ENVIRONMENTAL DIMENSION

As previously mentioned, the importance of the environmental topics has decreased in 2021. However, the pollution prevention topic, with 43%, is in the fifth place (-51 points with respect to 2020) followed by biodiversity protection with 37% (-39 points). Specifically, this stakeholder has been affected by air pollution and the massive use of plastics, having organised various demonstrations.

SUPPLIERS

A. Analysed sources

There has not been any change to the information sources in this analysis with respect to 2020.

The analysed sources are: the Energy Cluster of the Basque Country, the Supplier Code of Conduct, the Procurement Procedure, sustainability in the supply chain, and the Investor and Stakeholder Relationship Division of the EDP group (DRIS).

B. Common topics to all the analysed sources

For year 2021, no common matters to all the analysed sources have been found for the 'Suppliers' stakeholder, with respect to the list of 60 material topics for EDP España.

This may be due to the different needs and expectations of the analysed sources, as well as the different strategic planning thereof, as evidenced by the 90% reached in ethical aspects or the 70% reached in sustainability aspects in the supply chain.

C. Statistical weighting:

TOPICS	WEIGHTING		TREND
	2021	2020	
Promotion of an ethical culture in the organisation	90%	80%	↗ +10
Sustainability in supplier relations	70%	70%	=
Risk of corruption/bribery/fraud/ money laundering	60%	30%	↗ +30
Unfair competition practices	60%	60%	=
Climate change mitigation	60%	30%	↗ +30

D. General analysis

Compared to 2020 analysis, the topics regarding the promotion of an ethical culture in the organisation (+10 points) and Sustainability in relationships with suppliers are still leading the relevance list.

The company continues to consider its suppliers as an essential part of its social, environmental and economic impact. The value chain has acquired, for EDP, a manifest prominence, which is reflected in the definition itself of the material topics to analyse.

E. Analysis per dimension

ECONOMIC COMMITMENT



- Promotion of an ethical culture in the organisation (90%)
- Sustainability in supplier relations (70%)
- Risk of corruption/bribery/fraud/money laundering (60%)
- Fair competition practices (60%)
- Creation of long-term value (40%)

ENVIRONMENTAL COMMITMENT



- Climate change mitigation (60%)
- Energy efficiency (40%)
- Renewable energy promotion (20%)

SOCIAL COMMITMENT



- Communication and transparency (50%)
- Occupational health promotion (50%)
- Respect for human and labour rights (40%)
- Occupational incidents and diseases (30%)
- Engagement with local communities (30%)
- Management of impacts on local communities (30%)



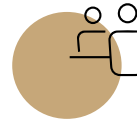


a. ECONOMIC DIMENSION



In the economic dimension, the study conducted for year 2021, as in 2020, reveals that the most relevant matters for this stakeholder lie in topics related to image and reputation. This is important for them, since it favours the creation of a good image, thus getting a better predisposition vis-à-vis certain agents, as well as a better implementation in the development of their strategic lines

b. SOCIAL DIMENSION



As regards social matters, special attention is paid in this case to factors such as communication and transparency, obtaining a 50% relevance (-10 points compared to 2020), and respect for human and labour rights, with a 40% weight (+20 points). This result in the social sphere is in line with the general and economic result, promoting good practices in organisations.

c. ENVIRONMENTAL DIMENSION



In the environmental dimension, no topic exceeds a 65% relevance, as it happened in the study for year 2020.

Despite the obtained result, it should be noted that the energy cluster of the Basque Country continues to instigate initiatives for the promotion of renewable energies, aimed both at minimising the environmental impact and at improving energy efficiency.

## GOVERNMENT, PUBLIC BODIES AND REGULATION

### A. Analysed sources

For the materiality analysis of this stakeholder, the following sources have been added in 2021: the COP 26, the Autonomous Region of Cantabria, the Province of Lugo, the Province of Cádiz, the Province of Córdoba, the Association for the Rural Development of Andalusia (ARA), the Asturian Employers' Federation (FADE), CEOE-CEPYME Cantabria, the Employers' Federation of the Province of Cádiz (CEC) and the Employers' Federation of the Province of Córdoba (CECO Córdoba).

The rest of sources have been kept unchanged: the National Markets and Competition Commission (CNMC), the Ministry of Industry, Trade and Tourism (MINCOTUR), the Ministry for the Ecological Transition (MITECO) and the Investor and Stakeholder Relationship Division of the EDP group (DRIS).

### B. Common topics to all the analysed sources

None of the topics assessed in the 2021 materiality report has been commonly addressed by all the consulted sources.

### C. Statistical weighting:

TOPICS	WEIGHTING		TREND
	2021	2020	
Diversity / Equal opportunities	89%	10%	↗ +79
Infectious diseases	85%	82%	↗ +3
Structure and operation of corporate governance	84%	20%	↗ +64
Digital transformation	79%	57%	↗ +22
Electric mobility	74%	10%	↗ +64
Biodiversity protection	66%	63%	↗ +3
Data privacy	65%	27%	↗ +38

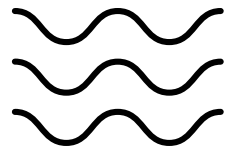
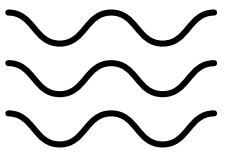
### D. General analysis

The topics with the highest ratings for the 'Government, Public Bodies and Regulation' stakeholder were those related to economic impact, while in 2020 they were environmental issues.

This difference with respect to the previous year may be caused by the range of sources incorporated into the analysis. It should be noted that the Córdoba Business Confederation is provided with a SDG guideline, which includes actions that have already been carried out as targets to be met.

Special attention was paid to decarbonisation and biodiversity protection at the COP26 held in Glasgow. According to Antonio Guterres, Secretary General of the United Nations, the world 'must wake up. We must stop using nature as a toilet, or it will finish us off. It is time to act'.

And this call to action, from the UN and from related organisations such as the Global Compact, has been integrated into its strategy by EDP (Ambition 2030, the decade of decisive action) and the campaign that accompanies its launch, #ChangingTomorrowNow.



### E. Analysis per dimension

#### ECONOMIC COMMITMENT



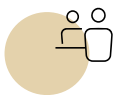
- Infectious diseases (85%)
- Structure and operation of corporate governance (84%)
- Digital transformation (79%)
- Electric mobility (74%)
- Information security and privacy (65%)

#### ENVIRONMENTAL COMMITMENT



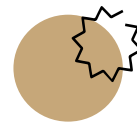
- Biodiversity protection (66%)
- Adaptation to climate change (55%)
- Energy efficiency (54%)
- Climate change mitigation (52%)

#### SOCIAL COMMITMENT



- Diversity / Equal opportunities (89%)
- Engagement with local communities (51%)
- Just energy transition (49%)
- Communication and transparency (49%)

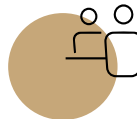
#### a. ECONOMIC DIMENSION



Of the seven topics that exceed 65% in relative importance, five of them are economic. The topic of infectious diseases (+3 points compared to 2020) remains one of the most important, which is natural as Covid-19 remained a factor to be taken into account throughout 2021 in all aspects of organisations.

Meanwhile, the digital transformation topic (+22 points) also obtained a high score in this analysis. It is reasonable to believe that, with the pandemic, many organisations sought a digital transformation, mainly to improve their relationship with customers/users, strengthen management capabilities and increase sales with the implementation of new channels. This goes completely hand in hand with the topic of information privacy (+38 points), where the concern about cyberattacks and, therefore, cybersecurity, is gaining in importance.

#### b. SOCIAL DIMENSION



With regard to the social topics, diversity and equal opportunities (+79 points compared to 2020) stands out. In this sense, gender equality remains a topic of special relevance for organisations. Furthermore, the recent regulation passed regarding equality plans and remuneration recording has made institutions collaborate in disseminating its mandatory nature, as well as in offering training about it.

#### c. ENVIRONMENTAL DIMENSION



The only environmental topic that has obtained a high score is biodiversity protection, which has increased by 3 points with respect to 2020.

In this sense, the autonomous regions and the provinces analysed stress the importance of protecting protected natural areas, as well as combating nature and sea pollution.

# 03

## EXTERNAL PRIORITISATION



### INTERNATIONAL INSTITUTIONS

#### A. Analysed sources

In the 2021 materiality analysis, there have been no changes in the information sources to be analysed for this stakeholder; only the '2021 sustainability trends' and the 'Global Risk Report' sources have been updated.

The rest of sources analysed are: the European Commission, the World Energy Council, Bloomberg – ESG, Annual Energy Outlook, the World Business Council for Sustainable Development, Financing a Sustainable European Economy and the United Nations.

#### B. Common topics to all the analysed sources

In year 2021, six topics have impacted on the totality of consulted sources:

1. Climate change mitigation
2. Adaptation to climate change
3. Infectious diseases
4. Critical suppliers
5. Circular economy
6. Just energy transition

#### C. Statistical weighting:

TOPICS	WEIGHTING		TREND
	2021	2020	
Climate change mitigation	100%	89%	↗ <sub>+79</sub>
Adaptation to climate change	100%	100%	=
Infectious diseases	100%	100%	=
Critical suppliers	100%	56%	↗ <sub>+44</sub>
Circular economy	100%	100%	=
Just energy transition	100%	44%	↗ <sub>+56</sub>
Renewable energy promotion	89%	89%	=
Energy efficiency	89%	89%	=
Biodiversity protection	89%	89%	=
Pollution prevention	89%	89%	=
Development of innovative technologies	78%	78%	=
Electric mobility	78%	78%	=
Digital transformation	78%	78%	=
Energy prices	78%	56%	↗ <sub>+22</sub>
Water management	77%	77%	=
Access to energy	67%	67%	=
Diversity / Equal opportunities	67%	67%	=
Mental health at work	67%	34%	↗ <sub>+33</sub>
Critical infrastructures	66%	66%	=
Attracting and retaining talent	66%	66%	=

#### D. General analysis

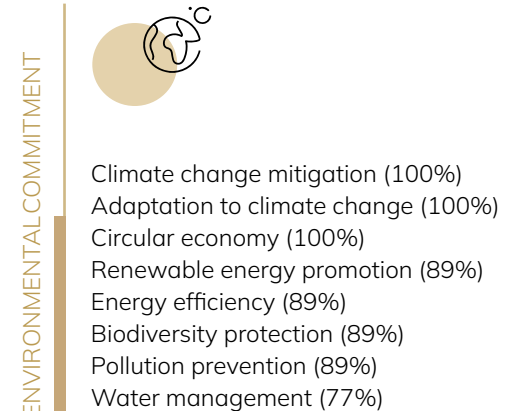
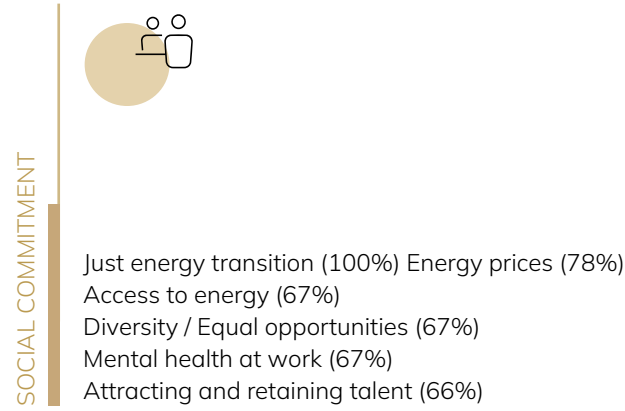
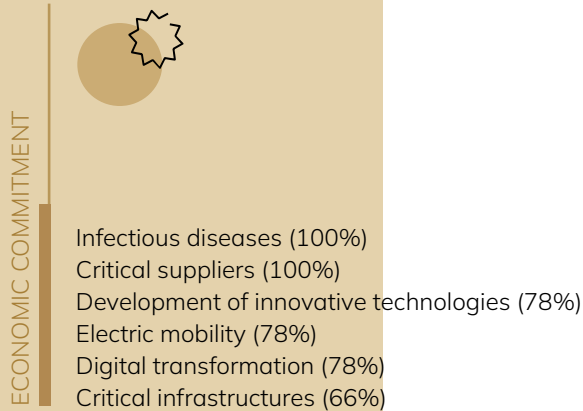
Environmental topics remain in first place in this analysis, relating to 2021, with climate change mitigation (+11 points) and adaptation in first place. There has been a great change in this respect since in 2018 none of the first eight topics were related to environmental issues and they have been gaining importance over the years for this Stakeholder.

This consolidates the change that has occurred in international and national trends and in society in general, with the 2030 agenda and the recent COP 26 highlighting the commitment in the fight against climate change and, in general, a responsible use of resources until a circular economy is achieved.

# 03

## EXTERNAL PRIORITISATION

### E. Analysis per dimension



## MEDIA

### A. Analysed sources

In the analysis conducted in 2021, the following sources of information have been added: ABC de Sevilla, Diario de Cádiz, Diario de Córdoba, La Voz de Galicia and El Diario Montañés.

The other sources remain unchanged with respect to 2020, being: El País, El Mundo, 20 minutos, La Nueva España, El Comercio, El Economista, Expansión, Cinco días, El periódico de la Energía, Energías renovables, Corresponsables, Europapress, social media, RepRisk, DCMC and the Investor and Stakeholder Relationship Division of the EDP group (DRIS).

## B. Common topics to all the analysed sources

For year 2021, there has been one single common topic to the consulted sources:

### 1. Energy price.

## C. Statistical weighting:

TOPICS	WEIGHTING		TREND	TOPICS	WEIGHTING		TREND	TOPICS	WEIGHTING		TREND
	2021	2020			2021	2020			2021	2020	
Energy price	100%	42%	↗ <sub>+58</sub>	Work-life balance and social protection measures	90%	59%	↗ <sub>+31</sub>	Respect for human and labour rights	72%	39%	↗ <sub>+33</sub>
Climate change mitigation	97%	92%	↗ <sub>+5</sub>	Diversity / Equal opportunities	90%	67%	↗ <sub>+23</sub>	Development of innovative technologies	71%	61%	↗ <sub>+10</sub>
Electric mobility	95%	52%	↗ <sub>+43</sub>	Digital transformation	86%	25%	↗ <sub>+61</sub>	Structure and operation of corporate governance	70%	42%	↗ <sub>+28</sub>
Energy poverty	95%	42%	↗ <sub>+53</sub>	Risk of corruption/bribery/fraud/money laundering	84%	70%	↗ <sub>+14</sub>	Responsible investment and financing	69%	30%	↗ <sub>+39</sub>
Infectious diseases	95%	72%	↗ <sub>+23</sub>	Adaptation to climate change	80%	78%	↗ <sub>+2</sub>	Assessment of the company's ESG performance	68%	33%	↗ <sub>+35</sub>
Just energy transition	92%	39%	↗ <sub>+53</sub>	Information security	79%	92%	↘ <sub>-13</sub>	Occupational incidents and diseases	68%	37%	↗ <sub>+31</sub>
Self-consumption	90%	61%	↗ <sub>+29</sub>	Labour relations	76%	87%	↘ <sub>-11</sub>	Critical suppliers	65%	48%	↗ <sub>+17</sub>
Circular economy	90%	70%	↗ <sub>+20</sub>	Digital inclusion	75%	17%	↗ <sub>+58</sub>				
Biodiversity protection	90%	70%	↗ <sub>+20</sub>	Mental health at work	73%	56%	↗ <sub>+17</sub>				
Pollution prevention	90%	56%	↗ <sub>+34</sub>								

## D. General analysis

In this analysis, the energy price is the most predominant topic (58+ points with respect to 2020), virtually with ongoing news throughout the year about the price volatility and high prices of energy. Climate change mitigation (+5 points) holds the second place, in line with the past year.



## E. Analysis per dimension



ECONOMIC COMMITMENT

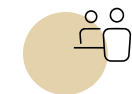
- Electric mobility (95%)
- Infectious diseases (95%)
- Distributed generation/Self-consumption (90%)
- Digital transformation (86%)
- Risk of corruption/bribery/fraud/money laundering (84%)
- Information security (79%)
- Digital inclusion (75%)
- Development of innovative technologies (71%)
- Structure and operation of corporate governance (70%)
- Responsible investment and financing (69%)
- Assessment of the company's ESG performance (68%)
- Critical suppliers (65%)

ENVIRONMENTAL COMMITMENT



- Climate change mitigation (97%)
- Energy poverty (95%)
- Circular economy (90%)
- Biodiversity protection (90%)
- Pollution prevention (90%)
- Adaptation to climate change (80%)

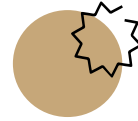
SOCIAL COMMITMENT



- Energy prices (100%)
- Just energy transition (92%)
- Work-life balance and social protection measures (90%)
- Diversity / Equal opportunities (90%)
- Labour relations (76%)
- Mental health at work (73%)
- Respect for human and labour rights (72%)
- Occupational incidents and diseases (68%)

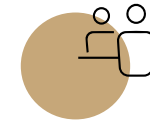


a. ECONOMIC DIMENSION



Regarding economic matters, the media pays special attention to the topics related to infectious diseases (+23 points), electric mobility (+43 points) and self-consumption (+29 points), a result that differs from that of the previous year, in which the topics that stood out (information security with 92% and risk of corruption and bribery 70%) have lost weight.

b. SOCIAL DIMENSION



The energy price variable (+58 points) was already in years 2019 and 2020 the most relevant topic in the social dimension for this stakeholder. As it can be observed, it remains the topic with the highest impact on the analysis. On this occasion, it is followed by the energy poverty and just energy transition topics.

As a new development in this area, the relative weight increase (+17 points) of the mental health at work topic stands out. Due to the pandemic, the mental health of the population has worsened, and this affects all kind of organisations in which taking care of the mental health is gaining relevance, being included in occupational health and safety plans.

c. ENVIRONMENTAL DIMENSION



The environmental matters have lost weight in the analysis, but they maintain high levels in topics such as climate change mitigation (97%), circular economy (90%) or biodiversity protection (90%) which, if we compare it to the analysis conducted in 2020, have increased their relevance by 5, 20 and 20 points, respectively.

# 03

## EXTERNAL PRIORITISATION

### NGOs

#### A. Analysed sources

With respect to the Materiality Analysis conducted in 2020, in 2021, the Food Bank has been eliminated as a source and SEO Birdlife has been added.

The rest of sources have remained the same as in 2020, being: ECODES, WWF, Biodiversity Foundation, GREENPEACE, FAPAS, Cruz Roja, Caritas and the Investor and Stakeholder Relationship Division of the EDP group (DRIS).

#### B. Common topics to all the analysed sources

For year 2021, no common topics to all the analysed sources have been found.

#### C. Statistical weighting:

TOPICS	WEIGHTING		TREND
	2021	2020	
Biodiversity protection	95%	85%	↑ <sub>+10</sub>
Climate change mitigation	70%	70%	=
Adaptation to climate change	70%	85%	↓ <sub>-15</sub>
Pollution prevention	55%	90%	↓ <sub>-35</sub>

#### D. General analysis

In this analysis, only three topics have obtained a score over 65%; thus, compared to the results of the previous year, there is a higher concentration. All the relevant topics have an environmental nature.

#### E. Analysis per dimension

##### ECONOMIC COMMITMENT



Electric mobility (20%)  
Distributed generation/Self-consumption (15%)  
Responsible investment and financing (10%)  
Infectious diseases (10%)

##### ENVIRONMENTAL COMMITMENT



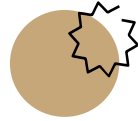
Biodiversity protection (95%)  
Climate change mitigation (70%)  
Adaptation to climate change (70%)  
Pollution prevention (55%)

##### SOCIAL COMMITMENT



Management of impacts on local communities (45%)  
Engagement with local communities (40%)  
Just energy transition (30%)  
Respect for human and labour rights (25%)  
Energy prices (20%)  
New energy services (20%)

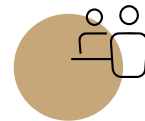




a. ECONOMIC DIMENSION

The environmental topic that has obtained more relevance in the analysis is biodiversity protection (+10 points). In such regard, WWF demands and proposes an ambitious, comprehensive, measurable and transformative global biodiversity framework to save the planet called 'Kunming plan for nature and people'. Such proposal identifies the necessary actions to protect biodiversity and alert that, if no significant progress is made, the period 2021-2030 may become another lost decade for the planet. They also alert about the fact that the biodiversity destruction increases the pandemic risk, accelerates climate change, undermines food and water safety and increases the risk of extinction for one million species.

With concern to climate change, Greenpeace denounces that the climate change law passed does not tackle the actual climate emergency, and they deem that is less ambitious than what is needed. One of the points criticised by them is the use of fossil fuels throughout the transport industry, thus producing a delay in the spreading of electric cars and the use of alternative fuels.



b. SOCIAL DIMENSION

Despite that no economic topic is relevant in the materiality analysis for 2021, electric mobility (-15 points with respect to 2020) is viewed as a significant topic by organisations; specifically, WWF and Greenpeace stress the importance to keep on moving forward in this sense, until attaining sustainable mobility.



c. ENVIRONMENTAL DIMENSION

As it happens with the economic topics, no social topic stands out significantly in this study. However, organisations such as Cruz Roja or Caritas, more involved in the social spectrum, are concerned about diversity and equal opportunities (-57 points) and job stability (-9 points compared to 2020).

# 03

## EXTERNAL PRIORITISATION



### POLITICAL PARTIES

#### A. Analysed sources

As regards the Spanish political parties, there have been changes in the 2021 analysis. Firstly, En Marea, which had been included in 2020 due to the regional elections, has been eliminated as a source. Besides, Partido Regionalista de Cantabria and Bloque Nacionalista Gallego (BNG) have been added for 2021.

The rest of sources used in 2020 have not changed for this year, being: Partido Popular (PP), Partido Socialista Obrero Español (PSOE), Ciudadanos, Podemos, Vox and Partido Nacionalista Vasco (PNV).

#### B. Common topics to all the analysed sources

For year 2021, no common topics to all the analysed sources have been found.

#### C. Statistical weighting:

TOPICS	WEIGHTING		TREND
	2021	2020	
Climate change mitigation	94%	29%	↗ +65
Adaptation to climate change	94%	29%	↗ +65
Promotion of renewable energies	84%	29%	↗ +55
Diversity / Equal opportunities	84%	51%	↗ +33
Infectious diseases	80%	0%	↗ +80
Just energy transition	74%	52%	↗ +22
Biodiversity protection	72%	0%	↗ +72
Labour relations	68%	19%	↗ +49

#### D. General analysis

Compared to the results obtained last year for this stakeholder, it should be noted the change in trend, since social topics stood out last year, while environmental topics have gained more relevance this year.

#### E. Analysis per dimension

ECONOMIC COMMITMENT

Infectious diseases (80%)  
Critical infrastructures (46%)  
Risk of corruption/bribery/fraud/money laundering (38%)  
Electric mobility (28%)  
Digital transformation (28%)

ENVIRONMENTAL COMMITMENT

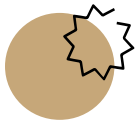
Climate change mitigation (94%)  
Adaptation to climate change (94%)  
Renewable energy promotion (84%)  
Biodiversity protection (72%)

SOCIAL COMMITMENT

Climate change mitigation (94%)  
Adaptation to climate change (94%)  
Renewable energy promotion (84%)  
Biodiversity protection (72%)

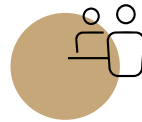


a. ECONOMIC DIMENSION



The only economic topic that stands out with a score above 65% is infectious diseases (+80 points). As we commented in other stakeholders, COVID-19 has not only left its mark on 2020, but also on 2021. Political parties have had to take decisions throughout the pandemic to deal with the situation we are facing in the best possible way.

b. SOCIAL DIMENSION



The only important topics in the social area are diversity and equal opportunities with 84% (+33 points) and labour relations with 68% (+49 points). In the analysis carried out the previous year, we already indicated that the measures proposed by political parties are aimed at improving workers' conditions and job stability, with the minimum wage being of particular importance in 2021.

As for diversity and equal opportunities, gender-based violence and new legislation on equality matters means that political parties have become involved in these topics.

c. ENVIRONMENTAL DIMENSION



In the environmental dimension, the political parties analysed refer to regulatory changes associated with the just energy transition and how this affects industries and consumers.

The promotion of renewable energies also appears among their publications as a way of mitigating the effect of repeated and gradual increases in the price of electricity.

As for biodiversity protection, several of the parties analysed referred to the protection of the Iberian wolf, which is still considered a hunting species in some areas, while in others it is protected.

Some parties, such as VOX, propose specific measures such as the so-called 'Green Spain', which would involve the interconnection of river basins and reforestation, a topic that is also related to suitable consumption of water. In the case of PODEMOS, with its 'Green Horizon', it is committed to a 100% renewable electricity system.

# 03

## EXTERNAL PRIORITISATION



### FINANCIAL INSTITUTIONS

#### A. Analysed sources

There have not been changes in the analysed sources for the materiality assessment with respect to year 2020 for the stakeholder 'Financial institutions'.

The sources analysed are: EuroNext, Bloomberg, the European Central Bank, the World Bank, the International Financial Corporation (IFC), and United Nations Environment Programme Finance (UNEP FI).

#### B. Common topics to all the analysed sources

For financial year 2021, the topics that have been unanimously affected all the analysed sources are:

1. Responsible investment and financing
2. Energy price
3. Climate change mitigation
4. Adaptation to climate change
5. Infectious diseases
6. Critical suppliers
7. Renewable energy promotion

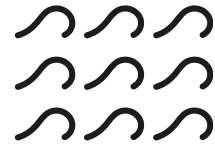
#### C. Statistical weighting:

TOPICS	WEIGHTING		TREND	TOPICS	WEIGHTING		TREND
	2021	2020			2021	2020	
Responsible investment and financing	100%	100%	=	New energy services	83%	83%	=
Energy price	100%	17%	↗ +83	Risk of corruption/bribery/fraud/ money laundering	83%	83%	=
Climate change mitigation	100%	50%	↗ +50	Biodiversity protection	83%	50%	↗ +33
Adaptation to climate change	100%	50%	↗ +50	Promotion of an ethical culture in the organisation	67%	67%	=
Infectious diseases	100%	100%	=	Respect for human and labour rights	67%	67%	=
Critical suppliers	100%	100%	=	Circular economy	67%	67%	=
Renewable energy promotion	100%	50%	↗ +50	Management of impacts on local communities	67%	67%	=
Creation of long-term value	83%	83%	=	Respect for indigenous communities	67%	67%	=
Communication and transparency	83%	83%	=	Structure and operation of corporate governance	66%	66%	=
Partnership, financing and research dissemination agreements	83%	83%	=				

#### D. General analysis

Once again, responsible investment and financing continues to be one of the most important topics for financial institutions, obtaining a 100% rating in both 2020 and 2021. Energy prices appear to be a significant topic this year for this stakeholder (+83 points), caused by the unstoppable increase in energy prices throughout the year.

Infectious diseases, as is the case for other stakeholders, remains at the top of the list (unchanged compared to 2020). This is not only due to the fact that COVID-19 continues to affect the operations of organisations, but also to the fact that financial institutions have been essential throughout the pandemic, not only for their service to consumers/users, but also as an element to channel the resources made available by the State to the bodies most affected.



## E. Analysis per dimension

### ECONOMIC COMMITMENT



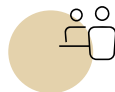
- Responsible investment and financing (100%)
- Infectious diseases (100%)
- Critical suppliers (100%)
- Creation of long-term value (83%)
- Partnership, financing and research dissemination agreements (83%)
- Risk of corruption/bribery/fraud/money laundering (83%)
- Promotion of an ethical culture in the organisation (67%)
- Structure and operation of corporate governance (66%)

### ENVIRONMENTAL COMMITMENT



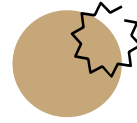
- Climate change mitigation (100%)
- Adaptation to climate change (100%)
- Renewable energy promotion (100%)
- Biodiversity protection (83%)
- Circular economy (67%)

### SOCIAL COMMITMENT



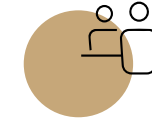
- Energy prices (100%)
- Communication and transparency (83%)
- New energy services (67%)
- Respect for human and labour rights (67%)
- Management of impacts on local communities (67%)
- Respect for indigenous communities (67%)

### a. ECONOMIC DIMENSION



With respect to economic subjects, and in addition to the aforementioned topics of sustainable financing, financial institutions pay special attention to the creation of long-term value (83%) and to partnership, financing and research dissemination agreements (83%). Another important topic is the risk of corruption/bribery/fraud/money laundering (83%), which is natural since financial institutions are subject to money laundering regulations, making this a risk to be taken into account at these types of institutions.

### b. SOCIAL DIMENSION



The 'new energy services' variable continues to be an important subject for this stakeholder, with 83%, as was the case in 2020. Communication and transparency remains an important topic (83% in 2020 and 2021), which shows that transmitting the organisation's affairs to third parties continues to be a challenge to be included in the strategies of institutions, not only due to legal obligation, but because non-financial information can be a differential element in attracting new customers or investors.

### c. ENVIRONMENTAL DIMENSION



Unlike the 2020 analysis, where only the topic of the circular economy was important with 67%, as in 2021, it can be seen in this study how climate change mitigation and adaptation and the renewable energy promotion achieved first place in environmental topics, increasing by 50 points compared to 2020. This may have something to do with the European Green Deal and the National Energy Transition Plan that, as we pointed out last year, will lead these institutions to encourage activities with less environmental impact.

# 03 PRIORIZACIÓN INTERNA



## SOCIETY PRIORITISATION

### Priorización TOPICS

The relevant topics for society as a whole that have obtained a rating over 65% are the following:

TOPICS	WEIGHTING		TREND
	2021	2020	
Digital transformation	100%	86%	↑ <sub>+14</sub>
Self-consumption	100%	79%	↑ <sub>+21</sub>
Climate change mitigation	100%	93%	↑ <sub>+7</sub>
Energy efficiency	100%	93%	↑ <sub>+7</sub>
Circular economy	100%	86%	↑ <sub>+14</sub>
Biodiversity protection	100%	86%	↑ <sub>+14</sub>
Engagement with local communities	100%	86%	↑ <sub>+14</sub>
Management of impacts on local communities	100%	86%	↑ <sub>+14</sub>
Just energy transition	100%	100%	=
Labour relations	100%	79%	↑ <sub>+21</sub>
Diversity / Equal opportunities	100%	100%	=
Creation of long-term value	95%	50%	↑ <sub>+45</sub>
Development of innovative technologies	95%	64%	↑ <sub>+31</sub>
Electric mobility	95%	93%	↑ <sub>+2</sub>
CO2 in the supply chain	95%	29%	↑ <sub>+66</sub>
New energy services	95%	57%	↑ <sub>+38</sub>
Sustainable consumption	95%	71%	↑ <sub>+24</sub>
Adaptation to climate change	95%	86%	↑ <sub>+9</sub>
Information security	95%	64%	↑ <sub>+31</sub>
Renewable energy promotion	95%	86%	↑ <sub>+9</sub>
Water management	95%	79%	↑ <sub>+19</sub>
Occupational incidents and diseases	95%	71%	↑ <sub>+24</sub>
Assessment of the company's ESG performance	80%	43%	↑ <sub>+37</sub>
Energy price	68%	64%	↑ <sub>+4</sub>
Infectious diseases	68%	93%	↓ <sub>-25</sub>
Pollution prevention	68%	93%	↓ <sub>-25</sub>

# 03 PRIORIZACIÓN INTERNA



## SOCIETY PRIORITISATION

### Priorización categorías

From the relevant topics identified for each stakeholder, we have obtained a prioritisation of categories for the company in general; those with a rating over 65% are the following:

CATEGORÍAS	WEIGHTING		TREND
	2021	2020	
Energy efficiency	100%	93%	↗ +7
Climatic changes	98%	89%	↗ +9
Sustainable mobility	95%	93%	↗ +2
Renewable energy promotion	95%	86%	↗ +9
Environmental management	91%	86%	↗ +5
Supplier management	79%	43%	↗ +36
Digital transformation	69%	75%	↘ -6
Safety	68%	64%	↗ +4
Engagement with local communities	67%	80%	↘ -13
Crisis management	64%	79%	↘ -15
Innovation and research	63%	64%	↘ -1
Customer satisfaction and service	58%	60%	↘ -2
Energy infrastructures	58%	61%	↘ -3
Business Sustainability	55%	57%	↘ -2
People management	50%	71%	↘ -21
Socially responsible investment	48%	46%	↘ +2
Human and labour rights	48%	71%	↘ -23
Communication and transparency	39%	75%	↘ -36
Vulnerable customers	30%	93%	↘ -63
Business ethics	25%	65%	↘ -40
Corporate governance	23%	54%	↘ -31

# 03 PRIORIZACIÓN INTERNA

## IDENTIFICATION OF EMERGING TOPICS

The main emerging topics observed during the preparation of this analysis are specified below.

The represented sample is not organised as per level of relevance, but as per matters more or less related and common to the characteristics of this report; however, this does not intend to follow a thread or establish a relative materiality among them:



ROBOTICS/  
AUTOMATION



GREEN HYDROGEN



ENERGY  
STORAGE



BATTERY VALUE  
CHAIN



SHARED SELF-  
CONSUMPTION



ENERGY DEMAND  
MANAGEMENT



INCLUSIVE ORGANISATION  
ATTENTIVE TO DIFFERENT  
REALITIES



BIODIVERSITY  
PROTECTION COP26



# 04

## APPENDIX I DEFINITIONS



# APPENDIX I DEFINITIONS

## CATEGORY BEFORE TOPIC

CATEGORIES	TOPIC	DEFINITION
<b>Corporate Governance</b>	Structure and operation of corporate governance	This refers to the set of rules and principles governing the design/structure, integration, and functioning of the company's governing bodies. It is based on the pillars of independence and separation of powers and diversity of the company's governing bodies.
	Assessment and remuneration	It refers to the set of rules and principles used in the definition of fixed and variable remuneration of corporate bodies, namely, the alignment with their medium/long-term performance. It also includes issues related to the ratio between the CEO's remuneration and the average remuneration of the company's other employees.
<b>Business Ethics</b>	Effective and confidential management of ethical complaints	Effective mechanisms to report unethical or illegal behaviour to different stakeholder groups.
	Risk of corruption/bribery/fraud/money laundering	Presence of a sense of ethics/conduct.
	Promotion of an ethical culture in the organisation	Measures in place to avoid and minimise risks associated with unlawful conduct (conflicts of interest, fraud, money laundering, embezzlement, concealment and obstruction of justice, influence peddling) by employees and/or representatives of the Company.
	Responsible political engagement	Measures to raise awareness and address business ethics, both internally and together with service providers.
	Fair competition practices	No use of undue influence with parties and public policy, avoiding behaviour such as manipulation, intimidation, and coercion, which can negatively influence the public policy process.
	Information security and privacy	Encouraging innovation and efficiency through fair and widespread competitive practices, enabling the reduction of costs of products and services. Ensuring that all organisations have equal opportunities by encouraging the development of new or improved products or processes that, in the long term, can improve economic growth and living standards. Respecting the rules of fair competition when promoting products/services, based on factors such as price, quality, and service.
<b>Human and labour rights</b>	Respect for human and labour rights	Safeguarding the rights of customers to privacy by limiting the types of information collected and the ways in which this information is obtained, used, and kept secure, and by complying with the necessary confidentiality and data protection requirements.
<b>Business Sustainability</b>	Creation of long-term value	Mechanisms to ensure that there is no discrimination, exclusion, or bias that results in the deprivation of equal treatment or opportunities. Processes to identify and prevent actual or potential human rights impacts resulting from EDP's activities. It includes: 1) the existence of a human rights policy and its integration throughout the organisation, means of evaluation, means of monitoring performance, and actions to address the negative impact of the company's decisions and activities.

CATEGORIES	TOPIC	DEFINITION
<b>Business Sustainability</b>	Solvency and financial management	References to a company's financial situation and the ability to meet long- and short-term financial obligations. It includes aspects related to financial solvency and liquidity, as well as debt management.
<b>Socially responsible investment</b>	Assessment of the company's ESG performance	Differentiation by sustainability performance through measurement approaches, for example based on sustainability indices (such as DJSI, Sustainalitics, Vigeo, Ethicis, CDP, etc.). Other external assessment tools (e.g., reports, interviews, etc.) can also be included.
	Assessment of the company's ESG performance	Investments integrating non-financial issues and aiming at generating financial and sustainable value of which green investing, impact investing, ethical funds, green bonds/green loans are examples.
<b>Communication and transparency</b>	Communication and transparency	External pressure to communicate the company's performance in different areas of sustainability more and in a better way (more transparently). Openness to society, with greater willingness to share information with all company stakeholders.
	Fiscal transparency	Greater clarification of the regulatory risks of subsidies obtained by the company and the fees to which the company is subject and/or from which it is exempt. Importance of the impact of regulatory changes on the company's financial/operational performance.
<b>Innovation and research</b>	Cooperation, financing and research Dissemination agreements	Measures to encourage research through cooperation agreements and project funding, enabling them to contribute to the development of knowledge, skills, and technology (examples: smart meters, electric mobility, generation efficiency, research into demand-side management and improvements in energy storage, product research and innovation, collective agreements, etc.)
	Development of innovative technologies	Measures to promote research into innovative technologies, including integrated grids, energy production through renewable sources such as offshore wind power, photovoltaics, and wind farms for decentralised production.
<b>Sustainable mobility</b>	Electric mobility	The ability to meet society's needs to move freely in order to communicate commercially and build relationships without sacrificing other human and green values today and in the future. The electrification of transport, including the availability and development of different technologies for electric mobility as well as the charging network and products and services made available.
<b>Digital transformation</b>	Digital transformation	Integrating digital technology into all areas of the company, leading to changes both in the way it operates and in the creation of value for customers. It also includes cultural change and process change, capable of managing the challenges and opportunities related to digital technology.
	Digital inclusion	Promotion by the company of the ability of its stakeholders to access, understand, and use digital communication channels and technologies (namely employees, customers, suppliers, etc.) Includes issues such as digital literacy and global digitalisation coverage.
<b>Supplier management</b>	Sustainability in relationships with suppliers	Ensuring that price, the technical proposal, and commercial conditions are not the only factors taken into account when selecting suppliers. Suppliers' sustainability practices should be assessed when comparing product and service offerings (workplace accidents, environmental management, ethics, and social responsibility). Measures are in place to support suppliers in relation to procurement practices and compliance with contractual conditions in order to ensure a stable relationship. The payment policy, stability of relationships, cooperation, reliability, and competitive ethos define the relationship with suppliers. Health and health/well-being measures necessary to minimise the risks that may affect suppliers or subcontractors during their work activity.
	CO2 in the supply chain	Promote the reduction of CO2 emissions in the supply chain. Supplier training and engagement initiatives, carbon footprint-based eligibility criteria, supplier commitment to reduction targets, selection of products and services according to their footprint
<b>Energy infrastructure</b>	Quality of the technical support	Measures to maintain a reliable and quality electricity supply in accordance with indicators such as EPIT (Equivalent Power Interruption Time Installed).
	Distributed generation/Self-consumption	Initiatives that promote distributed or decentralised energy generation, such as the use of small energy sources that are close to the end consumer, and which can be linked to any low-voltage grid point.

CATEGORIES	TOPIC	DEFINITION
<b>Customer satisfaction and service</b>	Customer satisfaction and service	Improved satisfaction through the services offered and service differentiation. Clear and easily understandable communication in customer contracts, clear information on prices, features, terms, conditions, costs, contract duration, and cancellation periods. Disclosure of the energy bill. Communication with customers and the collection of feedback.
	Claim and complaint management	
	Energy prices	Mechanisms and channels to enable the proper transmission and handling of customer complaints.
	New energy services	
	Seguridad de productos y servicios	Price fairness perception, clarification of price formation (greater transparency).
	Sustainable consumption	
<b>Vulnerable customers</b>	Energy poverty	Provision of new energy services that can meet customer needs/expectations.
<b>Climatic changes</b>	Climate change mitigation	References to health and safety risks related to the use of products and/or services. It includes topics such as customer health and the safe use of products.
	Climate change mitigation	Customers choose products that use fewer natural resources in their production, that guarantee decent working conditions for those who produce them, and that will be easily reused or recycled. It means buying what is really necessary and extending the life of products as much as possible. Examples are products and services that reduce CO2 emissions (green tariffs, electric mobility) or reduce the consumption of raw materials (as-a-service).
<b>Crisis management</b>	Critical infrastructures	Mechanisms/measures that facilitate the differential treatment of vulnerable customers, i.e., households that cannot afford the energy costs that allow them a suitable level of comfort, including adequate heating of their homes, or to cover other energy services at an acceptable cost.
	Information security	Climate change mitigation initiatives, including the definition of a strategy and actions implemented by the company for the development of renewable energies taking into account indicators such as MW of clean energy forecast or tons of CO2 avoided through the use of renewable energies.
	Information security	Capacity to prevent, address, and repair damage resulting from the effects of climate change, while taking advantage of the opportunities that may arise from it and primarily addressing local and specific physical risks. Creating cities that are resilient to climate disruption. Mitigating the impacts of climate change.
	Critical suppliers	Ensuring that essential assets and services provided remain functional in a crisis situation. Ensuring emergency response and plans are in place and the conditions for implementing them.
<b>Renewable energy promotion</b>	Renewable energy promotion	Ensuring a set of measures necessary to ensure the confidentiality, integrity, and availability of information, both for the company and its customers. Ensuring an adequate response in emergency situations, such as cyberattacks.
<b>Energy efficiency</b>	Renewable energy promotion	Rapid and massive spread of infectious diseases. Bacteria, viruses, parasites, or fungi causing the uncontrolled spread of infectious diseases resulting in widespread death and economic disruption, such as the COVID-19 pandemic.

CATEGORIES	TOPIC	DEFINITION
Environmental management	Circular economy	Promoting a transition to a resource and material efficient economy, taking into account a full life cycle analysis of products and services associated with its value chain. Consumption of natural resources at or below their natural replacement rate. Includes issues related to material management, i.e., the use, reduction, reuse, and recycling of materials and resources in operations, activities, and products.
	Water management	Identification and assessment of business dependencies and impacts on the availability and quality of water resources.
	Biodiversity protection	
	Pollution prevention	The establishment of actions to prevent or mitigate these dependencies and impacts, and the definition of objectives and targets that ensure the continuous monitoring of the company's performance.
Engagement with Local Communities	Engagement with local communities	
	Management of impacts on local communities	This management covers, among other elements, risks associated with the location of assets in water-stressed areas, competing uses, regulatory changes, and water management in the supply chain.
	Respect for indigenous communities	Acting to protect the environment and restore natural habitats and various services and functions that ecosystems provide (such as food and water, thermoregulation, soil formation, and recreational opportunities). Key aspects include valuing and protecting biological diversity, valuing, protecting and restoring ecosystem services, the sustainable use of natural resources, and environmentally friendly rural and urban development.
	Just energy transition	Actions to prevent pollution, such as atmospheric emissions (CO <sub>2</sub> , SO <sub>x</sub> , NO <sub>x</sub> , etc.), water management, and waste management. This includes emissions of any substances and/or materials used in operations and/or product gifts that pose a substantial or potential threat to public health or the environment.
	Access to energy	Responsible performance in offsetting business externalities, impacts generated on society and the environment. It includes measures aimed at managing the relationship and rights of communities, as well as the potential impacts on them due to the company's activity. Valuing community participation in addressing its needs, fostering partnerships with local organisations and stakeholders. Support for local socio-economic development.
People management	Attracting and retaining talent	Responsible action in the compensation of business externalities, impacts on society and the environment. This includes measures aimed at managing the relationship and rights of communities, as well as the impacts on them arising from the company's activity. Valuing community participation, addressing its needs, fostering partnerships with local organisations and stakeholders. Support for local socio-economic development.
	Training and development	Respect for and inclusion of the rights of indigenous communities in the construction of new projects, particularly when it involves the displacement of these communities or impacts on their territories. Participation of indigenous communities affected by projects, decision making, and the establishment of measures developed by the company.

CATEGORIES	TOPIC	DEFINITION
<b>People management</b>	Employee satisfaction	Mechanisms to ensure high levels of employee satisfaction, as well as the efficient handling of employee grievances
	Work-life balance and social protection measures	Initiatives to promote a work-life balance, such as flexible working hours, additional measures to paternity/maternity leave, workplace flexibility, continuous working hours, mobility and transport solutions for employees, among others.
	Compensation and benefits	Initiatives to allocate compensation and benefits to employees, including financial and/or non-financial compensation, such as remuneration policies and programmes, pension plans, health care, among others.
	Labour relations	Management of the employee-employer relationship and the legal rights governing this relationship. Examples are: the existence of and a relationship with trade unions, collective agreements, working conditions, labour practices, freedom of association and collective bargaining, teleworking arrangements, among others.
	Job stability	Job stability and measures to minimise the negative impact of possible relocations or restructuring. Reorganisation, turnover rates include outsourcing.
	Diversity / Equal opportunities	Existence of mechanisms to ensure equality and non-discrimination in terms of conditions and opportunities, regardless of gender, age, minority groups, or other diversity indicators.
<b>Safety</b>	Occupational incidents and diseases	Promoting the implementation of measures to eliminate or minimise the occurrence of incidents and occupational diseases with employees, service providers, and third parties that may be affected by the regular performance of EDP's activities. This includes environmental aspects (air quality, noise, lighting, ergonomic aspects) and facility safety (fire protection, emergency response plans).
	Occupational health promotion	Prevention of medical aspects associated with work, including health surveillance and promotion of healthy living conditions for workers (nutrition and stop smoking programmes, cardiovascular examinations, vaccination programmes).
	Physical safety in premises	Concern for public safety issues and communities surrounding company facilities. Along with concerns about local communities, in particular emergency response concerns related to all aspects.
	Mental health at work	Ensuring a healthy professional environment and promoting the well-being of employees, ensuring a set of intervention guidelines for creating a healthier and more satisfying work environment.



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