

ENERGY

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fundação *edp*

ANNUAL  
REPORT  
2019



Monday

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**TO OVER  
DOWN  
MENTO**

**WIND**

**WIND  
ENERGY**

**WIND**

**WIND**



N.° VISITORS

**331 THOUSAND**

N.° EXHIBITIONS

**18**

# 01 Macro Indicators

CULTURAL  
PATRONAGE

**660 000 €**

SOCIAL  
INVESTMENT

**1 206 420 €**

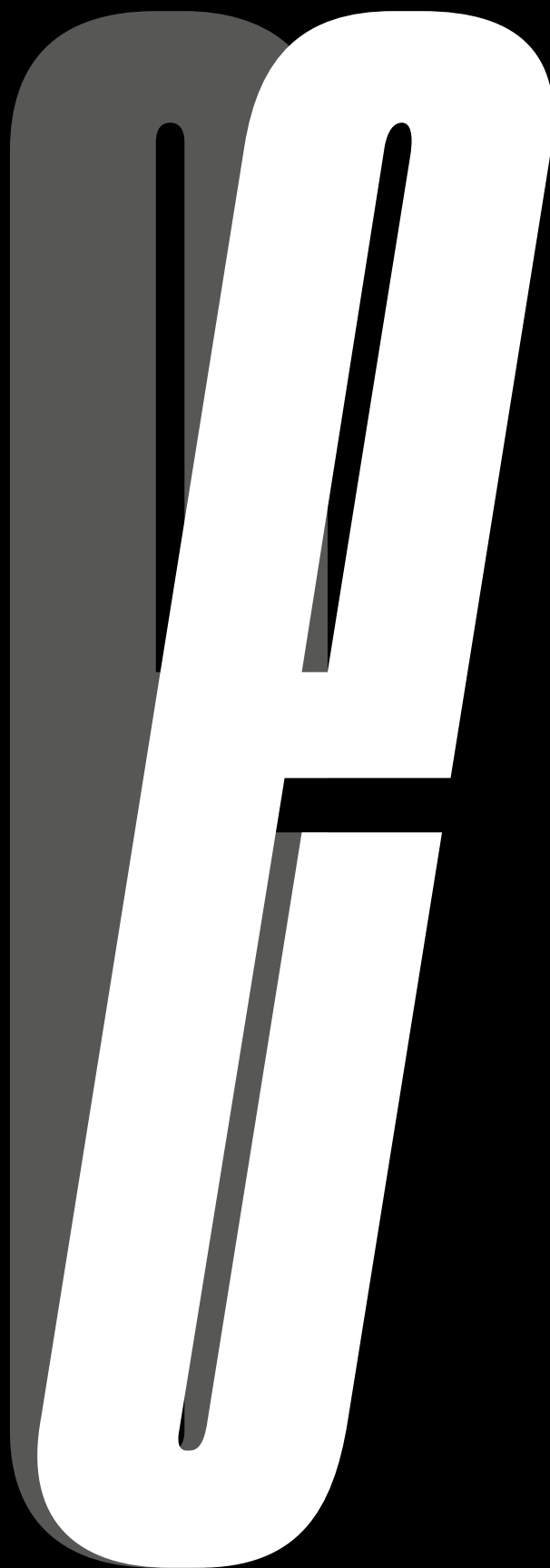
EDP GROUP  
REGULAR GRANT

**12 700 000 €**

INCOME FROM  
EDP FOUNDATION  
ACTIVITIES

**1 566 831 €**

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# 02

## INSTITUTIONAL MESSAGE

In 2019, the EDP Foundation based its management on managing the budget allocation, which was reduced by one million euros, with even greater rigour; on a more efficient use of resources in every field; and on building operational stability in line with the priorities and objectives proposed.

Added to these general principles, the priority defined in 2015 remains: to increase our own revenue through admissions to the Museum of Art, Architecture & Technology (MAAT), renting spaces in the two buildings of the EDP Foundation Campus, sales from the MAAT giftshop, and establishing partnerships with corporations. This concern reveals our priority to create the suitable conditions to guarantee the EDP Foundation's sustainability, irrespective of the extraordinary effort made by the EDP Group and its shareholders for that purpose.

Given these premises, in the cultural field, the EDP Foundation developed a dynamic and ambitious programme for MAAT, published four issues of the magazine *Electra*, and maintained its activity of selective patronage by supporting institutions like the Serralves Foundation, Casa da Música, Arpad Szènes – Vieira da Silva Museum and Companhia Nacional de Bailado (*National Ballet Company*), among others.

In the social field, the Programa EDP Solidária (*EDP Solidarity Programme*) provided nine hospital institutions with equipment to help fight respiratory diseases, in a total value above one million euros. Still in this domain, the EDP Foundation maintained support programs to drive good citizenship in schools and bring public art to regions with low population density.

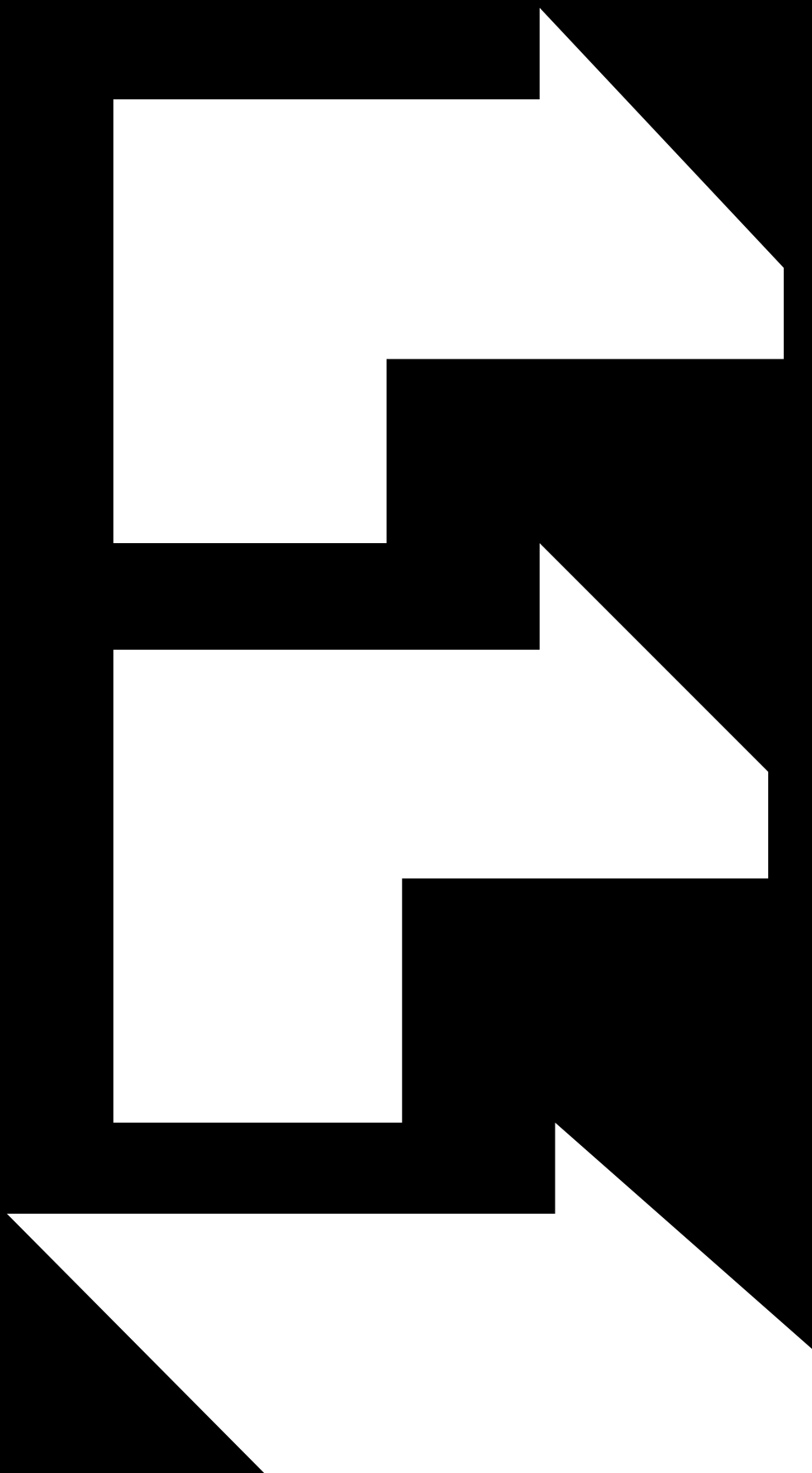
Regarding the preservation of the national energy heritage, the EDP Foundation continued to disseminate this subject among the public, particularly schools, through guided visits to the Tejo Power Station's electrical circuit.

Also notable in 2019 was the effort to maintain the two buildings of the EDP Foundation Campus (MAAT and Tejo Power Station), as well as the surrounding park, in exemplary condition; and completion of the valuation, by independent experts, of the EDP Foundation Art Collection, one of the most important Portuguese contemporary art collections.

Thus, we are proud of the results achieved, from a financial and management perspective, and also in terms of public awareness and recognition of the work carried out by the EDP Foundation.

This has been our journey. A journey we will continue to pursue with enthusiasm and conviction.

The EDP Foundation Board of Directors



# 03

## STATUTORY BODIES

### GOVERNING BODIES

#### BOARD OF TRUSTEES

Vasco Rocha Vieira (chairman)  
António Luís Guerra Nunes Mexia  
Dingming Zhang  
Miguel Stilwell de Andrade  
Miguel Nuno Simões Nunes Ferreira Setas

#### BOARD OF DIRECTORS

António Luís Guerra Nunes Mexia (chairman)  
Vera de Moraes Pinto Pereira Carneiro  
Rui Miguel Coutinho Baptista  
José Manuel Pereira dos Santos  
Paulo Alexandre Pires de Campos Costa

#### EXECUTIVE BOARD

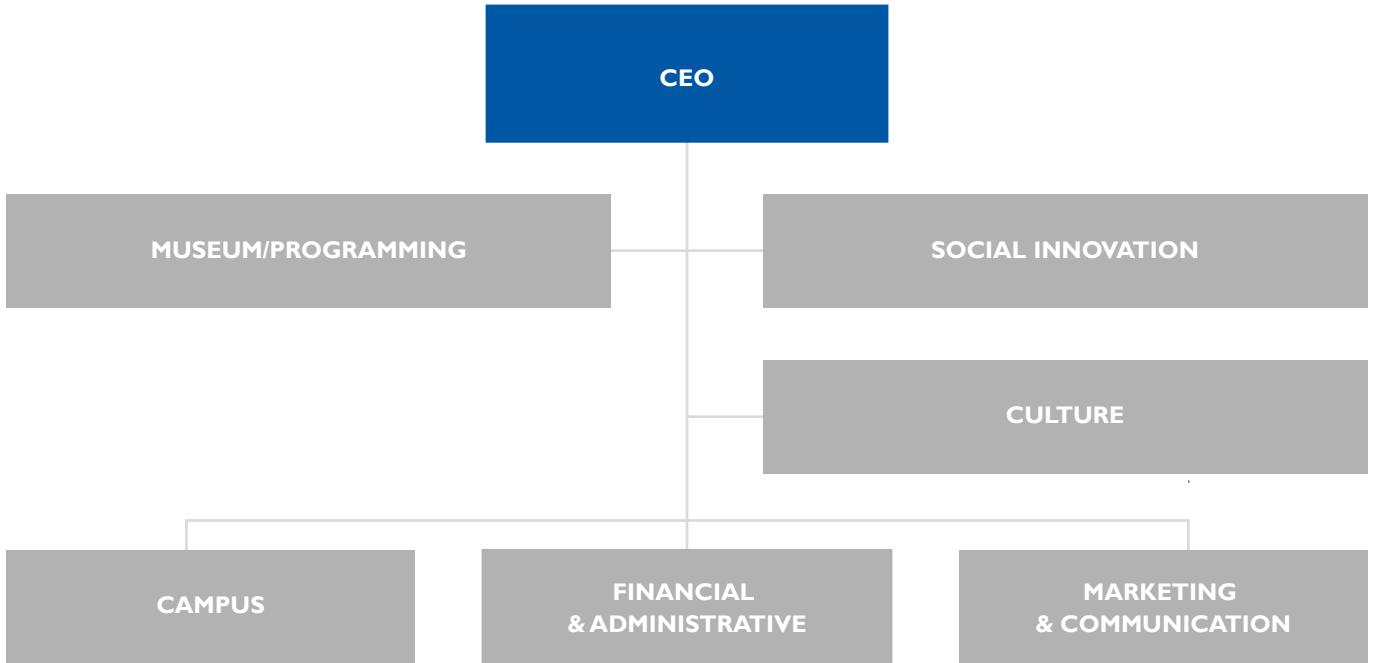
Rui Miguel Coutinho Baptista (CEO)  
José Manuel Pereira dos Santos  
Maria Margarida Amado Pinto Correia Represas  
Beatrice Leanza  
Catarina Copestake Cortez Pinto Seixas  
Eduardo Rosa Silva  
Sandro José Silva da Fonseca

#### SUPERVISORY BOARD

Vítor Fernandes da Conceição Gonçalves (chairman)  
Miguel Tiago Perestrelo da Câmara Ribeiro Ferreira  
KPMG & Associados – Sociedade de Revisores Oficiais de Contas, S.A. (statutory auditor)

### 3.1 ORGANISATIONAL CHART

EDP Foundation organisational chart\*



\* SITUATION AS AT 31 DECEMBER 2019

# 04

## MISSION & VALUES

### MISSION

The EDP Foundation is a private non-profit institution with public interest status, founded by EDP – Energias de Portugal, S.A. on December 2004.

As the Foundation of a cosmopolitan and socially responsible corporation, its mission is to help improve the quality of life of people, through social, cultural and scientific initiatives.

### VALUES

TRANSPARENCY

(in every choice)

COMMITMENT

(to the community)

INNOVATION

(in concepts & solutions)

EFFICIENCY

(in management)

RIGOUR

(in execution & reporting)

Impa



**INNOVATIVE  
ENERGY**

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# 05

## EDP FOUNDATION ACTIVITY

### 5.1 MUSEUM

The MAAT – Museum of Art, Architecture & Technology presented 18 in-house exhibitions in Lisbon in 2019. Of these, the two most visited exhibitions were individual shows by Portuguese artists: *Awdi'torju*, a sound installation by Pedro Tudela, exhibited in the Boiler Hall of the Tejo Power Station building (106 633 visitors); and the exhibition *Amanhã Não há Arte* (*Tomorrow there won't be any Art*), by the artist Carla Filipe — finalist of the 2011 EDP Foundation Prémio Novos Artistas (*New Artists Award*) —, presented in the MAAT's Project Room (69 332 visitors). Also featured in the top three of the number of visitors is *Ficção e Fabricação – Fotografia de Arquitetura após a Revolução Digital* (*Fiction and Fabrication: Photography of Architecture after the Digital Turn*), a collective exhibition that gathered works by almost 50 national and international artists (95 924 visitors).

We also note the collective that gathered works by the six finalists of the 2019 EDP Foundation Prémio Novos Artistas (*New Artists Award*), one of the most important contemporary art awards in Portugal. In its 13th edition, the award received more than 530 candidates, among which were selected Isabel Madureira Andrade, Mónica de Miranda, Diana Policarpo, Henrique Pavão, Dealmeida Esilva and AnaMary Bilbao, which made up the exhibition featured between 16 May and 9 September. An international jury awarded the winning title to Diana Policarpo (Lisbon, 1986), highlighting the artist's «coherence between research and narrative», translated into «an innovative multimedia installation with great emphasis on the sound component, creating an immersive environment that is highly effective in building a relationship between the artist's idealised concept and its execution within the space.» Honourable mention was attributed to Isabel Madureira Andrade (Ponta Delgada, 1991).

Off-site, MAAT was responsible for curating the exhibition *On Recurrences: 7th volume. Edition n.º 13 00711448. 30'07"*, which presented the work by artist Ana Guedes (finalist of the 2017 New Artists Award) at the Berlin Gallery Weekend, within the scope of a partnership with the Portuguese Embassy in Germany and the Camões Institute in Berlin. The museum also curated the exhibition *De Outros Espaços* (*Of Other Spaces*), which took works from the EDP Foundation Portuguese Art Collection to the Porto Municipal Gallery.

Throughout the year, the museum received a total of 330 907 visitors. We highlight the 'open weekend' that marked MAAT's 3rd anniversary and which, through a highly diversified programme, attracted 24 thousand visitors on October 4, 5 and 6.

PROGRAMME	ARTIST	VALUE (€)	VISITORS (1)
<b>PROGRAMME 2019</b>			
<i>Servitudes – Circuits (Interpassivities)</i>	Jesper Just	198 680	65 413
<i>Ficção e Fabricação – Fotografia de Arquitetura após a Revolução Digital (Fiction and Fabrication: Photography of Architecture after the Digital Turn)</i>		154 355	95 924
<i>Prémio Novos Artistas 2019 (New Artists Award)</i>		127 209	44 456
<i>Playmode</i>		122 570	63 563
<i>Momento à Parte (A Moment Apart)</i>	Vasco Araújo	98 553	38 120
<i>Anima Vectorias</i>	Angela Bulloch	96 200	49 668
<i>Romy and the Dogs</i>	Xavier Veilhan	90 937	N.A.
<i>Hello, Robot – Design between Human and Machine</i>		83 203	44 736
<i>The Architecture of Life – Environments, Sculptures, Paintings and Films</i>	Carlos Bunga	56 196	55 452
<i>Awdi`tırju</i>	Pedro Tudela	53 258	106 633
<i>Ama como a estrada começa (Loving as the road begins)</i>	João Pedro Vale & Nuno Alexandre Ferreira	50 743	49 668
<i>Amanhã não há Arte (Tomorrow there won't be any Art)</i>	Carla Filipe	48 629	69 332
<i>Form &amp; Light – From Bahaus to Tel Aviv</i>	Yigal Gawze	47 917	22 296
<i>Meia-Noite (Mid-Night)</i>	Mariana Caló & Francisco Queimadela	37 345	38 120
<i>M . A . G . N . E . T</i>	Basim Madgy	32 174	63 563
<i>Dreamers Never Learn (Tidal)</i>	Vasco Barata	26 942	41 084
<i>Anátema (Anathema)</i>	Ana Santos	18 994	55 038
<i>Trienal de Arquitetura de Lisboa – Economia de Meios (Lisbon Architecture Triennale – Economy of Means)</i>		12 366	41 196
<b>PROGRAMME 2018</b>		<b>24 051</b>	<b>N.A.</b>
<b>PREPARATION 2020 PROGRAMME</b>		<b>414 431</b>	<b>N.A.</b>
<b>OTHER INITIATIVES</b>			
<i>3<sup>rd</sup> Anniversary MAAT</i>		135 233	23 572
<i>Conference On the Surface</i>		6 062	89
<i>Fuso – Anual de Vídeo Arte Internacional de Lisboa (Lisbon International Annual Video Art Festival)</i>	Horta Seca – Cultural Association	5 000	180
<i>Berlin Gallery Weekend – On Recurrences: 7th Volume. Edition n° 13 007/1448. 30'07"</i>	Ana Guedes	5 000	N.D.

(1) NUMBER OF VISITORS TO EACH EXHIBITION. THE SUM OF THESE NUMBERS DOES NOT REPRESENT THE TOTAL NUMBER OF VISITORS, SINCE EACH PERSON CAN VISIT SEVERAL SPACES.

## 5.2 CULTURAL PATRONAGE

Representing an investment of 660 thousand euros, the EDP Foundation's support provided to various institutions and cultural projects of proven excellence enabled us to have an impact on more than one million people in 2019.

A significant part of that support is concentrated in the Porto region, where the EDP Foundation participates in the programming of institutions like Casa da Música, the Serralves Foundation and the Porto Municipal Gallery.

Founding member of Casa da Música and exclusive patron of this institution's Piano Cycle since 2008, the EDP Foundation supports the development of its annual programme. Throughout the 2019 season, 1 676 events were held, attracting more than 580 thousand spectators.

The EDP Foundation is founding patron of the Serralves Foundation and exclusive patron of one of the principal exhibitions in the Museum of Contemporary Art's annual programme. In 2019, that support was given to the exhibition *Álvaro Siza: in/disciplina*, presented between 19 September 2019 and 2 February 2020.

The EDP Foundation has been a patron of the Porto Municipal Gallery's programme since 2015. Nine exhibitions were presented in that space last year, among which *De Outros Espaços (Of Other Spaces)*, curated by MAAT.

In the visual arts we also note the support provided to the Arpad Szenes – Vieira da Silva Foundation, where the EDP Foundation is the principal programming patron and which featured 11 exhibitions in 2019.

The EDP Foundation also maintains a longstanding relationship with the Companhia Nacional de Bailado (*National Ballet Company*), which has received support from the EDP Group since 1998. We are currently patron of this institution's programme, which presented 37 shows last year, among other activities carried out under the project to bring dance closer to the communities and for International Dance Day.

We also note the Orquestra Sinfónica Juvenil (*Youth Symphony Orchestra*), which receives funding from the EDP Foundation to develop its season and support the Scholarship Program to train and professionalise young musicians with great potential. 11 scholarships were granted in the 2019–20 academic year.

PROJECT	PARTNER	VALUE (€)	BENEFICIARIES
<b>CULTURAL PATRONAGE</b>			
<b>Serralves Foundation</b>			
Exhibition Álvaro Siza: (In)disciplina ((In)discipline)	Serralves Foundation	100 000	179 994
Founding Patron Serralves Foundation	Serralves Foundation	15 000	N.A.
<b>Companhia Nacional de Bailado (National Ballet Company)</b>			
National Ballet Company Programme	National Ballet Company/OPART	100 000	10 860
Other Costs		225	N.A.
<b>EDP Foundation Piano Cycle</b>	<b>Casa da Música Foundation</b>	<b>100 000</b>	<b>580 670</b>
<b>ARCOLisboa 2019</b>			
ARCOLisboa 2019	IFEMA – Institución Ferial de Madrid	70 000	17 000
Other Costs		16 336	N.A.
<b>Porto Municipal Gallery</b>	<b>Porto Municipal Council</b>	<b>75 000</b>	<b>137 417</b>
<b>Orquestra Sinfónica Juvenil (Youth Symphony Orchestra)</b>			
Activities Youth Symphony Orchestra	Portuguese Musical Circle	37 000	9 645
EDP Foundation Scholarships – Youth Symphony Orchestra	Portuguese Musical Circle	17 500	11
Other Costs		295	N.A.
<b>Museu Zer0</b>	<b>Lusíada Cultural Institute</b>	<b>50 000</b>	<b>32 500</b>
<b>Arpad Szenes – Vieira da Silva Foundation Programme</b>	<b>Arpad Szenes – Vieira da Silva Foundation</b>	<b>42 000</b>	<b>28 983</b>
<b>Inventory &amp; cataloguing the Prof. Eduardo Lourenço Collection</b>	<b>National Culture Centre</b>	<b>25 000</b>	<b>N.A.</b>
<b>EDP Choir</b>	<b>EDP Choir</b>	<b>9 000</b>	<b>2 310</b>

<b>PROJECT</b>	<b>PARTNER</b>	<b>VALUE (€)</b>	<b>BENEFICIARIES</b>
<b>CULTURAL PATRONAGE</b>			
Unesco Arts Education Club	ASPREA – Association for Arts Education	8 000	770
São Vicente Organ Concert Cycle & New Year Concerts	Althum	7 500	5 900
Mário Soares Foundation – EDP Foundation Prize	Mário Soares Foundation	7 000	1
Guia de Arquitetura de Lisboa (Lisbon Architecture Guide)	RBMDC Livros e Arte	7 000	N.A.
The Lisbon Consortium Programme	Universidade Católica Portuguesa	5 000	N.A.
<b>ELECTRA MAGAZINE</b>			
Executive Production & Editing		336 023	N.A.
Other Costs		24 344	N.A.

## 5.3 SOCIAL INVESTMENT

In 2019, the EDP Foundation channelled its investment in the Programa EDP Solidária (*EDP Solidarity Programme*) to the field of healthcare, namely supporting projects involving illnesses identified in the Programa Nacional para as Doenças Respiratórias (*National Programme for Respiratory Diseases*). These are one of the principal causes of illness and mortality in Portugal, particularly chronic respiratory diseases. There were nine winning entities, altogether amounting to a financial support of 1 062 500 euros.

Thus, there are now more than 409 social projects receiving support in every district in Portugal since 2004, the year when the Programa EDP Solidária (*EDP Solidarity Programme*) was launched. In 2015 a specific line of funding was created for the health sector, where the EDP Foundation has already invested more than 5.5 million euros in 49 projects that aim to improve clinical and social conditions arising from health problems.

The 2018–19 academic year marked the 9th edition of the EDP Foundation Projeto Escolas Solidárias (*Solidarity Schools Project*).

This initiative was launched in 2010 and aims to promote citizenship in lower and upper secondary schools, encouraging students to become actively involved in resolving issues that affect their community.

In 2018–19, 514 teaching institutions mobilised to develop citizenship and social intervention projects within the scope of the United Nations Sustainable Development Goals.

Approximately 57 thousand students and teachers implemented 2 356 initiatives, investing almost four million hours of active citizenship.

The EDP Foundation Projeto Arte Pública (*Public Art Project*) grew in 2019, expanding to the Minho and Beira Baixa regions. In Minho, the project focused its intervention in the Braga council, particularly the townships of Crespos & Pousada, Padim da Graça, Merelim (São Paio), Panoias & Parada de Tibães, and Palmeira. The artists chosen to work in these locations' public spaces were João Martinho Moura, Sebastião Peixoto and José Pedro Santos, with nine public art interventions conceived in collaboration with the populations. Developed under the brand Energizarte, the project in the Braga council results from a partnership with the local municipality.

In Beira Baixa, EDP Foundation Arte Pública was based in Fundão, also in partnership with the local council. Ten artistic interventions are foreseen (part of which will be executed in 2020) in the villages of Alcaria, Capinha, Pêro Viseu and Vale de Prazeres. The works will be carried out by Guga Liuzzi, Frederico Aranha, Mariana Santos and Joana Sousa Valadão.

Launched in 2015, and receiving support from EDP Distribuição, the EDP Foundation Projeto Arte Pública is an initiative that uses art in the public space as a tool to drive social inclusion and local development. 86 works of art have already been created in the public space in locations in the Algarve, Alto Alentejo, Ribatejo, Médio Tejo and Trás-os-Montes & Alto Douro.

The EDP Foundation also maintained funding for Casa da Música, which this institution applies to guarantee the artistic and educational direction of the Orquestras Energia (*Energy Orchestras*). This is a project that drives social integration through musical training, targeting vulnerable children and youths in the councils of Amarante, Murça and Mirandela, launched in 2010 by the EDP Foundation. In September 2018, the Ministry of Education took over the continuity and future execution of the Orquestra Energia project.

PROJECT	PARTNER	VALUE (€)	BENEFICIARIES
<b>EDP SOLIDARITY PROGRAMME</b>			
<b>Support provided to Projects - Respiratory Diseases</b>			
Equipping outpatient thoracic treatment centre	Faculty of Medicine's Association for Research & Development	200 000	N.D. <sup>(1)</sup>
Technological innovation & differentiation of the ULSG department of pulmonology	Guarda Local Healthcare Unit	180 000	N.D. <sup>(1)</sup>
Respirar + ( <i>Breathe +</i> )	Baixo Vouga Hospital Centre	155 000	N.D. <sup>(1)</sup>
Outpatient respiratory rehabilitation for COPD patients	Nordeste Local Healthcare Unit	120 000	N.D. <sup>(1)</sup>
Project Inspir'ar ( <i>In' spire</i> )	Setúbal Hospital Centre	110 000	N.D. <sup>(1)</sup>
Endobronchial ultrasound - innovative examination for respiratory diseases	Hospital da Senhora da Oliveira – Guimarães	100 000	N.D. <sup>(1)</sup>
Linear probe endobronchial ultrasound	University of Algarve Hospital Centre	100 000	N.D. <sup>(1)</sup>
Via Verde Cancro do Pulmão ( <i>Lung Cancer Fast Track</i> )	University of Porto Hospital Centre – Lung Cancer Fast Track Working Group	70 000	N.D. <sup>(1)</sup>

PROJECT	PARTNER	VALUE (€)	BENEFICIARIES
<b>EDP SOLIDARITY PROGRAMME</b>			
<b>Support provided to Projects - Respiratory Diseases</b>			
Respirar para viver melhor ( <i>Breathe to live better</i> )	Santa Casa da Misericórdia of Riba D'Ave	27 500	N.D. <sup>(1)</sup>
<b>Overall Management</b>			
Management of Applications		32 815	N.A.
Other Costs		200	N.A.
<b>SOCIAL INNOVATION PROJECTS</b>			
EDP Foundation Solidarity Schools		73 924	79 822
EDP Foundation Public Art		42 196	763
EDP Foundation Energy Orchestras		9 692	188

<sup>(1)</sup> THE BENEFICIARIES WILL BE CALCULATED FOLLOWING PROJECT ROLL-OUT IN 2020.

## 5.4 ART COLLECTION

In 2019 the EDP Foundation Art Collection was compounded with 26 new works from 13 artists in different disciplines, such as *Death Grip*, by Diana Policarpo, winner of the 2019 EDP Foundation Prémio Novos Artistas (New Artists Award), and a set of six photographs from the series *Arte em Barragens (Art in Dams)*, by André Cepeda.

The acquisitions represented an investment of 169 896 euros. The Art Collection also received the donation of a work by Rui Chafes, entitled *Estudo para Escultura DESPEDIDA (Study for Sculpture FAREWELL)*, valued at 30 000 euros.

Throughout the year, the EDP Foundation loaned 26 works by nine Portuguese artists, which were included in 11 exhibitions in Portugal and abroad. Among these are the exhibition *I'll Be Your Mirror*, by Joana Vasconcelos, presented at the Serralves Museum and later at the Kunsthall Rotterdam; the exhibition *Pouco a Pouco (Little by Little)* by Ângela Ferreira, in Santiago de Compostela, comprised of 11 works on loan, and the exhibition *Ainda o Desconforto Moderno (Still Modern Discomfort)* by Miguel Palma, at the Berardo Museum.

We also note the exhibition *De Outros Espaços (Of Other Spaces)*, which was curated by MAAT and presented at the Porto Municipal Gallery (between 8 June and 18 August), comprised of 75 works by 44 Portuguese artists.

### WORKS OF ART ACQUIRED BY/DONATED TO THE EDP FOUNDATION IN 2019

DISCIPLINE	AUTHOR	TITLE
<b>Painting (3)</b>	Rui Toscano	<i>Rigel</i>
	Carlos Bunga	<i>Construcción Pictórica (Verde Suave) (Pictorial Construction (Soft Green))</i>
	Isabel Madureira Andrade	<i>Untitled (Frieze #1 to XII)</i>
<b>Drawing (5)</b>	Isabel Madureira Andrade	<i>Untitled</i>
	Isabel Madureira Andrade	<i>Untitled</i>
	Isabel Madureira Andrade	<i>Untitled</i>
	Isabel Madureira Andrade	<i>Untitled</i>
	Isabel Madureira Andrade	<i>Untitled</i>
<b>Sculpture &amp; Installation (5)</b>	Ana Jotta	<i>La princesa que pudo ser gallina (The princess who could be a chicken)</i>
	João Ferro Martins	<i>Diner Jaune / Yellow Dinner</i>
	João Ferro Martins	<i>Volumétrie Bleue (Blue Volume)</i>
	Diana Policarpo	<i>Death Grip</i>
	Rui Chafes	<i>Estudo para Escultura DESPEDIDA (Study for Sculpture FAREWELL)</i>
<b>Video (3)</b>	Francisca Manuel	<i>Avenida 211 (Avenue 211)</i>
	Gabriel Abrantes	<i>A Brief History of Princess X</i>
	Yuri Firmeza	<i>Apenas um gesto ainda nos separa do caos (A gesture narrowly divides us from chaos)</i>
<b>Photography (9)</b>	André Cepeda	<i>Untitled, Picote II</i>
	André Cepeda	<i>Untitled, Caniçada</i>
	André Cepeda	<i>Untitled, Soajo, Alto Lindoso</i>
	André Cepeda	<i>Untitled, Tua</i>
	André Cepeda	<i>Untitled, Baixo Sabor</i>
	André Cepeda	<i>Untitled, Picote II</i>
	Rodrigo Oliveira	<i>À Procura da Utopia (Estado Actual) (Seeking Utopia (Current State))</i>
	André Príncipe	<i>Untitled</i>
	André Príncipe	<i>Untitled</i>
<b>Books / Artistic documentation (1)</b>	Vv.Aa.	<i>Paper Works</i>

## ART COLLECTION LOANS – 2019

## EXHIBITION

## WORK

"Wait"  
Berardo Collection Museum  
30-01-2019 to 28-04-2019

GONÇALO BARREIROS  
*Untitled (William Tell Overture)*  
2008  
Record player, speakers & mechanism

Joana Vasconcelos: "I'll Be Your Mirror"  
Serralves Museum  
14-02-2019 to 24-06-2019

JOANA VASCONCELOS  
*Sofá Aspirina (Aspirin Sofa)*  
1997  
Aspirins, wood, glass

"A Metade do Céu" (*Half the Sky*)  
Arpad Szenes-Vieira da Silva Foundation  
21-03-2019 to 23-06-2019

LUÍSA CORREIA PEREIRA  
*Le Chemin Entre les Êtres*  
1971  
Watercolour on paper

LUÍSA CORREIA PEREIRA  
*La Vie Dedans*  
1973  
Watercolour on paper

Vasco Araújo: "Momento à Parte" (*A Moment Apart*)  
MAAT – Museum of Art, Architecture & Technology  
05-06-2019 to 09-09-2019

VASCO ARAÚJO  
*Século (Century)*  
2002  
Installation: wood frames, prints on newsprint, pencil & watercolour on paper

VASCO ARAÚJO  
*Sabine / Brunnhilde*  
2003  
Installation: background, acrylic on canvas.  
Painted by: Jorge Rodrigues, based on the set design study for "The Valkyrie" by Adolph Mahnke, 1942.  
Video, colour, sound; 30' 3", loop.  
Text: Richard Wagner ("Twilight of Gods", Brunnhilde's aria).  
Interpreters / Performers: Sabine Urban, Ana Ester-Neves, Alexandra Torrens.  
Video, colour, sound, w/ subtitles in Portuguese & English; 39 min 49 s (loop). Text: Maria da Graça Queiroz. Interpreter / Performer: Sabine Urban. Voice: Sabine Urban.

Joana Vasconcelos: "I'll Be Your Mirror"  
Kunsthal Rotterdam  
20-07-2019 to 17-11-2019

JOANA VASCONCELOS  
*Sofá Aspirina (Aspirin Sofa)*  
1997  
Aspirins, wood, glass

Joana Vasconcelos: "Maximal"  
Max Ernst Museumm Bruhl des LVR  
07-04-2019 to 04-08-2019

JOANA VASCONCELOS  
*Passerelle (Catwalk)*  
2005  
Ceramic dogs, metallised & thermo-lacquered iron, motor, control & protection panel, pedal switch

Ângela Ferreira: "Pouco a Pouco" (*Little by Little*)  
Centro Galego de Arte Contemporânea de Santiago de Compostela  
(*Contemporary Art Centre*)  
07-06-2019 to 29-09-2019

ÂNGELA FERREIRA  
*Indépendance Cha Cha*  
2014  
Beech & pine wood, MDF, plastic paint, iron, projection screens, 2 videos  
(colour, alternating sound, 5' 9", loop)

ÂNGELA FERREIRA  
*Study for Indépendance Cha Cha*  
2014  
Graphite on paper (Set of 6 works)

ÂNGELA FERREIRA  
*Composites (Indépendance Cha Cha)*  
2014  
Graphite, photocopies & digital printing on Fabriano paper  
(Set of 4 works)

Carlos Bunga: "Arquitectura da Vida" (*The Architecture of Life*)  
Centro Internacional das Artes José de Guimarães (*International Arts Centre*) – Guimarães  
29-06-2019 to 06-10-2019

CARLOS BUNGA  
*Construcción Pictórica (Verde Suave) (Pictorial Construction (Soft Green))*  
2018  
Latex & glue on cardboard & wood

Miguel Palma: "Ainda o Desconforto Moderno" (*Still Modern Discomfort*)  
Berardo Collection Museum  
18-09-2019 to 19-01-2020

MIGUEL PALMA  
*Sementeira (Bedseed Project)*  
2006  
Agricultural device, metal, plastic, batteries, electric & mechanical systems,



## ART COLLECTION LOANS – 2019

## EXHIBITION

## WORK

	wooden box w/ gloves, other materials
	MIGUEL PALMA <i>Synapse</i> 2015 Reinforced concrete, painted iron structure, aluminium structure, water pump, steel cables, aquarium, water, PVC tubes, rubber, screws
José Barrias: "Escrever com a luz: notas para a biografia de uma sombra" ( <i>Writing with light: notes for the biography of a shadow</i> ) Centro para os Assuntos da Arte e Arquitectura (Centre for Art & Architecture Affairs) – Guimarães 01-11-2019 to 28-12-2019	JOSÉ BARRIAS <i>Reprodução Proibida (Forbidden Reproduction)</i> 1995 Charcoal on Arches paper
	JOSÉ BARRIAS <i>Lâmpada (Lightbulb)</i> 1995 Charcoal on Arches paper
Rui Sanches: "Espelho" ( <i>Mirror</i> ) Berardo Collection Museum 09-10-2019 to 10-01-2020	RUI SANCHES <i>Untitled</i> 2000 Charcoal & enamel on paper
	RUI SANCHES <i>Untitled</i> 2000 Colour pencils, paint on paper

## 5.5 PUBLICATIONS

In 2019, MAAT published nine catalogues of exhibitions presented throughout the year. These publications documented individual exhibitions, like *Anátoma (Anathema)*, by Ana Santos and *Momento à Parte (A Moment Apart)*, by Vasco Araújo, as well as collective exhibitions, such as the *Prémio Novos Artistas Fundação EDP 2019 (2019 EDP Foundation New Artists Award)* and *Playmode*. The museum also commissioned international publishers for two publications: *Fiction and Fabrication Photography of Architecture after the Digital Turn*, by Hirmer Verlag, and *The Architecture of Life Environments, Sculptures, Paintings, Drawings and Films by Carlos Bunga*, from Polígrafa.

The magazine *Electra* entered its second year of publication, also marking the beginning of the magazine's distribution in Brazil, in the second semester of the year.

Published by the EDP Foundation since March 2018, *Electra* is an international magazine that focuses on social and political critique, analysis and reflection, available in Portuguese and English, on a quarterly basis. Four issues were published in 2019. *Electra* also won the award for Best Magazine Editorial Design & Graphic Project at the 2019 Meios & Publicidade (*Media & Advertising*) Design Awards.

In the field of social investment, the guides for the Trás-os-Montes & Alto Douro and Médio Tejo editions of the EDP Foundation Programa Arte Pública (*Public Art Programme*) were also launched. These publications are organised as an art route for those who wish to visit the artistic interventions executed in public spaces.

Two editions of the EDP Foundation journal were also published, distributed to museum visitors, as well as audiences of our partner entities, like Casa da Música, in Porto, and Companhia Nacional de Bailado (*National Ballet Company*), in Lisbon.

*edp*

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# The year in images

## 02

MAAT's 3<sup>rd</sup> anniversary was celebrated with an open weekend that lasted 3 days and attracted 24 thousand visitors to the museum.



## 01

awdi'torju, an exhibition by Pedro Tudela, was the most visited of the year. Presented between 16 May 2019 and 20 January 2020 in the Boiler Hall, in the Tejo Power Station building.

## 03

Diana Policarpo was the big winner of the 2019 EDP Foundation New Artists Award.







## 04

The EDP Foundation Public Art Project was extended to the Minho (Braga) and Beira Baixa (Fundão) regions. This mural is in the town of Capinha, in Fundão.

## 05

The magazine Electra was featured at Lisbon's Feira do Livro (Book Fair).



## 06

Once again, the EDP Foundation was a patron of ArcoLisboa, which took place from 16 to 19 May.

## 07

Approximately 900 students participated in the end of year celebration of the EDP Foundation Solidarity Schools Project, which took place at MAAT, at the end of May.



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## 06

## ECONOMIC &amp; FINANCIAL SITUATION

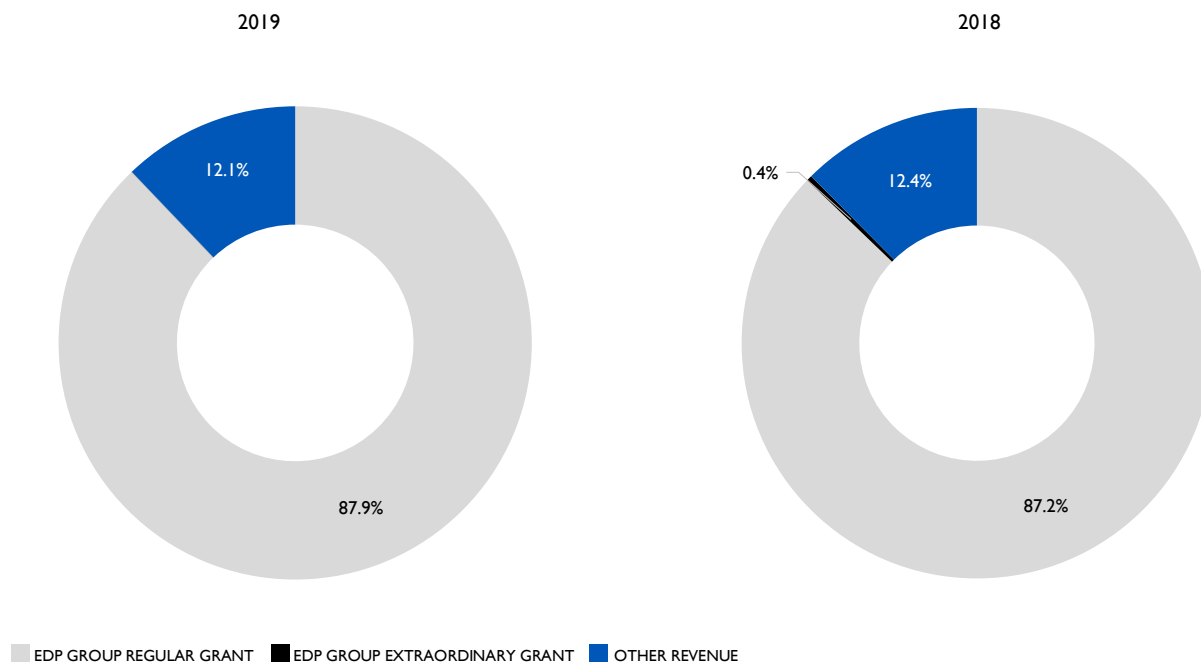
In 2019, the EDP Foundation's revenue presented a decrease of 8.0% compared with the previous year.

The EDP Group's Regular Grant, which comprised 87.9% of the total revenue (87.2% in 2018), decreased by one million euros, standing at 12.7 million euros. This amount includes 6.2 million euros approved at the EDP Group Shareholders General Meeting (7.2 million euros in 2018), as well as contributions from EDP Produção and EDP Distribuição, of 3.5 million euros and 3.0 million euros, respectively.

The remaining revenue attained 12.1% of the total revenue (12.8% in 2018), where we highlight income from the ticket office and external fundraising (5.3% and 2.2% of the total revenue, respectively) which reflect the progress in the strategy initiated in 2017 to leverage and consolidate income associated with the EDP Foundation's activities.

REVENUE	2019	2018	Δ %
EDP Group Regular Grant	12 700 000	13 700 000	-7.3%
EDP Group Extraordinary Grant	0	60 000	-100.0%
Other Revenue	1 753 412	1 955 227	-10.3%
<b>TOTAL</b>	<b>14 453 412</b>	<b>15 715 227</b>	<b>-8.0%</b>

AMOUNT IN EUROS



The EDP Foundation's operating expenses decreased 5.7% between 2018 and 2019, standing at 12.8 million euros.

Personnel costs amounted to 2.9 million euros, 4.4% less than in 2018, as a result of a decrease in headcount to 39 employees at the end of 2019 (46 at the end of 2018).

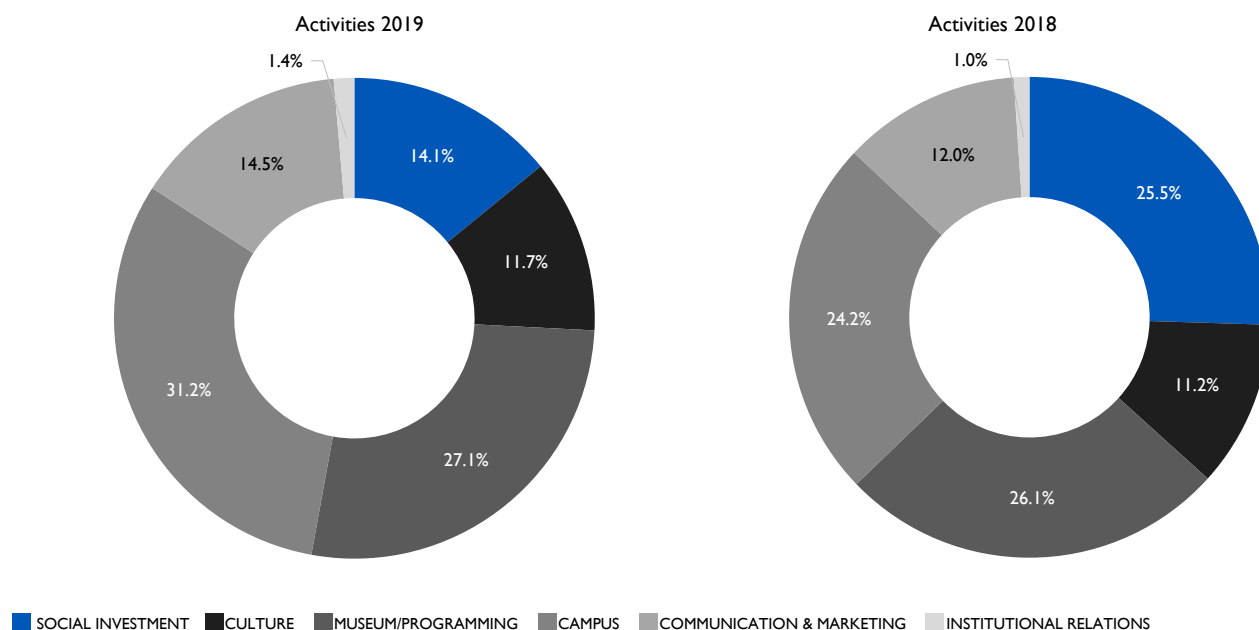
Overheads represented 10.3% of the total operating expenses and registered a 9.3% increase compared with the previous year.

Business costs presented a decrease of 8.1% compared with 2018, namely due to the social field, where we began to launch alternate editions of EDP Solidária (*EDP Solidarity*), in 2019 channelled only to healthcare.

Despite the reduction in the EDP Group's Regular Grant approved at the Shareholders General Meeting, which had remained unchanged since 2012, the efforts to achieve a rigorous and efficient management of our budget and resources in every field led to a positive net profit of 1.2 million euros.

EXPENSES	2019	2018	Δ %
<b>STRUCTURE</b>	<b>4 227 880</b>	<b>4 249 339</b>	<b>-0,5%</b>
Personnel Costs	2 909 043	3 043 074	-4,4%
Overheads	1 318 837	1 206 265	9,3%
<b>ACTIVITIES</b>	<b>8 552 597</b>	<b>9 304 794</b>	<b>-8,1%</b>
Social Investment	1 206 420	2 372 024	-49,1%
Culture	1 000 532	1 042 886	-4,1%
Museum/Programming	2 314 558	2 427 219	-4,6%
Campus	2 671 708	2 251 048	18,7%
Communication & Marketing	1 241 378	1 113 211	11,5%
Institutional Relations	118 001	98 406	19,9%
<b>TOTAL</b>	<b>12 780 477</b>	<b>13 554 133</b>	<b>-5,7%</b>

AMOUNT IN EUROS



## EXPLANATORY NOTES ON RELEVANT AND/OR SUBSEQUENT EVENTS

The extraordinary weather conditions caused by Storm Elsa between 18 and 20 December 2019, forced the new MAAT – Museum of Art, Architecture & Technology building to be closed, leading to the early launch of maintenance works planned for February 2020, in order to reopen on 27 March of this year.

These works aimed to adapt the museum space to the new programme for 2020 and 2021, as well as conclude the restaurant at MAAT, also due to open at the end of spring 2020.

The EDP Foundation kept the Tejo Power Station building open which, along with the permanent exhibition, featured temporary exhibitions until 12 March 2020. On that date, due to the public health situation caused by the COVID-19 pandemic, the decision was made and announced to close the Tejo Power Station to the public and postpone the reopening of MAAT until further notice.

After analysing the potential impact of the external force majeure events mentioned above, in terms of Income for the year 2020, the following is foreseen:

- Maintenance of operating subsidies granted by the EDP Group, in the same amount provided in 2019; and
- Reduction in income from the sale of tickets to the museum and products in the MAAT giftshop, as well as a decrease in the revenue foreseen from renting out spaces, due to closing of the Tejo Power Station and MAAT buildings.

Regarding Expenses for the year 2020, overall, the EDP Foundation's principal regular activities are expected to be maintained:

- The MAAT programming will preserve its international ambition, despite reopening being postponed, with the focus on preparing the new programmes foreseen for 2020 and 2021;
- In the Cultural field, we will maintain the patronage policy to provide support to institutions and reference projects, as well as publish the magazine *Electra*;

— In Social Investment, the grant for the 2020 Programa EDP Solidária (EDP Solidarity Programme) was channelled to address the urgent needs of various national institutions to face the COVID-19 pandemic, with donations of:

- i) ventilators, medical monitors, the respective consumables and support equipment for Portuguese hospitals, delivered to the Ministry of Health, under a joint initiative by the EDP Group and CTG – China Three Gorges; and
- ii) protective equipment (gowns, gloves, masks & goggles) for 300 retirement homes, with oversight by the Ministry of Labour and Social Security, which indicated the institutions with the most severe cases of equipment shortage, to be donated within the scope of the project “Heróis de máscaras” (Heroes in masks), in partnership with Correio da Manhã and CMTV.

— Management of the Campus will focus on guaranteeing the permanent operation of the Tejo Power Station, MAAT and EDP Foundation park.

The extraordinary situations mentioned above will not cause constraints in the EDP Foundation’s available cash resources in the current financial year (2020), enabling the Foundation to fulfil its statutory purposes and the conditions and requirements arising from its Public Interest Status, which was renewed on 28 February 2019 for another five years.

# 07

## PROFIT APPROPRIATION

The EDP Foundation's Board of Directors proposes that the Net Profit of 1 191 155 euros be transferred to Retained Earnings.

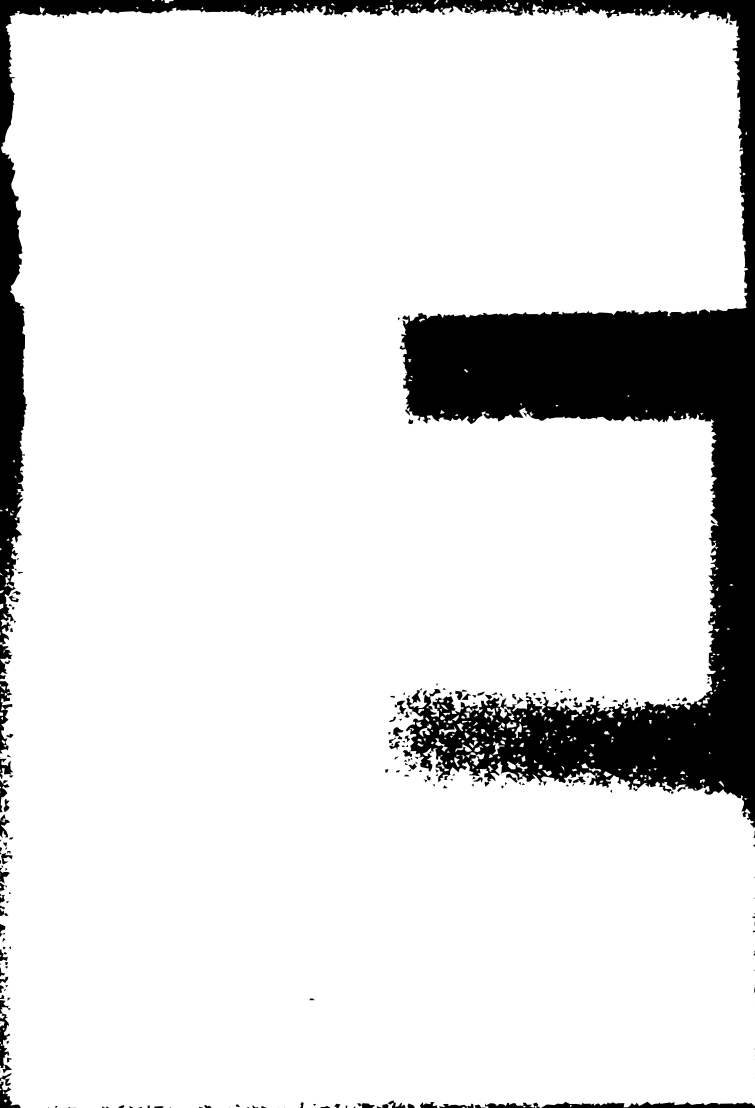
From this item, the following should be placed in Free Reserves:

- The amount of 169 896 euros, which represents the value of the works of art acquired in 2019;
- The amount of 1 000 000 euros, to address the need to implement complementary infrastructures in the EDP Foundation Campus.

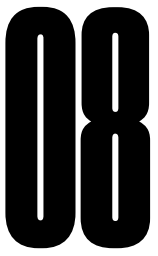
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# FINANCIAL REPORT

**BALANCE SHEET AT 31 DECEMBER 2019 AND 2018**

Unit: Euros

ITEMS	NOTES	DATES	
		31.Dec.2019	31.Dec.2018
<b>ASSETS</b>			
<b>Non-current Assets</b>			
Property, plant and equipment	7	58.984.874	59.884.548
Historic and cultural heritage assets	7	2.487.271	2.487.271
Other accounts receivable and non-current assets	11	-	6.000
<b>Total Non-Current Assets</b>		<b>61.472.145</b>	<b>62.377.819</b>
<b>Current Assets</b>			
Customers	9	33.904	69.201
Other accounts receivable	11	38.864	71.993
Allocated and unrealised endowment funds	12	1.944.889	12.221.438
Deferrals	13	8.428	16.510
Cash and bank deposits	6	15.635.950	4.855.643
<b>Total Current Assets</b>		<b>17.662.035</b>	<b>17.234.785</b>
<b>Total Assets</b>		<b>79.134.180</b>	<b>79.612.604</b>
<b>ENDOWMENT FUNDS AND LIABILITIES</b>			
<b>Endowment Funds</b>			
Funds	14	22.351.847	22.351.847
Reserves - Donations	15	1.100.147	1.070.147
Other reserves	15	5.562.715	4.363.036
Retained earnings	16	1.422.052	1.053.363
Other variations in endowment funds - investment subsidies	17	36.551.381	36.976.336
Net result for the year		1.191.155	1.607.829
<b>Total Endowment Funds</b>		<b>68.179.297</b>	<b>67.422.558</b>
<b>LIABILITIES</b>			
<b>Non-current Liabilities</b>			
Provisions	18	21.135	21.636
Liabilities for post-employment benefits	19	37.221	229.391
Other accounts payable	20	2.088.289	2.126.802
<b>Total Non-current Liabilities</b>		<b>2.146.645</b>	<b>2.377.829</b>
<b>Current Liabilities</b>			
Liabilities for post-employment benefits	19	8.779	8.779
Suppliers	21	3.369.432	3.510.892
Portuguese State and other public entities	10	97.925	170.299
Deferrals	13	836.309	861.129
Other accounts payable	20	4.495.793	5.261.118
<b>Total Current Liabilities</b>		<b>8.808.238</b>	<b>9.812.217</b>
<b>Total Liabilities</b>		<b>10.954.883</b>	<b>12.190.046</b>
<b>Total Endowment Funds and Liabilities</b>		<b>79.134.180</b>	<b>79.612.604</b>

**INCOME STATEMENT**

Financial year ended 31 December 2019 and 2018

Unit: Euros

CASH FLOW STATEMENT	Notes	YEARS	
		2019	2018
Sales and services rendered	22	1.042.760	1.037.745
Subsidies, gifts and operational bequests	23	12.700.000	13.760.000
Subsidies, donations and grants	30	(1.734.526)	(3.006.771)
External suppliers and services	24	(7.845.321)	(7.245.306)
Personnel costs and liabilities from post-employment benefits	25	(2.909.043)	(3.043.074)
Impairment in accounts receivable (losses/reversals)	26	616	(110.228)
Provisions (increases/reductions)	27	501	1.036
Other income and gains	28	665.994	917.619
Other expenses and losses	29	(83.946)	(93.939)
<b>Profit before depreciation, financial expenses and taxes</b>		<b>1.837.035</b>	<b>2.217.082</b>
Depreciation and amortisation expenses/reversals	31	(645.617)	(608.555)
Operating profit (before financial expenses and taxes)		<b>1.191.418</b>	<b>1.608.527</b>
Interest and similar income obtained	32	164	483
Interest and similar expenses incurred	33	(427)	(1.181)
<b>Result before taxes</b>		<b>1.191.155</b>	<b>1.607.829</b>
Corporate income tax for the year		-	-
<b>Net result for the year</b>	8	<b>1.191.155</b>	<b>1.607.829</b>

Lisbon, 13 April 2020  
 CERTIFIED ACCOUNTANT N.º 54.088

The Board of Directors

**STATEMENT OF CHANGES IN THE ENDOWMENT FUNDS FOR THE YEAR 2018**

Unit: Euros

DESCRIPTION		Endowment funds allocated to the grantors					Total of the Endowment Funds	
		Funds	Reserves Donations	Other reserves	Retained Earnings	Other changes in endowment funds		Net profit for the year
<b>POSITION AT THE BEGINNING OF THE YEAR 2018</b>	1	22.351.847	826.216	3.165.941	1.229.439	37.867.601	1.050.019	66.491.063
<b>CHANGES IN THE YEAR</b>								
Other changes recognised in the endowment funds	2	-	243.931	1.197.095	(176.076)	-	(1.050.019)	214.931
<b>NET PROFIT FOR THE YEAR</b>	3						1.607.829	1.607.829
<b>EXTENSIVE PROFIT</b>	4=2+3	-	-	-	-	-	557.810	1.822.760
<b>OPERATIONS WITH GRANTORS DURING THE YEAR</b>								
Investment subsidies	5	-	-	-	-	(891.265)	-	(891.265)
<b>POSITION AT THE END OF THE YEAR 2018</b>	6=1+2+3+5	22.351.847	1.070.147	4.363.036	1.053.363	36.976.336	1.607.829	67.422.558

**STATEMENT OF CHANGES IN THE ENDOWMENT FUNDS FOR THE YEAR 2019**

Unit: Euros

DESCRIPTION		Endowment funds allocated to the grantors					Total of the Endowment Funds	
		Funds	Reserves Donations	Other reserves	Retained Earnings	Other changes in endowment funds		Net profit for the year
<b>POSITION AT THE BEGINNING OF THE YEAR 2019</b>	6	22.351.847	1.070.147	4.363.036	1.053.363	36.976.336	1.607.829	67.422.558
<b>CHANGES IN THE YEAR</b>								
Other changes recognised in the endowment funds	7	-	30.000	1.199.679	368.689	-	(1.607.829)	(9.461)
<b>NET PROFIT FOR THE YEAR</b>	8						1.191.155	1.191.155
<b>EXTENSIVE PROFIT</b>	9=7+8	-	-	-	-	-	(416.674)	1.181.694
<b>OPERATIONS WITH GRANTORS DURING THE YEAR</b>								
Investment subsidies	10	-	-	-	-	(424.955)	-	(424.955)
<b>POSITION AT THE END OF THE YEAR 2019</b>	11=6+7+8+10	22.351.847	1.100.147	5.562.715	1.422.052	36.551.381	1.191.155	68.179.297

**CASH FLOW STATEMENT**  
Financial year ended 2019 and 2018

ITEMS	Notes	2019	2018
Unit: Euros			
<b>Cash flows from operating activities</b>			
Receipts from operating subsidiaries		12.700.000	13.760.000
Patronage provided		(2.671.748)	(3.234.388)
Receipts from clients and users		1.639.447	1.818.151
Payments to suppliers		(8.005.423)	(6.999.968)
Payments to staff		(3.173.948)	(3.091.816)
Other receipts / (payments) relating to operational activity		280.416	45.409
<b>Cash flow from operating activities (1)</b>		<u>768.744</u>	<u>2.297.388</u>
<b>Cash flows from investment activities</b>			
Receipts from:			
Investment subsidies		10.754.482	-
Interest and similar income		167	650
		<u>10.754.649</u>	<u>650</u>
Payments relating to:			
Property, plant & equipment		(687.639)	(3.356.373)
		<u>(687.639)</u>	<u>(3.356.373)</u>
<b>Cash flow from investment activities (2)</b>		<u>10.067.010</u>	<u>(3.355.723)</u>
<b>Cash flows from financing activities</b>			
Payments relating to:			
Interest and similar expenses		(55.447)	(51.646)
<b>Cash flow from financing activities (3)</b>		<u>(55.447)</u>	<u>(51.646)</u>
<b>Change in cash and cash equivalents (1+2+3)</b>		<u>10.780.307</u>	<u>(1.109.981)</u>
Cash and cash equivalents at the beginning of the period		4.855.643	5.965.624
<b>Cash and cash equivalents at the end of the period (*)</b>		<u>15.635.950</u>	<u>4.855.643</u>

(\*) See detail of decomposition of the item "Cash & cash equivalents" in Note 6 of the Financial Statements

## 1. Identification of the entity

Fundação EDP, Legal Entity No. 506997286, is a non-profit organisation, based in Lisbon, founded by EDP Energias de Portugal, S.A., on 13 December 2004, and which started operations in May 2005. It was recognised as a Foundation by administrative order No. 10 493/2005, of 12 October 2005, by the Ministry of the Interior.

By Prime-Ministerial order of 4 December 2009, published in the National Official Journal (Diário da República), Series II, No. 243, of 17 December 2009, the Foundation was declared a public interest entity under Decree Law 460/77, of 7 November.

In order to comply with article 6 (7) of the Preamble of the Regulatory Framework for Foundations, approved by Law 24/2012, of 9 July, the EDP Foundation requested confirmation of its public interest status, which was confirmed by administrative order 2652/2013 of 4 February, published in the National Official Journal (Diário da República), Series II, No. 35, of 19 February. The public interest status was renewed for an additional five years, as of publication of the administrative order No. 2033/2019 of 13 February 2019, in effect since 19 February 2018.

The EDP Foundation's general purpose is to promote, develop and support initiatives of a social, cultural, scientific, technological, educational, environmental and sports nature, as well as to defend EDP's heritage. The EDP Foundation's special purpose is to promote the study, preservation and dissemination of the cultural, scientific and technological heritage in Portugal.

The EDP Foundation was created by its Founder, EDP - Energias de Portugal, S.A., with registered office at Avenida 24 de Julho, No. 12, in Lisbon, with an initial Capital Fund of 22.351.846,97 Euros, constituted through a cash donation of 17.351.846,97 Euros and a financial allocation of 5.000.000,00 Euros. On the Balance Sheet date, the amount of the allocations had been paid in full.

## 2. Accounting reference for preparation of financial statements

### 2.1 Bases of presentation

The EDP Foundation's financial statements were prepared in accordance with the Unified Accounting System for Entities in the Non-Profit Sector (SNC-ESNL – Normalização Contabilística para as Entidades do Setor não Lucrativo), pursuant to the terms in Decree Law 36-A/2011, of 9 March, which is an integral part of the Unified Accounting System (SNC – Sistema de Normalização Contabilística), approved by Decree Law 158/2009 of 13 July, both as amended by Decree Law 98/2015, of 2 June. The SNC-ESNL is regulated by the following acts:

- Notice 8259/2015, of 29 July – Accounting and Financial Reporting Standards for Entities in the Non-Profit Sector (NCRF-ESNL – Norma Contabilística e de relato Financeiro para as Entidades do Setor Não Lucrativo);
- Ordinance 218/2015, of 23 July – Specific Account Codes for Entities in the Non-Profit Sector (CC-ESNL – Código de Contas específico para as Entidades do Setor Não Lucrativo);
- Ordinance 220/2015, of 24 July – Financial statement models applicable to Entities in the Non-profit Sector.

Notwithstanding the application of the NCRF-ESNL in all aspects concerning recognition, measurement and disclosure, whenever this standard does not respond to particular aspects directed at the Entity regarding accounting or financial reporting matters, or situations or shortcomings that are relevant to the provision of true and appropriate information, the Entity shall use, provided only to overcome the shortcoming, additionally and in the following order: (i) the Accounting and Financial Reporting Standards (NCRF), Interpretive Guidelines (NI–Normas Interpretativas) and Conceptual Structure of the Unified Accounting System (SNC), (ii) the International Accounting Standards (NIC–Normas Internacionais de Contabilidade) adopted under Regulation 1606/2002 of the European Parliament and of the Council, of 19 July, and (iii) the International Accounting Standards (IAS) and International Financial Reporting Standards (IFRS) issued by the IASB.

The financial statements that include the balance statement, the statement of profits and losses by activity, the statement of changes in endowment funds, the cash flow statement and the appendix, were approved by the Institution's Board of Directors, on 13 April 2019, are recorded in Euros and were prepared on a going concern basis and on the accrual basis, in which the items are recognised as assets, liabilities, endowment funds, income and costs when these satisfy the definitions and recognition criteria for those elements contained in the conceptual framework, in compliance with the qualitative characteristics of consistency of presentation, materiality and aggregation, compensation and comparability.

The accounting policies presented in note 3, were used in the financial statements for the year ended 31 December 2019 and in the comparative financial information presented in these financial statements for the year ended 31 December 2018.

### 2.2 No derogations were made from the provisions in the SNC-ESNL.

The period beginning on 1 January 2016 was the period in which the Institution applied the amendments introduced by Decree-Law 98/2015, of 2 June. The Institution applied the new accounting policies amended by Notice 8259/2015 without significant impact on the financial statements presented herein.

### 2.3 There are no accounts in the balance statement and in the income statement whose contents are not comparable with those from the previous year.

## 3. Key accounting policies

The key accounting policies applied in preparing the financial statements are as follows:

### 3.1 Measurement bases used in preparing the financial statements

The financial statements were prepared under the historic cost principle, based on the Institution's accounting records. Liabilities from defined benefit bonds are recognised at the present value of the bond net of the fund's assets.

Preparation of the financial statements in conformity with NCRF-ESNL requires the Board of Directors to make judgments, estimates and assumptions that affect the application of the accounting policies and the reported value of assets, liabilities, income and expenses. The estimates and related assumptions are based on historic experience and other factors that are believed to be reasonable under the circumstances, the results of which form the basis for making judgments regarding the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates. Issues involving a higher degree of judgment or complexity, or where the assumptions and estimates are considered significant, are presented in Note 3.3 - Critical accounting estimates and judgments in preparing the financial statements.

### 3.2 Other relevant accounting policies

#### a) Property, plant & equipment

Property, plant and equipment is registered at acquisition cost which includes the purchase price, duties, non-refundable purchase taxes and any costs directly attributable to bring the asset to the location and condition necessary for it to be capable of operating in the intended manner.

Subsequent costs are recognised as property, plant and equipment only when it is likely that future economic benefits will flow to the Institution.

Day-to-day servicing or repair and maintenance costs are recognised as costs in the year in which they occur as they are incurred, on an accrual basis.

The EDP Foundation carries out impairment tests whenever events or circumstances may indicate that the book value of an asset exceeds its recoverable amount, and any difference is recognised in the income statement.

The recoverable amount is the higher between the asset's fair value less costs to sell and value in use, the latter being calculated by the best estimate of the asset's present and future activities for the entity.

Depreciation of property, plant and equipment is calculated using the straight-line method, after deducting its residual value, over the estimated useful life, as follows:

	Number of years
Land	99
Buildings and other constructions	50
Basic equipment	7 to 10
Transport equipment	4 to 7
Tools and utensils	4
Office equipment	3 to 10
Other property, plant & equipment	5

Land registered under concession contract for private use, as a finance lease, is amortised over the concession period of 99 years.

The useful life, depreciation method and residual value of the assets are reviewed annually. The effect of changes in these estimates is recognised in the income statement prospectively.

Gains or losses arising from write-downs or divestments are determined by the difference between the proceeds and the asset's book value, and are recognised as income or expenses during the year.

Works of art belonging to the EDP Foundation collection are stated in the books at cost of acquisition or donation, if granted free of charge.

#### **Property, plant & equipment granted free of charge**

Property, plant and equipment granted free of charge, at the grant date, is measured as follows and in the order presented:

- Fair value;
- Value for which they are insured;
- Value for which they were recorded in the donor's books.

Property, plant and equipment granted free of charge is recorded under property, plant and equipment against Reserves - Donations.

There are no donated works of art or other property, plant and equipment with temporary or permanent restrictions, whether regarding their use or their destination.

#### **Historic and cultural heritage assets**

Historic and cultural heritage assets include private assets classified as historic heritage, as per their respective property tax documents, namely the Electricity Museum land and building.

Historic and cultural heritage assets are not subject to depreciation under the NCRF - ESNL regulations.

#### **b) Leases**

The EDP Foundation classifies its lease transactions as finance leases or operating leases based on the content of the transaction rather than the form of its contract. A lease is classified as a finance lease if it transfers to the lessee substantially all the risks and rewards incidental to ownership. A lease is classified as an operating lease if it does not transfer to the lessee substantially all the risks and rewards incidental to ownership.

##### *Operating leases*

Lease payments/income under operating lease contracts carried out by the EDP Foundation are recognised as expenses/income in the period to which they relate on a straight-line basis.

##### *Finance leases*

Finance leases are recognised at the lease start date, as assets and liabilities at the fair value of the leased property, or if lower, the present value of the minimum lease payments. The initial direct costs of the lessee are added to the amount recognised as an asset.

The minimum lease payments are apportioned between the finance charge and the reduction of the outstanding liability. The interest charges are recognised as costs over each lease period in order to produce a constant periodic rate of interest on the remaining balance of the liability.

#### **c) Accounts receivable**

Accounts receivable are initially recognised at fair value, and subsequently based on the amortised cost, and are presented in the balance sheet net of their associated impairment losses.

Impairment losses are recorded based on the regular assessment of the existence of objective evidence of impairment resulting from doubtful debts as at the balance sheet date. Impairment losses are recognised in the income statement, and are subsequently reversed through the income statement if the estimated losses decrease, at a later period.

#### **d) Income tax for the year**

The EDP Foundation's earnings for business carried out under its statutory purposes (to promote and support initiatives of a social, cultural, scientific, technological, educational, environmental and sports nature, as well as to defend the EDP's heritage), are included in the income tax exemption scheme, pursuant to article 11(1) of the respective Code.

The Ministry of Finance's administrative order 2456/2010, of 27 December, recognised the EDP Foundation as being exempt from income tax, with the following scope:

Category B - Corporate income derived from commercial and industrial activities developed in compliance with their statutory purposes;

Category E – Capital income, except that which is derived from any bearer securities, neither registered nor deposited, pursuant to the laws in force;

Category F – Income from property;

Category G – Increase in wealth.

This exemption is applicable from 17 December 2009, date on which the Prime Minister's administrative order was published in the National Official Journal (Diário da República), Series II, No. 243, recognising the foundation as a Public Interest Company, confirmed by administrative order 2652/2013 of 4 February 2013, published in the National Official Journal, Series II, No. 35, of 19 February. The public interest status was renewed for an additional five years, as of publication of the administrative order No. 2033/2019 of 13 February 2019, in effect since 19 February 2018.

#### **e) Accounts payable**

Debts payable are initially recognised at fair value, deducted of the costs attributable to the debt issue, and are subsequently measured at amortised cost (when the time value of money is materially relevant).

#### **f) Cash and bank deposits**

Cash and bank deposits include the cash in hand, bank deposits and short term highly liquid financial investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

#### **g) Other changes in endowment funds – Investment subsidies**

Non-repayable subsidies relating to property, plant and equipment are initially recognised in Equity Funds and later recognised as income on a systematic basis as revenue over the periods required to match them with the related expenditure periods that they are intended to compensate. Subsidies are considered non-refundable where there is individual agreement granting the subsidy to the entity and where the conditions for the grant have been fulfilled and there is no doubt that the subsidies will be received.

Non-repayable investment subsidies were granted by the Founder and the nuclear power companies of the EDP Group to fund the construction of the EDP Foundation's Museum of Art, Architecture and Technology.

#### **h) Provisions**

Provisions are recognised when:

- The Institution has a present, legal or constructive obligation as a result of a past event;
- It is likely that an outflow of resources embodying economic benefits will be required to settle the obligation; and,
- It is possible to make a reliable estimate of the value of that obligation.

Provisions are re-measured on an annual basis based on the best estimate of the settlement amount. The unwinding of the discount at the end of each balance sheet period is recognised as a financial expense.

#### **i) Subsidies, donations and operating grants**

Financial contributions granted by the founder and the EDP Group's nuclear power companies are intended to meet the expenses of the Foundation's activity. They are recorded under this heading in the year to which they relate, regardless of the date on which they were received.

#### **j) Employee benefits**

##### **Pensions**

The EDP Foundation assigns post-retirement benefits to its employees in the form of defined benefit plans and defined contribution plans, namely pension plans that assure retirement supplements for age, disability and survivorship and pensions for early retirement.

##### *Defined benefit plans*

The defined benefit plan is assured by (i) a closed pension fund managed by an external entity, in that it refers to the responsibilities for retirement benefits complementary to the Social Security System (namely retirement and early retirement), and (ii) by an additional specific provision recognised in the Balance Sheet. As a general rule, the benefits are determined and assigned through the combination of one or more factors, such as age, years of service and the relevant base salary (pensionable salary).

The Foundation's liabilities for retirement pensions are calculated annually, on the date of closing of accounts, by independent experts, individually for each plan, based on the Projected Unit Credit Method. The discount rate used in this calculation is determined based on market rates associated with bonds of companies with a high rating, and with a maturity similar to the date of the term of the plan's obligations.

The actuarial gains and losses arising from (i) the differences between the actuarial and financial assumptions used and the values actually verified and (ii) the changes in actuarial assumptions, are recognised in reserves.

The increase in costs of past services arising from early retirement (retirement before the employee has reached the retirement age) or changes to the plan are recognised in the income statement when incurred.



The Foundation recognises the current service cost and past service costs in operating results in its income statement. Net interest on liabilities (assets) net of defined benefits is recognised as financial income.

The plan's assets follow the conditions for recognition established in IFRIC 14 - NCRF 18 and the minimum funding requirements established legally or contractually.

#### *Defined contribution plans*

The EDP Foundation also has defined contribution social benefit plans that are complementary to those granted by the Social Security systems, thus making a contribution to these plans each year, calculated according to the rules established in the plan. These contributions are comprised of a percentage in fixed and variable remuneration received by the employees included in the plan and are recorded in the accounting as costs in the year in which they are due.

#### **Other benefits granted**

##### *Healthcare plans*

The EDP Foundation grants benefits under which eligible employees and direct relatives benefit from favourable conditions in medical assistance and healthcare services, expressed through medical care that complements the National Health Service, which is guaranteed through infrastructures that are held and managed internally.

These healthcare plans are classified as future benefit plans.

The healthcare and death grant plan is assured by (i) a fund managed by an external entity established in December 2016 and (ii) by an additional specific provision, recognised in the EDP Foundation's Balance Sheet.

Recognition and measurement of liabilities for the healthcare plans are identical to those mentioned above for the defined benefit pension plans.

##### *Other*

In addition, the EDP Group assigns other benefits, bearing the costs arising from liabilities from supplements for disability, death grant and survivorship pensions, life insurance, bonuses for seniority and retirement, discounts in electricity and gas prices, among others.

Details of the benefits included in each Plan for Portugal can be consulted in the EDP Collective Labour Agreement, published in the Work and Employment Bulletin of 8 October 2014.

#### **k) Recognition of expenses and income**

Expenses and income are registered in the year to which they refer regardless of when paid or received, pursuant to the accrual-based accounting system. The differences between amounts paid and received and the corresponding revenue and costs are registered under Other assets or liabilities, depending on whether they are payable or receivable.

The Foundation's liabilities for donations granted are registered in the year in which the EDP Foundation undertakes the irrevocable commitment to grant them.

#### **l) Revenue**

Revenue is measured at the fair value of the consideration received or receivable.

When the outcome of a transaction involving the provision of services can be estimated reliably, the revenue associated with the provision of services shall be recognised by reference to the stage of completion of the transaction at the balance sheet date. The outcome of a transaction can be estimated reliably when all of the following conditions are met:

- The amount of revenue can be measured reliably;
- It is likely that the economic benefits associated with the transaction will flow to the entity;
- The stage of completion of the transaction at the balance sheet date can be estimated reliably; and
- The costs incurred for the transaction and the costs to complete the transaction can be measured reliably.

Revenue includes amounts invoiced on the sale of products or services rendered, net of value added tax, rebates and discounts. When the inflow of cash or cash equivalents is deferred, the fair value of the consideration may be less than the nominal amount. This difference is recognised as interest revenue.

#### **m) Expenses/Income from financing**

Expenses/income from financing include interest paid for the loans obtained, the interest received from investments made before the loans are used (when this is the case), and similar income and expenses obtained and sustained with respect to the exchange differences associated with the loans.

Interest is recognised on the accrual basis using the amortised cost method.

Interest from financial investments and other income from investments is recognised in the income statement under other income and gains.

#### **n) Transactions in foreign currency**

Transactions in foreign currency are converted at the exchange rates at the date of the transaction. Monetary assets and liabilities denominated in foreign currency are converted into Euros at the exchange rate at the balance sheet date. The exchange differences that result from this conversion are recognised in the income statement of the year in which they occur.

#### **o) Events after the balance sheet date**

The financial statements presented reflect the subsequent events that took place until 13 April 2020, date on which they were approved by the Board of Directors, as referred in Note 2.1.

The events that took place after the balance sheet date regarding conditions that existed at the balance sheet date are considered when preparing the financial statements.

Material events after the balance sheet date that do not lead to adjustments are disclosed in Note 37.

#### **p) Reserves - Donations**

Reserves – Donations represent a set of Works of Art and equipment, offered by the authors and entities, following exhibitions carried out and partnership protocols entered into.

Donated works of art and equipment are valued at the fair value attributed by the artist or entity, at the insurance value or at the value for which they are stated in the donor's books.

### **3.3 Key accounting estimates and judgements in preparing the financial statements**

NCRF require that estimates and judgments be made in the decision process about certain accounting treatments, with impact on the value reported for all of the assets, liabilities, endowment funds, costs and income. The actual effects may differ from these estimates and judgments, namely regarding the effect of real costs and income.

The key accounting estimates and judgments used to apply the accounting principles used by the Foundation are discussed in this note in order to improve the understanding of how their application affects the Institution's reported results and disclosures. A more detailed description of the key accounting policies employed by the Institution is presented in Note 3.2 of the Appendix.

Considering that in many cases there are alternatives to the accounting treatment adopted by the Institution, the reported results could differ if a different treatment was chosen. The Board of Directors believes that the choices made are appropriate and that the financial statements present fairly, in all material respects, the Foundation's financial position and results.

#### **Impairment in accounts receivable**

Impairment losses pertaining to doubtful debts are based on the Foundation's assessment of the recoverable amounts, the date of default, debt write offs and other factors. Certain circumstances and facts may change the estimated impairment losses of doubtful debts based on the assumptions considered, including changes in the economic environment, trends in the sector, the client's credit risk and increases in the rate of defaults. Changes in these estimates may change the impairment test results and, consequently, affect the results reported.

#### **Pensions and other employee benefits**

Calculation of the liabilities for retirement pensions and other employee benefits requires the use of assumptions and estimates, including the use of actuarial projections, estimated profitability of the investments, discount and growth rates of pensions and salaries, as well as other factors that may have an impact on the costs and liabilities of the pension plans, healthcare plans and other benefits. Changes in these assumptions may have a material impact on the amounts calculated.

### **3.4 Key assumptions concerning the future**

The EDP Foundation's Board of Directors did not identify any situations that may cause material adjustments to the carrying amounts of assets and liabilities during the following year, or jeopardise the Institution's continuity.

### **3.5 Key sources of estimation uncertainty**

The key sources of estimation uncertainty are detailed in Note 3.3.

## **4. Accounting policies, changes in accounting estimates and errors**

### **4.1 Nature of the prior period material error and its impacts on the financial statements for those periods.**

No prior period errors were identified.

### **4.2 Amount of the adjustment pertaining to the current period or periods before those presented, to the practicable extent.**

No prior period errors were identified.

### **4.3 Reasons why applying the new accounting policy provides reliable and more relevant information, in the case of voluntary application.**

Not applicable.

## **5. Financial risk management policies**

### **Risk management**

Due to its activity, the EDP Foundation is exposed to liquidity risk which may occur if the sources of financing, such as operating cash flows and cash flows obtained from loans, do not meet the financing needs, such as the cash outflows for operating activities, financing and investments.

The Foundation's main contractual obligations exposed to this type of risk pertain to the donations granted pursuant to the established protocols and for construction of the Museum of Art, Architecture and Technology.

The EDP Foundation manages its liquidity risk by obtaining donations and subsidies from the Founder (EDP, S.A.) and the nuclear power generation companies (EDP Distribuição, S.A. and EDP – Gestão da Produção de Energia, S.A.), which enable immediate access to liquidity needs.

## **6. Cash and bank deposits**

The Cash Flow Statement is prepared using the direct method, which discloses gross cash receipts and payments from operating, investing and financing activities.

The institution classifies interest paid as financing activities and interest received as investing activities.

The heading **Cash and bank deposits** represents the following balances:

	Dec 2019	Dec 2018
<b>Demand deposits</b>		
CGD - Caixa Geral de Depósitos	4.961	123.768
NOVO BANCO, S.A.	-	58.507
MILLENNIUM BCP	15.621.254	3.523.258
BBVA	9.735	50.110
<b>Time deposits</b>		
MILLENNIUM BCP	-	1.100.000
	<u>15.635.950</u>	<u>4.855.643</u>

In 2018, the item Time deposits regards a short-term treasury investment in the amount of 1.100.000 Euros, which bears interest at the rate of 0,01%, taken out with MILLENNIUM BCP bank.

The maturity of these financial instruments is presented as follows:

	Dec 2019	Dec 2018
<b>Investment in banking institutions</b>		
Up to 3 months	-	1.100.000
	<u>-</u>	<u>1.100.000</u>

## 7. Property, plant & equipment and Historic and Cultural Heritage Assets

This item is analysed as follows:

	Dec 2019	Dec 2018
<b>Gross amount</b>		
<b>Historic and cultural heritage assets</b>		
Tejo Power Station Land	1.553.003	1.553.003
Tejo Power Station Building	1.112.225	1.112.225
<b>Other property, plant &amp; equipment</b>		
Land and natural resources	4.562.970	4.562.970
Buildings and other constructions	52.696.970	49.632.707
Basic equipment	204.960	204.960
Transport equipment	331.412	296.391
Office equipment	2.281.893	2.193.902
Works of art	6.479.125	6.309.229
Other property, plant & equipment	242.492	1.227.816
Property, plant & equipment under construction	279.198	2.047.118
	<u>69.744.249</u>	<u>69.140.321</u>
<b>Accumulated depreciation and impairment</b>		
Depreciation for the year	-1.503.601	-1.450.745
Accumulated depreciation in previous years	-6.768.503	-5.317.758
	<u>-8.272.104</u>	<u>-6.768.503</u>
<b>Carrying amount</b>	<u>61.472.145</u>	<u>62.371.819</u>

The movements in property, plant & equipment for the year 2019 are analysed as follows:

	Balance in Jan 2019	Additions	Divestments	Transfers Corrections	Balance in Dec 2019
<b>Gross amount:</b>					
<b>Historic and cultural heritage assets</b>					
Tejo Power Station Land	1.553.003	-	-	-	1.553.003
Tejo Power Station Building	1.112.225	-	-	-	1.112.225
<b>Other property, plant &amp; equipment</b>					
Land and natural resources	4.562.970	-	-	-	4.562.970
Buildings and other constructions	49.632.707	-	-	3.064.263	52.696.970
Basic equipment	204.960	-	-	-	204.960
Transport equipment	296.391	82.867	(47.846)	-	331.412
Office equipment	2.193.902	63.038	-	24.953	2.281.893
Works of art	6.309.229	169.896	-	-	6.479.125
Other property, plant & equipment	1.227.816	-	-	(985.323)	242.492
Property, plant & equipment under construction	2.047.118	335.972	-	(2.103.893)	279.198
	<u>69.140.322</u>	<u>651.773</u>	<u>(47.846)</u>	<u>-</u>	<u>69.744.249</u>
<b>Accumulated depreciation and impairment</b>					
Tejo Power Station Land	(177.957)	-	-	-	(177.957)
Land and natural resources	(230.453)	(46.091)	-	-	(276.544)
Buildings and other constructions	(4.970.201)	(1.165.857)	-	-	(6.136.058)
Basic equipment	(65.982)	(19.392)	-	-	(85.374)
Transport equipment	(184.712)	(60.692)	44.905	-	(200.500)
Office equipment	(849.274)	(255.342)	-	-	(1.104.616)
Other property, plant & equipment	(289.924)	(1.132)	-	-	(291.056)
	<u>(6.768.503)</u>	<u>(1.548.506)</u>	<u>44.905</u>	<u>-</u>	<u>(8.272.104)</u>
<b>Carrying amount</b>	<u>62.371.819</u>				<u>61.472.145</u>

The item Historic and cultural assets includes private assets corresponding to the Tejo Power Station, and are classified as historic heritage pursuant to their respective property tax documents, namely the Electricity Museum land and building. With the transition to the SNC-ESNL regulation, as of the 2012 financial year, these assets are not subject to depreciation.

During the 2019 financial year, two independent experts carried out a process to evaluate the total value of the works of art, determining a value that exceeded the book value.

On 28 November 2013, as part of the construction and subsequent operation of the Museum of Art, Architecture and Technology, the EDP Foundation signed a contract with the Lisbon Municipal Council, through which it separated part of its constituent assets and sold two plots of land to the Lisbon Municipal Council for inclusion in the municipal public domain, with one of the plots sold classified as an historic and cultural heritage asset. Simultaneously, a concession agreement was entered into with the Lisbon Municipal Council for the private use of the municipal public domain for 99 years, beginning on the date upon which said agreement was signed.

For the sale of the land and buildings to the Lisbon Municipality, the EDP Foundation received 1.689.000 Euros, generating a capital gain in the amount of 355.394 Euros (see note 13), which is being deferred and recognised in the income statement for the term of the concession for the private use of the municipal public domain, i.e. 99 years.

The concession for private use of the municipal public domain was recognised as a finance lease for accounting purposes, and the EDP Foundation recorded land property in its assets in the amount of 4.562.970 Euros. Amortisation started in January 2014.

The separation and subsequent sale of the plot belonging to the EDP Foundation's historic heritage was previously authorised by order of the Secretary of State for the Presidency of the Council of Ministers, on 22 February 2013.

The increase in the item Buildings and other constructions essentially refers to the entry into operation of works that were still underway in the Museum of Art, Architecture and Technology in 2019, namely the pedestrian bridge, landscaping and urban repairs. The transfer of 985.323 Euros of assets in the item Other property, plant & equipment to Buildings and other constructions, regards the cost to remodel halls 1 and 2 of the Tejo Power Station.

The item Office equipment recorded an increase of 87.991 Euros due to the purchase of assorted administrative and technologic equipment and the entry into operation of the websites for the EDP Foundation and MAAT admissions management, in the amounts of 63.038 Euros and 24.593 Euros, respectively.

As at 31 December 2019, the item Property, plant & equipment in progress essentially refers to works still underway at the EDP Foundation's Museum of Art, Architecture and Technology.

As at 31 December 2019 and 31 December 2018, the value of the property, plant and equipment financed by finance leases is presented as follows:

	Dec 2019			Dec 2018		
	Gross carrying amount	Depreciation / Impairment	Net carrying amount	Gross carrying amount	Depreciation / Impairment	Net carrying amount
Land	4.562.970	-276.544	4.286.426	4.562.970	-230.453	4.332.517
Transport equipment	95.874	-85.915	9.959	296.391	-184.713	111.678
	<u>4.658.844</u>	<u>-362.459</u>	<u>4.296.385</u>	<u>4.859.361</u>	<u>-415.166</u>	<u>4.444.195</u>

Total future minimum payments from current contracts are presented as follows:

#### a) Land

As at 31 December 2019, loan capital amounted to 2.114.279 Euros, to be paid in annual instalments of 23.045 Euros, updated yearly using the official coefficient for residential rents (note 20).

	Payments		
	< 1 year	>1 year & <5 years	> 5 years
Land	25.990	103.960	1.984.329
	<u>25.990</u>	<u>103.960</u>	<u>1.984.329</u>

#### b) Transport equipment (note 20)

	Dec 2019			Dec 2018		
	Capital in debt	Interest on debt	Outstanding rents	Capital in debt	Interest on debt	Outstanding rents
Less than one year	12.512	68	12.580	33.140	447	33.588
Between one and five years	-	-	-	12.523	75	12.598
	<u>12.512</u>	<u>68</u>	<u>12.580</u>	<u>45.663</u>	<u>522</u>	<u>46.186</u>

## 8. Income tax

The EDP Foundation's activities to support cultural, recreational and sports initiatives are exempt from income tax under article 11 of the respective Code. Furthermore, under the provisions of paragraphs 3 and 4 of article 54 of the income tax Code, grants and increases in wealth obtained free of charge and used to carry out the statutory purposes, are also exempt from income tax.

The Sub-directorate General of Taxes administrative order 6960/2011 (by sub-delegation), of 27 December 2010, recognised the EDP Foundation as being exempt from income tax, under article 10 (1.c.) of the Income Tax Code, from 17 December 2009, the date on which the Prime Minister's administrative order was published in the National Official Journal (Diário da República), Series II, No. 243, recognising the EDP Foundation as a Public Interest Company.

In order to comply with article 6 (7) of the Preamble of the Regulatory Framework for Foundations, approved by Law 24/2012, of 9 July, the EDP Foundation requested confirmation of its public interest status, which was confirmed by administrative order 2652/2013 of 4 February, published in the National Official Journal (Diário da República), Series II, No. 35, of 19 February. The public interest status was renewed for an additional five years, as of publication of the administrative order No. 2033/2019 of 13 February 2019, in effect since 19 February 2018.

## 9. Customers

The item **Customers** is analysed as follows:

	Dec 2019	Dec 2018
<b>Gross carrying amount:</b>		
<b>Customer accounts</b>		
General (i):	2.476.432	2.512.345
	<u>2.476.432</u>	<u>2.512.345</u>
<b>Accumulated impairment</b>		
Impairment losses for the year (note 26)	616	(110.228)
Impairment losses in previous years	(2.443.144)	(2.332.916)
	<u>(2.442.528)</u>	<u>(2.443.144)</u>
<b>Net carrying amount:</b>	<u>33.904</u>	<u>69.201</u>

(i) The amount regards the EDP Foundation's participation in the Access to Energy project in Cabiri Village, in Angola, in partnership with EIH – Energia Inovação Holding, S.A., a company based in Angola. This debt is fully provided for, given its doubtful nature. However, procedures remain in place to try and settle the outstanding debt. Of the net amount receivable from customers, the amount of 14.330 Euros regards the use of space in the Electricity Museum for events (2018: 53.849 Euros) and 1.433 Euros for national and international distribution of the magazine Electra (2018: 18.804 Euros).

The movement in impairment losses is analysed as follows:

	Balance in Jan 2019	Increases	Reversals	Balance in Dec 2019
<b>Impairment losses</b>				
General customers	2.443.144	-	(616)	2.442.528
	<u>2.443.144</u>	<u>-</u>	<u>(616)</u>	<u>2.442.528</u>

The amount entered in the item Impairment losses essentially regards accounts receivable for the Access to Energy project in Cabiri Village, Angola. The movement recorded during 2019 is the result of exchange rate updating of the debt amount.

## 10. State and other public entities

The item **State and other public entities** is analysed as follows:

### State and other public entities:

- Withheld income tax
- Social Security Contributions
- Value added tax (VAT)

	Dec 2019	Dec 2018
	50.927	46.267
	59.087	49.787
	(12.089)	74.245
	<u>97.925</u>	<u>170.299</u>

## 11. Other accounts receivable

The item **Other accounts receivable** is analysed as follows:

	Dec 2019	Dec 2018
<b>Other accounts and assets receivable - non current</b>		
Over-financing of pension fund	-	6.000
	<u>-</u>	<u>6.000</u>
<b>Other accounts receivable - current</b>		
<b>Gross carrying amount:</b>		
Amounts receivable from personnel	14.371	13.124
Amounts receivable from the Group (i)	11.530	41.345
Other (ii)	12.963	17.524
	<u>38.864</u>	<u>71.993</u>
<b>Accumulated impairment:</b>		
Impairment losses for the year	-	-
Impairment losses in previous years	-	-
	<u>-</u>	<u>-</u>
<b>Net carrying amount:</b>	<u>38.864</u>	<u>71.993</u>

(i) This heading includes, among others, debtors for the provision of other goods and services in the amount of 9.200 regarding lease of premises sustained by EDP S.A.;

(ii) This item essentially includes advances to suppliers, in the amount of 12.000 euros.

## 12. Allocated and unrealised endowment funds

The item **allocated and unrealised endowment funds** is analysed as follows:

	Dec 2019	Dec 2018
<b>Allocated and unrealised endowment funds</b>		
Founder (EDP S.A.)	1.944.889	6.732.671
EDP Produção S.A.	-	2.613.522
EDP Distribuição S.A.	-	2.875.245
	<u>1.944.889</u>	<u>12.221.438</u>

The item Allocated and unrealised endowment funds regards the value foreseen in the addendum to the Pluriannual contract signed in November 2019 and is expected to be received during the year 2020. During the financial year 2019, EDP SA, EDP Distribuição and EDP Produção realised 10.754.482 Euros of endowment funds granted in previous years.

### 13. Deferrals

The item **Deferrals** is analysed as follows:

	Dec 2019	Dec 2018
<b>Deferrals - Assets</b>		
<b>Expenses to be recognised</b>		
Insurance	8.428	16.510
	<u>8.428</u>	<u>16.510</u>
<b>Deferrals - Liabilities</b>		
<b>Income to be recognised</b>		
Other income to be recognised (i)	836.309	861.129
	<u>836.309</u>	<u>861.129</u>

(i) The amount recorded in the item Other income to be recognised, is detailed as follows:

- surplus value resulting from the sale in 2013 of land for the construction of the Museum of Art, Architecture and Technology to the Lisbon Municipality, in the amount of 333.855 Euros (2018: 337.445 Euros);

- payment received from EDP Distribuição for operation of the right of use and enjoyment of the plot of land on which the Tejo Power Substation is located and the electrical distribution networks assigned to the National Medium and High Voltage Power Distribution Network (RND), in the amount of 502.454 Euros. These amounts will be recognised in the income statement according to the useful life (note 7).

### 14. Funds

The EDP Foundation was created by its Founder, EDP - Energias de Portugal, S.A., with an initial Endowment Fund of 22.351.847 Euros, constituted through cash allocation in the amount of 17.351.847 Euros and a financial allocation of 5.000.000 Euros. At the balance sheet date, the amount of the allocations had been paid in full.

In accordance with the Institution's statutes, the Foundation's assets are comprised essentially of goods donated or conceded by the Founder or third parties.

This item is detailed as follows:

	Dec 2019	Dec 2018
Fund - Initial Donation	22.351.847	22.351.847
	<u>22.351.847</u>	<u>22.351.847</u>

### 15. Reserves

The item **Reserves** is analysed as follows:

	Dec 2019	Dec 2018
Free reserves	5.562.715	4.363.036
Reserves - Donations	1.100.147	1.070.147
	<u>6.662.862</u>	<u>5.433.183</u>

The item Free reserves represents the amount invested by the EDP Foundation in works of art each year and the creation of a reserve for preservation works on the Tejo Power Station.

The item Reserves – Donations included in the Foundation's endowment funds represents a set of Works of Art offered by the authors following exhibitions carried out at MAAT and donations received within the scope of the partnership agreement with Samsung. The amount of the donations for the year 2019 amounted to 30.000 Euros (2018: 243.931 Euros).

As of 1 January 2012, donated works of art are valued at the fair value attributed by the artist, at the insurance value or the value for which they are stated in the donor's books.

It is the EDP Foundation's intention to keep these works in its collection, on exhibit, and not to sell them to third parties.

The increase in Free reserves refers to profit appropriation in 2018, the amount of 199.679 Euros regarding works of art acquired in 2018 and 1.000.000 Euros pertaining to the need for preservation works on the Tejo Power Station pursuant to Minutes No. 3 of the Board of Directors, of 15 April 2019.

The movement in the item Reserves during the year 2019 is analysed as follows:

	Balance in Jan 2019	Increases	Decreases	Balance in Dec 2019
Free reserves	4.363.036	1.199.679	-	5.562.715
Reserves - Donations	1.070.147	30.000	-	1.100.147
	<u>5.433.183</u>	<u>1.229.679</u>	<u>-</u>	<u>6.662.862</u>

The increase in Reserves – Donations refers to a work donated by the artist Rui Chafes.

## 16. Retained earnings

The item **Retained earnings** is analysed as follows:

	Dec 2019	Dec 2018
Retained earnings	1.422.052	1.053.363
	<u>1.422.052</u>	<u>1.053.363</u>

The variation of retained earnings results from the inclusion of net income for the period ended 31 December 2018 in the amount of 1.607.829 Euros, net of the appropriation for free reserves in the amount of 1.199.679 Euros (note 15) and the entry of actuarial gains/losses in the amount of 39.461 Euros (note 19).

## 17. Other changes in endowment funds - investment subsidies

The item **Other changes in endowment funds - investment subsidies** is analysed as follows:

	Dec 2019	Dec 2018
<b>Investment subsidies</b>		
Founder (EDP S.A.)	21.563.282	19.733.873
EDP Produção S.A.	8.799.791	8.880.616
EDP Distribuição S.A.	8.690.216	9.960.867
	<u>39.053.289</u>	<u>38.575.356</u>
<b>Compensation for depreciation</b>		
Investment subsidies depreciation (note 31)	(2.501.909)	(1.599.020)
	<u>36.551.381</u>	<u>36.976.336</u>

In 2019, following the final addendum signed by the EDP Foundation, EDP S.A., EDP Produção and EDP Distribuição, a final value of 39.053.289 Euros was established for investment subsidies, 477.933 Euros more than in 2018.

The item Compensation for depreciation regards amortisation of the subsidy granted to the EDP Foundation for construction of the MAAT, by the companies EDP S.A., EDP Produção S.A. and EDP Distribuição S.A., pursuant to the terms of the applicable accounting policy.

## 18. Provisions

The item **Provisions** is analysed as follows:

	Dec 2019	Dec 2018
Provisions	21.135	21.636
	<u>21.135</u>	<u>21.636</u>

## 19. Liabilities for post-employment benefits

The item **Liabilities for post-employment benefits** is analysed as follows:

	Dec 2019	Dec 2018
Provisions for pension fund liabilities	-	108.440
Provisions for liabilities for healthcare and other benefits	46.000	129.730
	<u>46.000</u>	<u>238.170</u>

This item is detailed as follows:

	Dec 2019	Dec 2018
Non-current	37.221	229.391
Current	8.779	8.779
	<u>46.000</u>	<u>238.170</u>

The movement in **Provision for pension plan liabilities** is analysed as follows:

	Dec 2019	Dec 2018
<b>Balance at the beginning of the year</b>	108.440	63.440
Endowment for the year	10.560	9.000
Transfers between Group companies	(133.183)	-
Actuarial (gains) / losses	20.183	36.000
Surplus / (Deficit) Financing of Fund (note 11)	(6.000)	-
<b>Balance at the end of the year</b>	<u>-</u>	<u>108.440</u>

The decomposition of **Actuarial gains and losses - Pensions** is analysed as follows:

	Dec 2019	Dec 2018
<b>Actuarial gains and losses - Pensions</b>		
Actuarial gains and losses due to:		
- experience adjustments	(71.817)	40.000
- changes in the financial and demographic actuarial assumptions	-	(18.000)
Actuarial gains and losses from return on assets	92.000	14.000
	<u>20.183</u>	<u>36.000</u>

The movement in **Provision for liabilities for healthcare and other benefits** is analysed as follows:

	Dec 2019	Dec 2018
<b>Balance at the beginning of the year</b>	129.730	133.730
Endowment for the year	16.749	16.000
Transfers between Group companies	(109.116)	-
Actuarial (gains) / losses	20.637	(17.000)
Contributions to the Fund	(12.000)	(3.000)
<b>Balance at the end of the year</b>	<b>46.000</b>	<b>129.730</b>

The movement in **Actuarial gains and losses – Medical care and other benefits** is analysed as follows:

	Dec 2019	Dec 2018
<b>Actuarial gains and losses – Medical care and other benefits</b>		
Actuarial gains and losses resulting from:		
- experience adjustments	(19.363)	(11.000)
- changes in the financial and demographic actuarial assumptions	3.000	(7.000)
Actuarial gains and losses from return on assets	37.000	1.000
	<b>20.637</b>	<b>(17.000)</b>

The average weighted life of liabilities for defined benefits is 10 years.

As at December 2016, following implementation of the decision to make financing of the EDP Group's Post-Employment Healthcare Benefits Plan and the Death Benefits Plan autonomous, the first contribution was carried out in line with the financing plan approved by the Supervisory Authority for Insurance and Pension Funds (ASF - Autoridade de Supervisão de Seguros e Fundo de Pensões). In 2019, the EDP Foundation made contributions in the total amount of 12 thousand Euros, as defined in the financing plan.

#### Employee benefit plans

The EDP Foundation grants its employees, either in the form of defined benefit plans or defined contribution plans, some post-employment benefits, namely plans that pay complementary retirement pensions due to age, disability and survivorship, as well as early retirement pensions. In some cases, medical care is also provided during the retirement and early retirement period, through mechanisms that complement the National Health Service.

We present below the existing plans, with a brief description of their characteristics as well as their financial and economic data:

#### I. Pension Plans - Type of Defined Benefit

In Portugal, EDP Group companies resulting from the EDP de-merger that took place in 1994 have a social benefit plan partially financed through a closed Pension Fund and complemented by a specific provision. The Pension Fund is managed by an external entity, and its asset management is also outsourced to the fund's external asset management entities, and is adequately provided through a specific provision.

This Pension Fund includes liabilities for pension supplements for retirement due to age. Pre-retirement liabilities are not covered by the fund's assets and are adequately provided through a specific provision. In pension plans in Portugal, and pursuant to Pension Fund Regulations, the surplus value of the fund's assets, under certain conditions, may be returned to the company.

As at 31 December 2018, the surplus value recognised as an asset in the EDP Foundation amounted to 6.000 Euros (see note 11).

As at 31 December 2019 and 2018, the number of participants covered by pension plans and similar retirement pension obligations, was as follows:

	2019	2018
Number of participants		
Retirees and Pensioners	-	-
Staff in active employment	-	3
	<b>-</b>	<b>3</b>

As at 31 December 2019, due to a reallocation of EDP Foundation personnel, there were no longer participants covered by pension plans and similar obligations, since employees included in the Collective Labour Agreement ceased contributions.

When calculating the liabilities associated with the pension plans and similar pension obligations in the Institution, the following financial and actuarial assumptions were used:

Assumptions	2019	2018
Discount rate	0,95%	1,75%
Wage growth rate	1,75%	1,50% até 2020 // 1,75% a partir de 2021
Pension growth rate	1,50%	1,50%
Social Security salary revaluation rate	1,50%	2019 - 1,40% // Após 2019 - 1,50%
Inflation rate	1,50%	1,50%
Mortality table	Nasc.< 1950 -- TV99/01 (+1) // Nasc.>= 1950 -- TV99/01	Nasc.< 1950 -- TV99/01 (+1) // Nasc.>= 1950 -- TV99/01
Disability table	50%EKV 80	50%EKV 80
% eligible employees expected to join early retirement	(a)	(a)

(a) 45% of the eligible population (employees who are in a position for early retirement according to the Collective Labour Agreement: 37 years of service and aged at least 61 years, or 40 years of service at any age).



The company's liabilities with retirement pensions and the respective coverage, as at 31 December 2019 and 2018, are analysed as follows:

	Dec 2019	Dec 2018
<b>Provision for Pension Plans</b>		
Liabilities at the end of the year	-	192.000
Fund Assets at the end of the year	-	(89.560)
Surplus / (Deficit) Financing of Fund	-	6.000
	-	108.440

The evolution of the present value of the pension bond and the fair value of the Fund's associated assets, is analysed as follows:

	Dec 2019	Dec 2018	Dec 2017
<b>Provision for Pension Plans</b>			
Liabilities at the end of the year	-	192.000	159.000
Fund Assets at the end of the year	-	(89.560)	(101.560)
Surplus / (Deficit) Financing of Fund	-	6.000	6.000
<b>Provision for Pension Plans</b>	-	108.440	63.440

Experience adjustments (the effects of differences between the previous actuarial assumptions and what has actually occurred) for the EDP Foundation's Pension Plan are presented as follows:

	Dec 2019	Dec 2018
Experience adjustments for the Plan's liabilities	71.817	22.000
Experience adjustments for the Plan's assets	(92.000)	14.000

As at 31 December 2019 and 2018, liabilities for past services associated with these pension plans were as follows:

	Dec 2019	Dec 2018
<b>Evolution of Liabilities</b>		
Liabilities at the beginning of the year	192.000	159.000
Current service costs	9.000	8.000
Net interest on pension plan liabilities	4.000	3.000
Actuarial (gains) / losses	(71.817)	22.000
Transfer between Group companies	(133.183)	-
<b>Liabilities at the end of the year</b>	-	192.000

The net cost components recognised in the year with these plans are as follows:

	Dec 2019	Dec 2018
<b>Cost in the period</b>		
Current service costs (note 25)	9.000	8.000
<b>Operational component</b>	9.000	8.000
Net interest on pension plan net liabilities (note 29)	2.000	1.000
<b>Financial component</b>	2.000	1.000
<b>Net cost in the period</b>	11.000	9.000

The evolution of the Pension Fund assets was as follows:

	Dec 2019	Dec 2018
<b>Pension Funds</b>		
Fair value of the assets at the beginning of the year	89.560	101.560
Net interest on pension plan assets	2.000	2.000
Actuarial gains / losses	(92.000)	(14.000)
Outras variações	440	-
<b>Asset value at the end of the year</b>	-	89.560

The composition verified in the fund's portfolio for medical care and death grants in Portugal is analysed as follows:

	Asset allocation by nature					Total %
	Liquidity %	Bonds %	Shares %	Property %	Other %	
31 December 2019	-0,26%	41,71%	36,12%	15,36%	7,07%	100,00%
31 December 2018	-0,50%	40,35%	34,81%	17,72%	7,62%	100,00%

### Assumptions relating to the discount rates

The discount rates used for the pension plan were selected based on an analysis of the rates of return, available at that date, of the high-quality corporate bonds. The bonds selected presented a maturity and rating that were considered appropriate, taking into account the amount and period of occurrence of the monetary flows associated with the benefit payments to employees.

The real rate of return of the pension fund's assets in 2019 was positive at 9,71% (2018: negative at 2,45%).

### II. Pension Plans - Type of Defined Contribution

As a signatory to the EDP Group's Collective Labour Agreement, the EDP Foundation has social benefit plans that are complementary to those granted by the Social Welfare System to company employees, on a Defined Contribution basis, thereby making a contribution to these plans each year, calculated according to the rules established in each case.

### III. Liability plans for medical care and other benefits – Defined Benefit Type

The EDP Foundation has a defined benefit Medical Care and Death Grant Plan, partially financed through a closed pension fund and supplemented by a specific provision. Regarding the remaining defined benefit plans, the liabilities are fully financed through an accounting provision. Furthermore, the Institution assigns other benefits, bearing the costs arising from liabilities for supplements to disability, death grant and survivorship pensions, life insurance, bonuses for seniority and retirement, discounts in electricity and gas prices, among others.

The actuarial assumptions used to calculate the liabilities for medical care and other benefits are presented as follows:

<b>Assumptions</b>	<b>2019</b>	<b>2018</b>
Discount rate	0,95%	1,75%
Annual growth rate of medical care costs	1,50%	1,50%
Administrative expenses estimated per beneficiary per year (in Euros)	297 €/ano (b)	209 €/ano (c)
	Nasc.<1950 -- TV99/01 (+1) //	Nasc.<1950 -- TV99/01 (+1) //
Mortality table	Nasc.>=1950 -- TV99/01	Nasc.>=1950 -- TV99/01
Disability table	50% EKV 80	50% EKV 80
% eligible employees expected to join early retirement	(a)	(a)

(a) 45% of the eligible population (employees who are in a position for early retirement according to the Collective Labour Agreement: 37 years of service and aged at least 61 years, or 40 years of service at any age).

(b) 2,7% reduction for 2021, 2,4% reduction for 2022, 0,4% reduction for 2023 and an increase after that date.

(c) 10% reduction for 2020, 2,3% reduction for 2021 and an increase after that date.

As at 31 December 2019 and 2018, the number of participants covered by medical care plans and other benefits was as follows:

	<b>2019</b>	<b>2018</b>
Number of participants		
Staff in active employment	<u>32</u>	<u>31</u>
	<u>32</u>	<u>31</u>

The company's liabilities for medical care and other benefits, and respective coverage, are analysed as follows:

	<b>Dec 2019</b>	<b>Dec 2018</b>
<b>Provision for Medical Care and other Benefits</b>		
Liabilities at the end of the year	46.000	154.311
Fund Assets at the end of the year	-	(24.581)
<b>Provision value at the end of the year</b>	<u>46.000</u>	<u>129.730</u>

The evolution of the present value of bonds for medical care and other benefits is analysed as follows:

	<b>Dec 2019</b>	<b>Dec 2018</b>	<b>Dec 2017</b>
<b>Provision for Medical Care and other Benefits</b>			
Liabilities at the end of the year	46.000	154.311	155.311
Fund Assets at the end of the year	-	(24.581)	(21.581)
	<u>46.000</u>	<u>129.730</u>	<u>133.730</u>

Experience adjustments (the effects of differences between the previous actuarial assumptions and what has actually occurred) for the EDP Foundation's liabilities with medical care and other benefits are presented as follows:

	<b>Dec 2019</b>	<b>Dec 2018</b>
Experience adjustments for the Plan's liabilities	19.363	-11.000
Experience adjustments for the Plan's assets	(37.000)	-1.000

The evolution of liabilities for past services associated with the medical care plan and other benefits is analysed as follows:

	Dec 2019	Dec 2018
<b>Evolution of Liabilities</b>		
Liabilities at the beginning of the year	154.311	155.311
Current service costs	14.168	9.000
Net interest on net liabilities with medical care plan and other benefits	3.000	3.000
Actuarial (gains) / losses	(16.363)	(13.000)
Transfer between Group companies	(109.116)	-
<b>Liabilities at the end of the year</b>	<b>46.000</b>	<b>154.311</b>

Liabilities from the Medical Care Plan are recognised in the EDP Foundation's accounts through provisions that fully cover the liabilities, as presented above.

The net cost components recognised in the year with these medical care plans and other benefits are as follows:

	Dec 2019	Dec 2018
Current service cost (note 25)	14.168	9.000
<b>Operational component</b>	<b>14.168</b>	<b>9.000</b>
Net interest on net liabilities with the medical care plan and other benefits (note 29)	3.000	3.000
<b>Financial component</b>	<b>3.000</b>	<b>3.000</b>
<b>Net cost for the year</b>	<b>17.168</b>	<b>12.000</b>

The evolution of Fund assets of Medical Care Plans and Death Grants was as follows:

	Dec 2019	Dec 2018
<b>Funds</b>		
Asset value at the beginning of the year	24.581	21.581
Contributions to the Fund	12.000	3.000
Actuarial gains / (Losses)	(37.000)	-
Other variations	419	-
Asset value at the end of the year	-	24.581

## 20. Other accounts payable

The item **Other accounts payable** is analysed as follows:

	Dec 2019	Dec 2018
<b>Other accounts payable - Non-current</b>		
Funding obtained (i)	-	12.523
Creditors - Amounts payable - Finance lease land (ii)	2.088.289	2.114.279
	<b>2.088.289</b>	<b>2.126.802</b>
<b>Other accounts payable - Current</b>		
Funding obtained (i)	12.512	33.140
Payables from accrued expenses (iii)	3.527.946	4.513.073
Holiday pay, holiday subsidy and other employee expenses (iv)	601.304	649.306
Creditors for provision of other goods and services (v)	256.099	-
Creditors - Amounts payable - Finance lease land (ii)	25.990	25.990
Other creditors (vi)	71.942	39.609
	<b>4.495.793</b>	<b>5.261.118</b>

(i) The amount in the item Funding obtained pertains to liabilities for finance leases - transport equipment (note 7);

(ii) This item pertains entirely to the outstanding rents for the concession of private use of the municipal public domain (note 7);

(iii) The item Payables from accrued expenses includes the accrual of donations granted by the EDP Foundation in the amount of 3.374.169 Euros (2018: 4.182.438 Euros) and the accrual of services rendered not yet invoiced by third parties, in the amount of 153.777 Euros (2018: 330.636 Euros);

(iv) The item Holiday pay, holiday subsidy and other employee expenses includes the discount from accrued liabilities from holiday pay and holiday subsidies, in the amount of 355.978 Euros (2018: 393.055 Euros) and the accrual of variable payments for 2019 to be paid in 2020, in the amount of 246.247 Euros (2018: 251.523 Euros);

(v) This item pertains to the amounts payable to companies in the EDP Group, regarding the transfer of liabilities for retirement pensions and other employee benefits transferred from the EDP Foundation:

EDP S.A.	2.943 euros
EDP Produção	118.555 euros
EDP Distribuição	134.601 euros

(vi) This item refers predominantly to the amount paid to the Casa da Música Foundation, for consulting provided to the Orquestra Energia FEDP (FEDP Energy Orchestra) 2018/2019.

## 21. Suppliers

The item **Suppliers** is analysed as follows:

	Dec 2019	Dec 2018
<b>Suppliers current</b>		
General (i)	1.073.216	1.647.693
Other related parties (ii)	1.282.253	1.106.258
Invoices received and pending (iii)	1.013.963	756.941
	<u>3.369.432</u>	<u>3.510.892</u>

(i) The item Suppliers c/c - General includes the amount of 275.000 Euros for advertising services, 150.398 Euros for surveillance services and 100.000 Euros regarding a donation granted to Centro Hospitalar Universitário de Lisboa, under the Programa EDP Solidária Saúde 2017 (EDP Solidarity Healthcare Programme), among other amounts for graphic services, and maintenance and conservation services;

(ii) The item Suppliers current – Other related parties includes, among others, 23.991 Euros (2018: 10.000 Euros) for management services regarding the construction contract of the Museum of Art, Architecture and Technology by EDP Real Estate, 85.724 Euros (2018: 68.647 Euros) for the services provided by EDP Global Solutions, 120.526 Euros (2018: 11.561 Euros) for the services provided by EDP, S.A. and 33.547 Euros (2018: 67.764 Euros) for power supply purchased from EDP Comercial, SA., 986.735 Euros (2018: 986.735 Euros) for materials supplied and services rendered in 2012 by EDP Serviços, S.A., merged in 2014 into EDP Comercial, for the Cabiri Solar Village project, 2.903 Euros for medical services provided by SãVida, S.A. and 8.201 Euros regarding employee discount benefits in electricity invoiced by EDP Serviço Universal, S.A.;

(iii) The item Suppliers - Invoices received and pending includes 965.768 Euros in donations granted, to be paid during the year 2020, as well as external supplies and services, and 48.195 Euros for suppliers of fixed assets (2018: 56.090 Euros).

## 22. Sales and services rendered

	Dec 2019	Dec 2018
<b>Services provided</b>		
Revenue from ticket and giftshop sales (i)	1.042.760	1.037.745
	<u>1.042.760</u>	<u>1.037.745</u>

(i) The item Revenue from ticket and giftshop sales results from the ticket office, both for admission to MAAT and the sale of other goods, in the amount of 1.042.760 Euros.

## 23. Grants, gifts and operational bequests

For the year, the following income was recognised as operating subsidies:

	Dec 2019	Dec 2018
<b>Grants from the founder</b>		
EDP - Energias de Portugal, S.A.	6.200.000	7.260.000
<b>Grants from other entities</b>		
EDP Gestão da Produção de Energia, S.A.	3.510.000	3.510.000
EDP Distribuição - Energia, S.A.	2.990.000	2.990.000
	<u>12.700.000</u>	<u>13.760.000</u>

## 24. External supplies and services

The item **External supplies and services** is analysed as follows:

	Dec 2019	Dec 2018
<b>Supplies and services :</b>		
Promotion and dissemination of events (i)	2.332.213	2.257.037
Specialised work (ii)	1.085.050	987.502
Fees (iii)	698.764	526.506
Maintenance, conservation and repairs to the premises	1.190.728	1.128.737
Cleaning, surveillance and gardening	1.245.819	1.136.080
Other services (iv)	1.292.747	1.209.444
	<u>7.845.321</u>	<u>7.245.306</u>

External supplies and services pertain to the production costs of exhibitions, publications, promotion and dissemination events, maintenance and operation of the Museum, as well as costs associated with the patronage activity.

(i) The item Promotion and dissemination of events, that at 31 December 2019 amounted to 2.332.213 Euros (2018: 2.257.037 Euros), pertains to costs incurred to carry out a range of initiatives, especially the following:

Electra Magazine  
Exhibition Servitudes – Circuits (Interpassivities) by Jesper Just  
3rd Anniversary of MAAT  
Exhibition Melancolia Programada (Programmed Melancholy) by Gabriel Abrantes  
Exhibition Is This Tomorrow? (partnership with Whitechapel Art Gallery)  
Exhibition Romy and the Dogs by Xavier Veilhan  
Exhibition Ficção e Fabricação – Fotografia de Arquitetura após a Revolução Digital (Fiction & Fabrication: Photography of Architecture after the Digital Turn)  
Exhibition Playmode  
Programme MAAT Mode  
Exhibition Anima Vectorias by Angela Bulloch  
Exhibition New Artists Award 2019  
Exhibition Hello, Robot – Design between Human and Machine  
Exhibition Momento à Parte (A Moment Apart) by Vasco Araújo  
Exhibition The Architecture of Life – Environments, Sculptures, Paintings and Films by Carlos Bunga

Exhibition Form & Light – From Bahaus to Tel Aviv by Yigal Gawze  
 Programme MAAT Explorations  
 Exhibition Ama como a estrada começa (Loving as the road begins) by João Pedro Vale & Nuno Alexandre Ferreira  
 Exhibition Awdi' tərju by Pedro Tudela  
 Launch of the book Lumen by Pedro Cabrita Reis  
 EDP Foundation Journal  
 EDP Foundation Solidarity Schools  
 Exhibition On Recurrences: 7th Volume. Edition nº 13 007/1448. 30'07" by Ana Guedes (partnership with the Portuguese Embassy in Portugal – Berlin Gallery Weekend)  
 EDP Foundation Public Art  
 Science Weekend  
 ARCOLisboa 2019 – International Contemporary Art Fair  
 Performance Punto de Fuga de Ciudad Abierta (partnership with BoCA – Biennial of Contemporary Arts)

(ii) The item Specialised works includes accounting, taxes, treasury, third party management, human resources development, administrative and fleet management services (EDP Global Solutions), totalling 312.238 Euros (2018: 247.993 Euros) and license management, legal and IT systems services (EDP SA), in the amount of 138.472 Euros (2018: 187.699 Euros).

(iii) In order to address its growing activities, whenever necessary, the EDP Foundation uses consulting services for specific tasks, as well as the services of juries and commissioners for the prizes and exhibitions associated with its activities in the Visual Arts, and for the MAAT studies and documentation centre. The costs incurred during the year are recorded under Fees.

(iv) The item Other services includes, among others, the amount of 111.274 Euros in travel and accommodation expenses (2018: 143.591 Euros), 34.621 Euros for insurance premiums (2018: 21.971 Euros), 30.568 Euros in training expenses (2018: 38.895 Euros), 42.480 Euros in communication costs (2018: 40.991 Euros), 430.876 Euros in electricity costs (2018: 453.073 Euros) and 92.284 Euros in catering expenses (2018: 99.018 Euros).

## 25. Personnel costs & Responsibilities for post employment benefits

The item **Personnel costs** is analysed as follows:

	Dec 2019	Dec 2018
<b>Personnel costs:</b>		
Remuneration of board members	24.500	24.500
Remuneration of staff	1.831.410	2.015.863
Charges on remuneration	441.568	464.556
Bonuses	285.380	280.529
Other costs	123.327	50.034
	<u>2.706.185</u>	<u>2.835.482</u>
<b>Responsibilities for post-employment benefits:</b>		
Pension plans costs	76.156	76.317
Cost of Medical plans and other benefits	15.314	3.000
Other	111.388	128.275
	<u>202.858</u>	<u>207.592</u>
	<u>2.909.043</u>	<u>3.043.074</u>

Pension plan costs: include 9.080 Euros (2018: 8.000 Euros) regarding defined benefit plans (note 19) and 67.076 Euros (2018: 68.317 Euros) regarding defined contribution plans. The costs with medical care and other benefits, in the amount of 15.314 Euros (2018: 3.000 Euros) regard the sum allocated for the year, net of reductions in the period.

The average number of employees in the years ended 31 December 2019 and 2018 was as follows:

	Dec 2019	Dec 2018
Average number of employees	39	46

In the year ended 31 December 2019, the EDP Foundation recognised under Payables from accrued expenses the amount of 355.978 Euros (2018: 393.055 Euros) regarding outstanding holiday pay and holiday subsidy charges, whose payment is only due in the following year (note 20).

Regarding the Board of Directors

In compliance with article 11 (2) of the Statutes of the EDP Foundation, on 24 February 2017 António Luís Guerra Nunes Mexia was appointed by the Executive Board of Directors (EBD) of EDP - Energias de Portugal, S.A. (EDP), after consultation with the General Supervisory Board (GSB) of EDP, as Chairman of the Board of Directors of the EDP Foundation and Rui Miguel Coutinho Baptista was appointed as CEO of the EDP Foundation, both for the three-year period of 2017-2019.

On 2 March 2017, the GSB appointed the members of the Board of Trustees, namely António Luís Guerra Nunes Mexia, Vasco Rocha Vieira, Dingming Zhang, Miguel Stilwell de Andrade and Miguel Nuno Simões Nunes Ferreira Setas (all non-remunerated). During the same meeting, the GSB unanimously appointed Vasco Rocha Vieira to the position of Chairman of the Board of Trustees.

On 3 May 2017, the members of the Board of Directors and Supervisory Board were deliberated. The Board of Directors is comprised of António Luís Guerra Nunes Mexia, Nuno Maria Pestana de Almeida Alves, Rui Miguel Coutinho Baptista, José Manuel Pereira dos Santos and Paulo Alexandre Pires Campos Costa for the term in progress (three-year period 2017-2019) (all non-remunerated). The Supervisory Board is comprised of Vítor Fernandes da Conceição Gonçalves, Miguel Tiago Perestrelo da Câmara Ribeiro Ferreira and Vítor Manuel da Cunha Ribeirinho representing KPMG & Associados – Statutory Auditor.

On 14 May 2018, the resignation of Nuno Maria Pestana de Almeida Alves as a Member of the Board of Directors of the EDP Foundation was deliberated. Due to the resignation presented, on that same date, the Board of Trustees deliberated on his replacement, electing Vera de Moraes Pinto Pereira Carneiro as Member of the Board of Directors of the EDP Foundation to complete the term 2017/2019 underway.

Regarding the Executive Board

On 25 May 2017, the Board of Directors of the EDP Foundation appointed José Manuel Pereira dos Santos, Maria Margarida Amado Pinto Correia Repesas, Pedro César Clara do Carmo Gadanho, Catarina Copestake Cortez Pinto Seixas, Eduardo Rosa Silva and Sandro José Silva da Fonseca to the positions of members of the Executive Board for the three-year period 2017-2019 (all non-remunerated).

On 30 June 2019, Pedro César Clara do Carmo Gadanho submitted his resignation as Member of the Executive Board of the EDP Foundation. Consequently, on 2 September 2019 Beatrice Leanza was elected as a new Member of the Executive Board to complete the term 2017/2019 under way.

Only the chairman of the Supervisory Board is a remunerated position, receiving the amount of 24.500 Euros during the 2019 year (note 34).

## 26. Impairment in accounts receivable (losses/reversals)

The item **Impairment in accounts receivable** is analysed as follows:

	Dec 2019	Dec 2018
<b>Losses</b>		
General customers	(616)	110.228
Other accounts receivable	-	-
	<u>(616)</u>	<u>110.228</u>

## 27. Provisions

The item **Provisions** is analysed as follows:

	Dec 2019	Dec 2018
Appropriation of provision (note 18)	29	52
Reversal of provision (note 18)	(530)	(1.088)
	<u>(501)</u>	<u>(1.036)</u>

## 28. Other income

The item **Other income** is analysed as follows:

	Dec 2019	Dec 2018
<b>Other income</b>		
Revenue from rental of space	197.400	215.072
Sponsorships granted (i)	319.505	535.155
Other revenue (i)	149.089	167.392
	<u>665.994</u>	<u>917.619</u>

(i) In 2019, the companies Accenture, MSFT, A.T. Kearney, Roff, Volvo Car and Millennium BCP, granted sponsorships in the total amount of 319.505 Euros;

(ii) The item Other income records, at 31 December 2019, among others, the amount of 47.350 euros (2018: 110.367 euros) regarding exchange differences. This item also includes 3.590 euros (2018: 3.590 euros) regarding the amortisation of the deferred surplus value of the land sold to the Lisbon Municipality in 2013 for construction of the Museum of Art, Architecture and Technology; and 21.230 euros (2018: 21.230 euros) for amortisation of the deferred income pertaining to use of the Tejo Power electrical Substation and electric networks, deferred in 2014 for a period of 30 years.

## 29. Other expenses

The item **Other expenses** is analysed as follows:

	Dec 2019	Dec 2018
<b>Other expenses</b>		
Taxes (i)	20.422	24.277
Other (ii)	63.524	69.662
	<u>83.946</u>	<u>93.939</u>

(i) The item Taxes includes 6.837 Euros in VAT paid (2018: 10.420 Euros), 11.009 Euros in fees and licenses (2018: 11.950 Euros), with the remaining amount for stamp duty and single road tax.

(ii) The item Other records at 31 December 2019, among others, 2.941 Euros (2018: 2.702 Euros) in rebates for cars under leasing contracts, 55.020 Euros (2018: 50.465 Euros) for banking services, 3.985 Euros (2018: 6.000 Euros) in financial costs regarding the financial discount for the pension plan, medical care plan and other benefits (note 19) and 1.130 Euros in exchange differences associated with suppliers (2018: 617 Euros).

## 30. Subsidies, Donations and Grants

In order to fulfil its social and cultural patronage plan, in 2019 the EDP Foundation granted 1.734.526 Euros (2018: 3.006.771 Euros).

The donations granted are detailed as follows:

PROJECT	ENTITY	2019
<b>SOCIAL INNOVATION</b>		<b>1.062.500</b>
<b>EDP Solidarity - Healthcare Programme</b>		<b>1.062.500</b>
Equipping outpatient thoracic treatment centre	Faculty of Medicine's Association for Research & Development	200.000
Technological innovation & differentiation of the ULSG department of pulmonology	Guarda Local Healthcare Unit	180.000
Respirar + (Breathe +)	Baixo Vouga Hospital Centre	155.000
Outpatient respiratory rehabilitation for COPD patients	Nordeste Local Healthcare Unit	120.000
Projecto Inspir'ar (In' spire)	Setúbal Hospital Centre	110.000
Endobronchial ultrasound - innovative examination for respiratory diseases	Hospital da Senhora da Oliveira – Guimarães	100.000
Linear probe endobronchial ultrasound	University of Algarve Hospital Centre	100.000
Via Verde Cancro do Pulmão (Lung Cancer Fast Track)	University of Porto Hospital Centre – Lung Cancer Fast Track Working Group	70.000
Respirar para viver melhor (Breathe to live better)	Santa Casa da Misericórdia of Riba D'Ave	27.500

<b>CULTURE</b>		<b>660.000</b>
<b>Cultural Patronage</b>		<b>660.000</b>
Principal Patron of the National Ballet Company	National Ballet Company/OPART	100.000
Exclusive Patron of the EDP Piano Cycle	Casa da Música Foundation	100.000
Exclusive Exhibition Patron	Serralves Foundation	100.000
Patron of Porto Municipal Gallery	Porto Municipal Council	75.000
ARCOLisboa 2019	IFEMA – Institución Ferial de Madrid	70.000
Museu Zer0	Lusiada Cultural Institute	50.000
Principal Programme Patron	Arpad Szenes – Vieira da Silva Foundation	42.000
Principal Patron of the Youth Symphony Orchestra	Portuguese Musical Circle	37.000
Supported inventory & cataloguing the Prof. Eduardo Lourenço Collection	National Culture Centre	25.000
Youth Symphony Orchestra Scholarships	Portuguese Musical Circle	17.500
Supported hiring of the new conductor	EDP Choir	9.000
Patron of the Unesco Arts Education Club	ASPREA – Association for Arts Education	8.000
São Vicente Organ Concert Cycle & New Year Concerts	Althum	7.500
Mário Soares Foundation – EDP Foundation Prize	Mário Soares Foundation	7.000
Supported publication of the Lisbon Architecture Guide	RBMDL Livros e Arte	7.000
The Lisbon Consortium Programme	Universidade Católica Portuguesa	5.000
<b>MUSEUM/PROGRAMME</b>		<b>156.800</b>
PEMAAT – Youth Foundation Internship Programme – 25th & 26th Editions	Youth Foundation	131.800
EDP Foundation New Artists Award	Diana Policarpo	20.000
Fuso – Lisbon International Annual Video Art Festival	Horta Seca – Cultural Association	5.000
<b>CAMPUS</b>		<b>30.000</b>
Support for the study Graphic Inventory of Portuguese Dams	CEU – University Teaching Cooperative / Universidade Autónoma de Lisboa "Luís de Camões"	25.000
Supported the research project The effects of Portuguese colonialism on African development: justice, energy & telecommunications – exploratory phase II – imperial electrification in Angola, Mozambique & Cape Verde	Universidade Nova de Lisboa's Faculty of Social Sciences & Humanities	5.000
<b>CEO'S OFFICE</b>		<b>53.500</b>
FEA Lisboa 2019 – Festival for Lisbon-based artists' spaces	Associazione FEA	15.000
Founding Patron of Serralves Foundation	Serralves Foundation	15.000
Patron of Institutional Guests Programme at Drawing Room Lisbon	Exhibit Art Management	10.000
Supported acquisition and installation of the Planetarium at the Sundry Science Space – Príncipe Island	São Tomé & Príncipe Regional Government	10.000
Supported Spring Meetings	FRAUGA – Picote Association for Integrated Development	3.500
<b>CANCELLATION OF DONATIONS TO PROJECTS FROM PREVIOUS YEARS</b>		<b>-228.274</b>
<b>TOTAL</b>		<b>1.734.526</b>

The number of beneficiaries of the diverse initiatives carried out by the EDP Foundation, is mentioned in the management report.

### 31. Depreciation and amortisation expenses/reversals

The item **Depreciation and amortisation expenses/reversals** is analysed as follows:

	<b>Dec 2019</b>	<b>Dec 2018</b>
<b>Expenses</b>		
Property, plant and equipment (note 7)	1.548.506	1.499.819
	<u>1.548.506</u>	<u>1.499.819</u>
<b>Compensation of depreciation</b>		
Amortisation of investment subsidy (i)	(902.889)	(891.264)
	<u>645.617</u>	<u>608.555</u>

(i) In 2019, the item Compensation of depreciation regards the amortisation of the subsidy granted to the EDP Foundation for construction of the MAAT, by the companies EDP S.A., EDP Produção S.A. and EDP Distribuição S.A. (note 17).

### 32. Interest and similar income

The item **Interest and similar income** is analysed as follows:

	Dec 2019	Dec 2018
Interest income (i)	164	483
	<u>164</u>	<u>483</u>

(i) The item Interest income regards interest from short-term investments (note 6).

### 33. Interest and similar expenses

The item **Interest and similar expenses** is analysed as follows:

	Dec 2019	Dec 2018
Interest expenses (i)	427	1.181
	<u>427</u>	<u>1.181</u>

(i) As at 31 December 2019, the item Interest expenses records interest on finance lease contracts in the amount of 427 Euros (2018: 1.181 Euros).

### 34. Disclosure of related parties

Remuneration of the governing bodies for the year is summarised as follows:

	Dec 2019	Dec 2018
Supervisory Board/Board of Directors	24.500	24.500
Statutory Auditor	9.400	9.400
	<u>33.900</u>	<u>33.900</u>

Transactions between related parties in 2019 are as follows:

	Expenses	Income	
	Expenses	Sales and services rendered	Operating subventions
<b>Founder</b>			
EDP Energias de Portugal, S.A.	198.482	64.438	6.200.000
<b>Other related parties</b>			
EDP Produção, S.A.	-	2.700	3.510.000
EDP Distribuição, S.A.	(1.040)	450	2.990.000
EDP Comercial, S.A.	367.331	4.710	-
EDP Real State, S.A.	11.375	-	-
Labelec, S.A.	10.154	-	-
Sávida, S.A.	13.176	-	-
EDP Global Solutions, S.A.	340.614	2.215	-
EDP Inovação, S.A.	-	9.660	-
	<u>940.092</u>	<u>84.173</u>	<u>12.700.000</u>

Transactions between related parties in 2018 are as follows:

	Expenses	Income	
	Expenses	Sales and services rendered	Operating subventions
<b>Founder</b>			
EDP Energias de Portugal, S.A.	263.180	38.410	7.260.000
<b>Other related parties</b>			
EDP Produção, S.A.	-	5.900	3.510.000
CNET, S.A.	-	2.330	-
EDP Distribuição, S.A.	-	159	2.990.000
EDP Serviço Universal, S.A.	4.926	-	-
EDP Comercial, S.A.	468.830	970	-
EDPR PT - Promoção e Operação, S.A.	-	159	-
Labelec, S.A.	3.448	-	-
Sávida, S.A.	8.814	-	-
EDP Global Solutions, S.A.	260.091	147	-
EDP Soluções Comerciais, S.A.	-	2.120	-
EDP Inovação, S.A.	-	14.930	-
	<u>1.009.289</u>	<u>65.125</u>	<u>13.760.000</u>



The balances with related parties in 2019 are as follows:

	Assets		Liabilities	
	Clients	Other accounts receivable	Suppliers	Other accounts payable
<b>Founder</b>				
EDP Energias de Portugal, S.A.	5.390	1.966.462	136.670	2.943
<b>Other related parties</b>				
EDP Produção, S.A.	281	-	-	118.555
EDP Distribuição, S.A.	-	-	13.893	120.801
EDP Serviço Universal, S.A.	-	-	8.201	-
EDP Comercial, S.A.	-	-	1.020.301	9.874
EDP Real State, S.A.	-	-	28.272	2.843
Sávida, S.A.	-	-	2.903	362
EDP Global Solutions, S.A.	30	-	85.724	-
EDP Soluções Comerciais, S.A.	-	1.887	-	-
EDP Inovação, S.A.	2.349	-	-	-
	<b>8.050</b>	<b>1.968.349</b>	<b>1.295.964</b>	<b>255.378</b>

The balances with related parties in 2018 are as follows:

	Assets		Liabilities	
	Clients	Other accounts receivable	Suppliers	Other accounts payable
<b>Founder</b>				
EDP Energias de Portugal, S.A.	4.808	6.738.143	11.561	9.084
<b>Other related parties</b>				
EDP Produção, S.A.	-	2.613.522	8.340	-
EDP Distribuição, S.A.	-	2.875.265	18.336	-
EDP Serviço Universal, S.A.	-	-	1.052	-
EDP Comercial, S.A.	-	-	1.054.499	17.249
EDP Real State, S.A.	-	-	10.000	720
Labellec, S.A.	-	-	2.470	511
Sávida, S.A.	-	459	-	-
EDP Global Solutions, S.A.	-	104.061	139.115	84.931
EDP Soluções Comerciais, S.A.	-	700	-	-
EDP Estudos e Consultoria, S.A.	-	-	-	-
EDP Inovação, S.A.	655	-	-	-
	<b>5.463</b>	<b>12.332.150</b>	<b>1 245 373</b>	<b>112.495</b>

### 35. Contingent Liabilities

Contingent liabilities whose probability of loss is rated as possible, do not require the creation of provisions and are reassessed periodically.

### 36. Commitments

As at 31 December 2019, the commitments undertaken by the EDP Foundation to its suppliers regarding construction of the Museum of Art, Architecture and Technology amount to 613.341 Euros. These commitments are fully covered by the patronage protocol signed by the EDP Foundation, its founder and the Group's nuclear companies, whereby the latter shall bear all of the costs of the work. In 2019, following signature of the agreement to transfer the commercial operation of the MAAT café/restaurant space, the EDP Foundation agreed to allocate approximately 680 thousand Euros to remodel the space.

### 37. Relevant events and/or Events after the balance sheet date

After the balance sheet date no events occurred that might give rise to adjustments or require disclosure in the institution's financial statements.

The extraordinary weather conditions caused by Storm Elsa between 18 and 20 December 2019, forced the new MAAT – Museum of Art, Architecture & Technology building to be closed, leading to the early launch of maintenance works planned for February 2020, in order to reopen on 27 March of this year. These works aimed to adapt the museum space to the new programme for 2020 and 2021, as well as conclude the restaurant at MAAT, also due to open at the end of spring 2020. The EDP Foundation kept the Tejo Power Station building open which, along with the permanent exhibition, featured temporary exhibitions until 12 March 2020. On that date, due to the public health situation caused by the COVID-19 pandemic, the decision was made and announced to close the Tejo Power Station to the public and postpone the reopening of MAAT until further notice. After analysing the potential impact of the external force majeure events mentioned above, in terms of Income for the year 2020, the following is foreseen:

- Maintenance of operating subsidies granted by the EDP Group, in the same amount provided in 2019; and

- Reduction in income from the sale of tickets to the museum and products in the MAAT giftshop, as well as a decrease in the revenue foreseen from renting out spaces, due to closing of the Tejo Power Station and MAAT buildings.

Regarding Expenses for the year 2020, overall, the EDP Foundation's principal regular activities are expected to be maintained:

- The MAAT programming will preserve its international ambition, despite reopening being postponed, with the focus on preparing the new programmes foreseen for 2020 and 2021;

- In the Cultural field, we will maintain the patronage policy to provide support to institutions and reference projects, as well as publish the magazine Electra;

- In Social Investment, the grant for the 2020 Programa EDP Solidária (EDP Solidarity Programme) was channelled to address the urgent needs of various national institutions to face the COVID-19 pandemic, with donations of:

i) ventilators, medical monitors, the respective consumables and support equipment for Portuguese hospitals, delivered to the Ministry of Health, under a joint initiative by the EDP Group and CTG – China Three Gorges; and

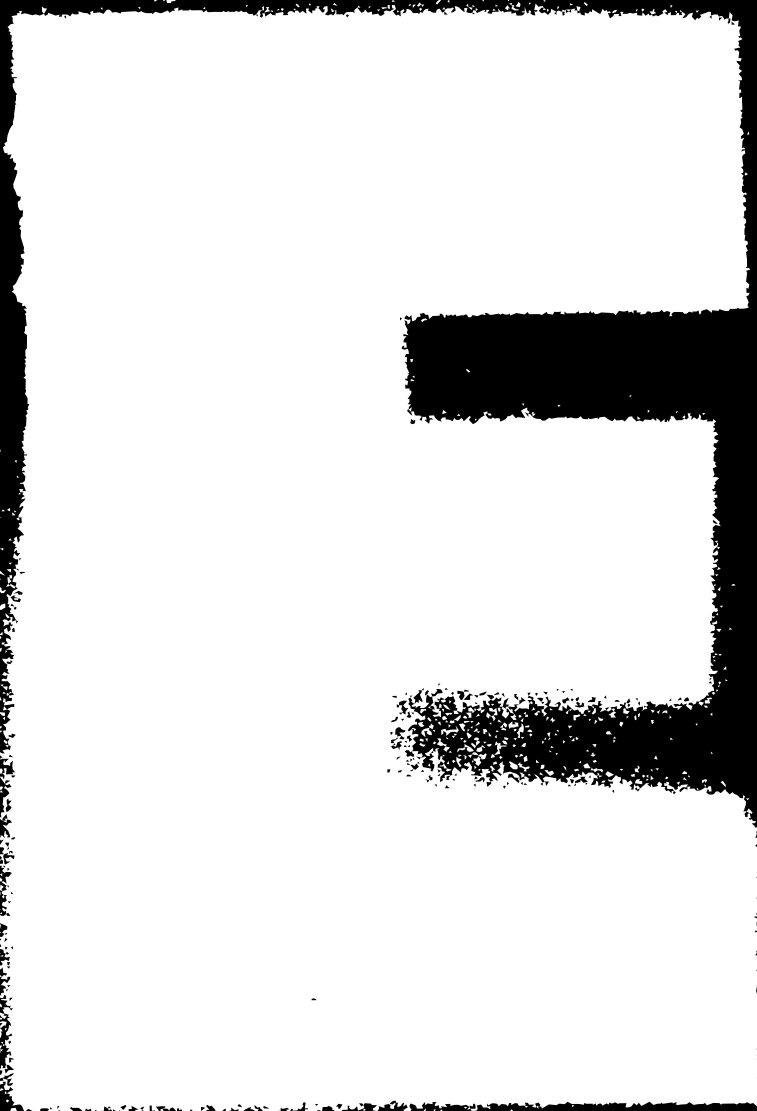
ii) protective equipment (gowns, gloves, masks & goggles) for 300 senior homes, with oversight by the Ministry of Labour and Social Security, which indicated the institutions with the most severe cases of equipment shortage, to be donated within the scope of the project "Heróis de máscaras" (Heroes in masks), in partnership with Correio da Manhã and CMTV.

- Management of the Campus will focus on guaranteeing the permanent operation of the Tejo Power Station, MAAT and EDP Foundation park.

The extraordinary situations mentioned above will not cause constraints in the EDP Foundation's available cash resources in the current financial year (2020), enabling the Foundation to fulfil its statutory purposes and the conditions and requirements arising from its Public Interest Status, which was renewed on 28 February 2019 for another five years.

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# 09

## CERTIFICATIONS & STATEMENTS

## REPORT AND OPINION OF THE SUPERVISORY BOARD

To the members of the board of  
**EDP Foundation**

Pursuant to the provisions in the EDP Foundation's statutes, as the Supervisory Board of the EDP Foundation, it is our duty to present the Report of our supervisory activity, as well as our Opinion on the Annual Report and Accounts presented by the Foundation's Board of Directors, relating to the year ended 31 December 2019.

Through contacts that took place between this Supervisory Board and the EDP Foundation's Board of Directors or its representatives, as well as clarifications and diverse information collected from the relevant services, we gathered information regarding the Foundation's activity and management of the business developed during the year.

We proceeded to verify the financial information produced throughout the year, carrying out the analyses we deemed appropriate. We confirmed the suitability of the accounting policies and valuation criteria used. We verified the compliance with the Law and the Foundation's statutes.

After closing the accounts, we assessed the Management Report, Balance Sheet, Income statement, Statement of changes in the endowment funds and the Cash flow statement for the period ended on that date, and the corresponding appendices to the financial statements which, aside from satisfying the legal provisions applicable, reasonably express the activity developed during this year and the foreseeable evolution of the EDP Foundation's business.

We assessed the Certification of Accounts, issued by the Statutory Auditor, whose content garnered our agreement.

As a result of the work carried out, it is our Opinion that the aforementioned Annual Report and financial statements presented by the Board of Directors should be approved.

Furthermore, we wish to express to the Board of Directors and the EDP Foundation's services our appreciation for the collaboration they rendered us.

Lisbon, April 24<sup>th</sup> 2020

SIGNED ON THE ORIGINAL

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Vítor Fernando da Conceição Gonçalves  
Chairman

SIGNED ON THE ORIGINAL

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Miguel Tiago Perestrelo da Câmara Ribeiro Ferreira  
Trustee

SIGNED ON THE ORIGINAL

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KPMG & Associados  
Sociedade de Revisores Oficiais de Contas, S.A. (n.º 189)  
represented by  
Vítor Manuel da Cunha Ribeirinho (Statutory Auditor n.º 1081)



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## STATUTORY AUDITORS' REPORT

(Free translation from a report originally issued in Portuguese language. In case of doubt the Portuguese version will always prevail.)

## REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

### Opinion

We have audited the accompanying financial statements of **Fundação EDP** (the Entity), which comprise the balance sheet as at 31 December 2019 (showing a total of 79,134,180 euros and total endowment funds of 68,179,297 euros, including a net result for the year of 1,191,155 euros), and the income statement, statement of changes in endowment funds and cash flow statement for the year then ended, and the accompanying notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements give a true and fair view, in all material respects, in accordance with the Accounting and Financial Reporting Standard for Non Profit Entities adopted in Portugal through the Portuguese Accounting Standards System ("Norma Contabilística e de Relato Financeiro para Entidades do Sector Não Lucrativo adotada em Portugal através do Sistema Financeiro de Normalização Contabilística").

### Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and further technical and ethical standards and guidelines as issued by Ordem dos Revisores Oficiais de Contas (the Portuguese Institute of Statutory Auditors). Our responsibilities under those standards are further described in the "Auditor's Responsibilities for the Audit of the Financial Statements" section below. We are independent of the Entity in accordance with the law and we have fulfilled other ethical requirements in accordance with the Ordem dos Revisores Oficiais de Contas code of ethics.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Responsibilities of Management and the Supervisory Body for the Financial Statements

Management is responsible for:

- the preparation of financial statements in accordance with the Norma Contabilística e de Relato Financeiro para Entidades do Sector Não Lucrativo adopted in Portugal through the Portuguese Accounting Standards System;
- the preparation of the management report in accordance with applicable laws and regulations;
- designing and maintaining an appropriate internal control system to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error;



- the adoption of accounting policies and principles appropriate in the circumstances; and,
- assessing the Entity's ability to continue as a going concern, and disclosing, as applicable, the matters that may cast significant doubt about the Entity's ability to continue as a going concern.

The supervisory body is responsible for overseeing the Entity's financial reporting process.

### **Auditor's Responsibilities for the Audit of the Financial Statements**

Our responsibility is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatements whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control;
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control;
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management in accordance with the Accounting and Financial Standard for Non Profit Entities adopted in Portugal through the Portuguese Accounting Standards System ("Norma Contabilística e de Relato Financeiro para Entidades do Sector Não Lucrativo adotada em Portugal através do Sistema Financeiro de Normalização Contabilística");
- conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Entity to cease to continue as a going concern;
- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, in accordance with the Accounting and Financial Standard for Non Profit Entities adopted in Portugal through the Portuguese Accounting Standards System ("Norma Contabilística e de Relato Financeiro para Entidades do Sector Não Lucrativo adotada em Portugal através do Sistema Financeiro de Normalização Contabilística"); and,





— communicate with those charged with governance, including the supervisory body, regarding, among other matters, the planned scope and timing of the audit, and significant audit findings including any significant deficiencies in internal control that we identify during our audit.

Our responsibility also includes the verification that the information contained in the management report is consistent with the financial statements.

## **REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS**

### **On the Management Report**

It is our opinion that the management report was prepared in accordance with the applicable legal and regulatory requirements and the information contained therein is consistent with the audited financial statements and, having regard to our knowledge and assessment of the Entity, we have not identified any material misstatements.

Lisbon, 24 April 2020

SIGNED ON THE ORIGINAL

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**KPMG & Associados**  
**Sociedade de Revisores Oficiais de Contas, S.A. (nr. 189)**  
represented by  
Vitor Manuel da Cunha Ribeirinho (ROC nr. 1081)

# Contacts

## **EDP Foundation**

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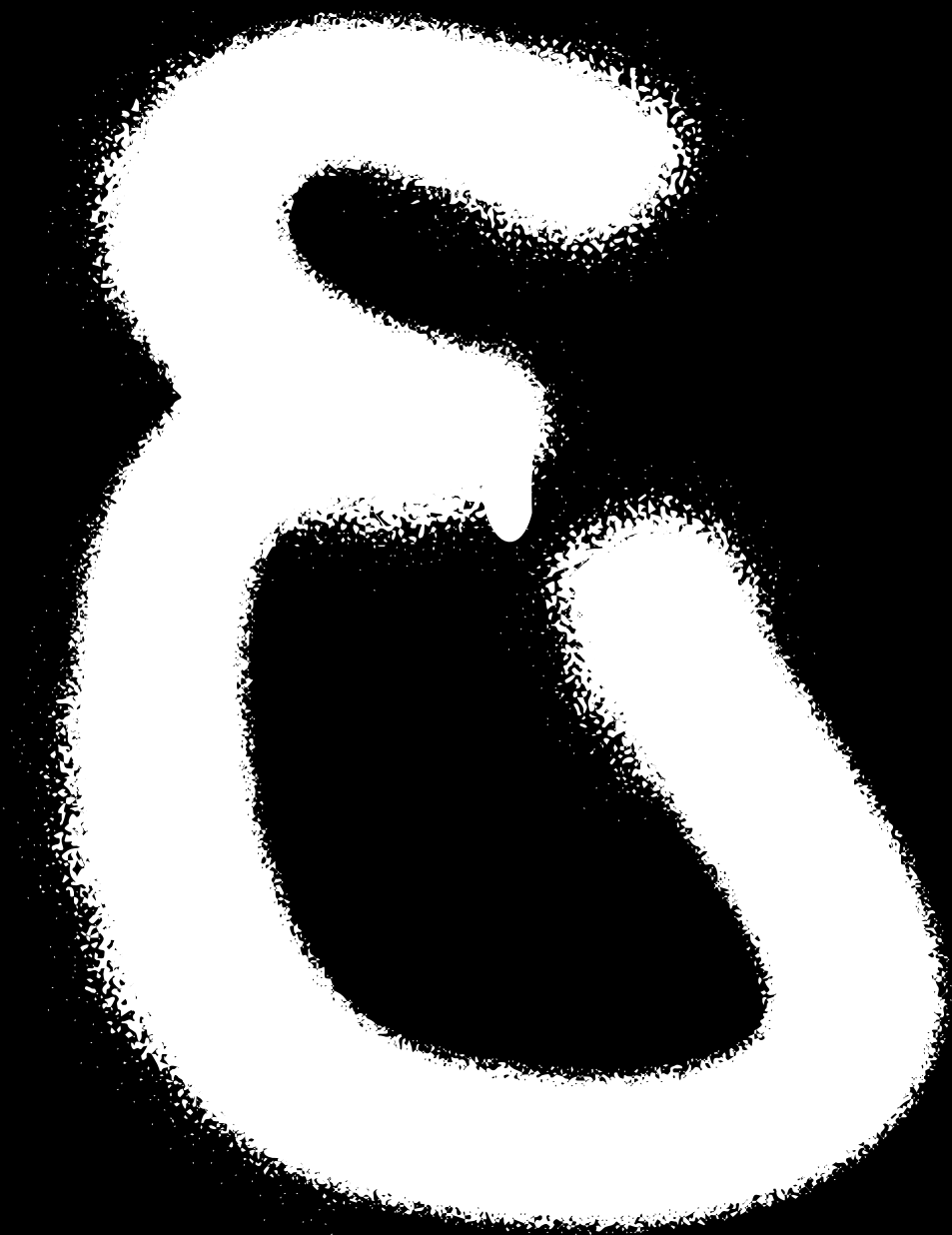
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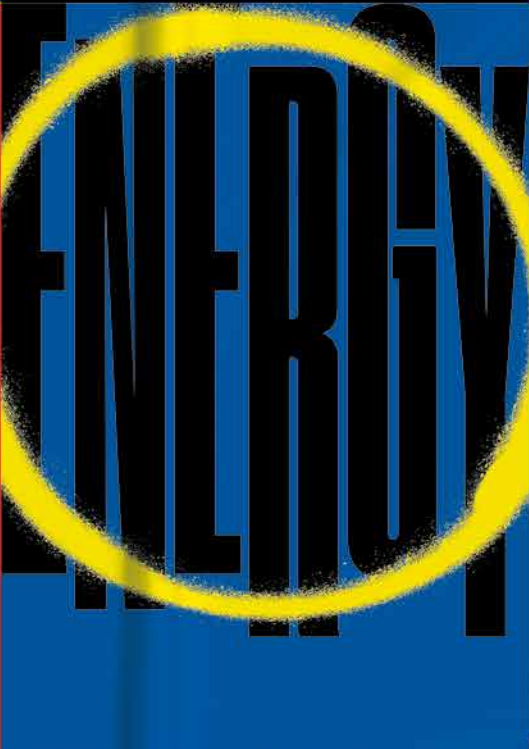
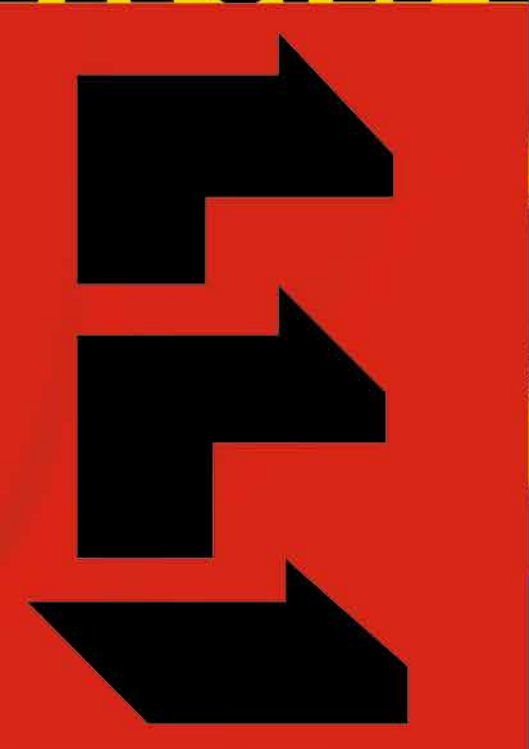
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