

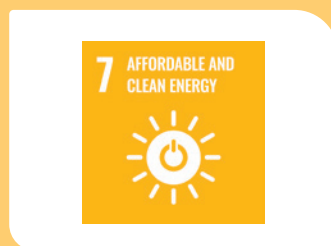
EDP Renovaveis



Investment theme:
Clean Energy



**SDG with largest
revenue alignment**



Region:
Europe

**Revenue alignment
to any SDG:**

100%

EDP Renovaveis (EDPR) is a pure play developer of renewable assets with a well-diversified regional exposure across the US, Europe, and South America. The company specialises in the design, development, and operation of solar and onshore & offshore wind power plants. We like that the company has strong, long-standing relationships with suppliers which ensures minimal disruptions across the value chain at times of inputs shortages. Most recently, it has been involved in highly profitable energy storage projects that are able to take advantage of energy price arbitrage. It is a beneficiary of the long-term growth prospects for renewable energy. We think that its current valuation is attractive as it is underpinned by its growing capacity and market-leading expertise.

Through this renewable energy generation, it contributes directly to the UN's target to substantially increase the share of renewable energy in the global energy mix. The company is strongly aligned with **SDG 7 (Affordable & Clean Energy)**, and it fits within our "Clean Energy" investment theme.

Although not directly related to revenue generation, EDPR also contributes to **SDG 5 (Gender Equality)**, with initiatives aimed at eliminating discrimination, recognising unpaid care work, and promoting women's participation and leadership in decision-making roles. Despite these initiatives, we did note the Spanish-listed company's Board gender diversity was slightly below the Spanish corporate governance guidelines of 40%. We recently engaged with the company on this topic and were encouraged by the commitment it has made to meet this guidance, which the Spanish government is now legislating to bring into law, in time for its 2025 AGM if not sooner.

Through its renewable energy operations, EDPR helps avoid approximately 20 million tons of CO2 emissions annually (as at 2023). EDPR has committed to Science-Based Targets (SBTi), aligning its emissions reduction goals with the latest climate science. In addition, its operations involve minimal water usage and low waste generation. The company has installed rainwater collection systems at over 40 substations in Spain to reduce dependence on external water sources. This initiative aligns with EDPR's goal to adopt more eco-efficient practices and promote self-sufficiency at its facilities.

Strategically, we like that it is well positioned to continue benefiting from the world's transition to renewable energy sources and net zero carbon targets.



SPECIALISTS IN INVESTMENT MANAGEMENT

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