

E-REDES



**Customer Ombudsman
Annual Report 2021**

Contents

1. E-REDES Company Customer Ombudsman Annual Report in 2021	2
1.1 Message from the Customer Ombudsman	2
1.2 Introduction	3
2. Main indicators	4
2.1 Inflow of complaints	5
2.2 Visits to the website	6
2.3 Classification of complaints	7
2.4 Causes of complaints	9
2.5 First-time complaints	11
2.6 Orientation of Ombudsman's opinions	12
2.7 Type of Ombudsman response by classification	13
3. Customer Ombudsman	14
3.1 Mission	14
3.2 Main activities	15
3.3 New regulatory framework	16
3.4 SWOP information system	17
4. Main statistics of 2021	20
4.1 Cccess to the website	20
4.2 Submission of complaints	24
4.3 Answers to complaints	26
4.4 Implementation of opinions	27
5. Ombudsman assessment	28
6. Strategic recommendations and closing remarks	30
6.1 Strategic recommendations	30
6.2 Closing remarks	31
7. Annexes	32
7.1 Glossary	32
7.2 Dissatisfaction Roadmap	33
7.3 Regulation of the Customer Ombudsman for the EDP Group companies	34

1. E-REDES Company Customer Ombudsman Annual Report in 2021

1.1 MESSAGE FROM THE CUSTOMER OMBUDSMAN

The year 2021 was marked externally by the continuation of the pandemic, including periods with severe restrictions on social life and the activity of utilities, and internally by the consolidation of the separation between the mediation activities of EDP Comercial, SU Electricidade and E-REDES, as well as by the introduction of new information management systems.

These factors, together with the legislative developments concerning self-consumption and the increase in the customer population covered by it, as well as the challenges associated with its timely implementation, contributed to an increase in complaints to the E-REDES Customer Ombudsman (+38.2%).

In short, 2021 was marked by unique challenges that have been overcome, and I am pleased to see that the last months of 2021 show significant favourable trends.

Luís Valadares Tavares, E-REDES Customer Ombudsman

28 February 2022



1.2 INTRODUCTION

This report describes the activities of the Customer Ombudsman from January to December 2021 and fulfils the reporting obligation set out in Article 22 of the Customer Ombudsman Regulation.

It also has three main goals:

1. To share activities undertaken from January to December 2021 (Part I)
2. To review customer dissatisfaction and complainants' assessments of our performance (Part II)
3. To submit suggestions for improving the relationship between E-REDES and its customers (Part III)

Part I covers the following topics:

- Mission of the Ombudsman
- Information system - SWOP Platform
- Classification of complaints
- Key Statistics

Part II addresses:

- E-REDES Customer Dissatisfaction and Expectations Management
- Complainants' assessment of the Ombudsman's performance

Part III contains:

- Strategic Recommendation
- This report also includes an Executive Summary and a glossary of statistics.

2. Main indicators

In 2021, as in previous years, the internet (a digital form on the Ombudsman's website), the communication channel of choice for complainants' interactions with the Customer Ombudsman, was preferred by all users contacting the Customer Ombudsman. This is demonstrated by the fact that no complaints were received from them requesting other communication channels, which is certainly relevant to the development of E-REDES complaint management systems.

It is important to note that there has been a 28% increase in complaints concerning E-REDES compared to 2020. This is explained by more customers opting for channels that are more direct and faster than other more time-consuming and expensive ways, namely over-the-counter service.

Here are the main statistical data for the period in question:

2.1 INFLOW OF COMPLAINTS

The Customer Ombudsman received 651 complaints concerning E-REDES. This corresponds to an average of 1.7 complaints per day.

Of the 651 complaints submitted, 398 (61.1%) were one-time complaints, while the other 253 were repeat complaints. Compared to 2020, there was a slight decrease of around 11 pp in one-time complaints.

Of the total complaints answered, 174 (61.1%) had no prior record of complaint, request for information or request for an operation in E-REDES' internal services. Compared to 2020, there is a decrease of almost 10 pp. We note in this regard that customers choose a channel that affords them the quickest access to resolution of their issue.

Of the complaints submitted, 16.7% came from customers living in quality of service area A, 34.1% from customers in quality of service area B and 49.2% from quality of service area C. This represents a 1 pp increase in the proportion of complaints from the A area (15.4%) and a decrease of 4 pp in complaints from the C quality of service (53.3%) area compared to 2020.

The vast majority of complaints received concern private customers (87.1%), which increased slightly compared to 2020 (84.1%).

Of the total complaints submitted in 2020, about 51.5% concerned unresolved issues, 25.8% corresponded to transfer of responsibility issues and 15.4% to lack of information issues.

2.2 VISITS TO THE WEBSITE

Page views totalled 124,096, an average of 4.73 views per visit. The number of views in 2020 was 81,836.

20,442 are unique visitors, which corresponds to an average of 56 unique visitors/day, i.e. an increase of 11 daily visitors compared to what was observed in 2020 (45).

1,768 of the one-time visitors (9% of the total) came from outside Portugal, the most common countries being the United States, France, Spain and Germany. The number of visits from outside Portugal in 2020 was slightly higher (13%).

The FAQ web page was widely used by customers, as about 22% of them visited it.

2.3 CLASSIFICATION OF COMPLAINTS

In 2021, the following classification continued to be used for complaints submitted to the Customer Ombudsman:



CONTRACTING

- Pre-contractual information
- Update of details
- Other changes



SUPPLY

- Installation/connection or reconnection
- Outages
- Voltage/load
- Cut
- Losses associated with energy supply



READING/BILLING/PAYMENTS

- Meter reading/function
- Bill components
- Estimates
- Billed periods
- Sending/receipt of bills
- Payments
- Instalments



WORKS AND OTHER INTERVENTIONS

- Disregard for others' property (crossings, etc.)
- Property damage (tree felling, etc.)
- Works in public spaces



GRIDS AND STREET LIGHTING

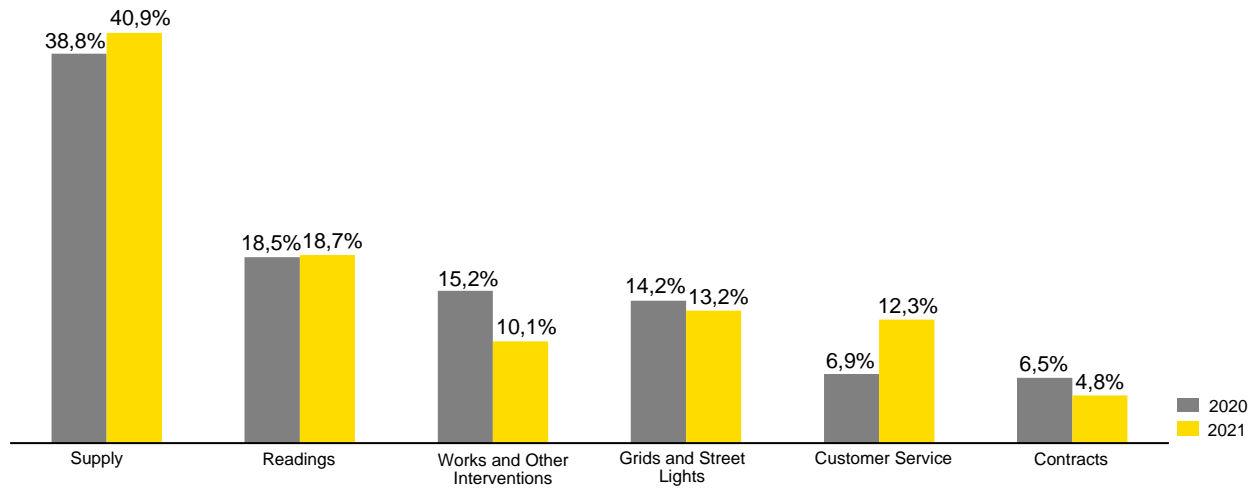
- Lighting
- Deficiencies/malfunctions not corrected in a timely fashion
- Planning/security
- Environment



CUSTOMER SERVICE

- Inconsistencies and delays in clarifications and replies
- Lack of response
- Behaviour
- Lack of intervention (or defective intervention) at the scheduled time
- Offer campaigns

CLASSIFICATION OF THE COMPLAINT LODGED



The issue that caused most complaints remained the supply, with an increase of about 2pp of this reason compared to the previous year.

Reading, billing and payments took second place in complaints, where there was a slight increase compared to 2020. Works and other interventions was the third commonest cause, with a decrease of 4 pp compared to the previous year.

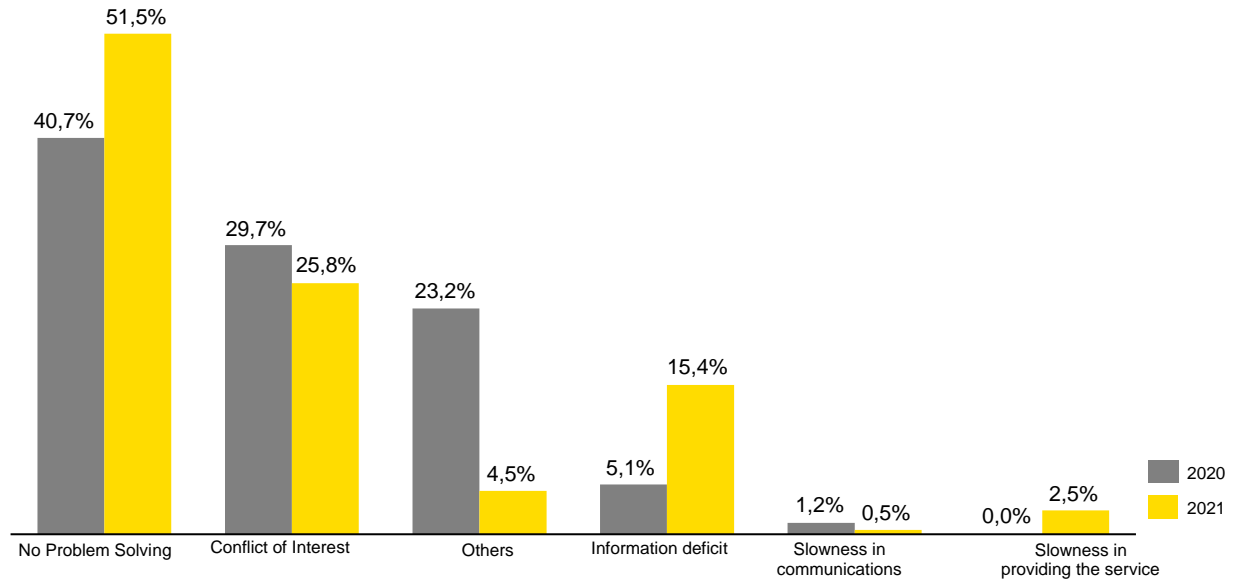
The issue of street lighting saw only a slight reduction.

On the other hand, the issue of Service saw a significant increase in relation to 2020, going from 6.9% to 12.3% in 2021.

Compared to the previous year, the issue of contracting fell from 6.5% to 4.8%.

2.4 CAUSES OF COMPLAINTS

OUR CLASSIFICATION ALSO MEANS THAT THE CAUSES OF COMPLAINTS CAN BE SEGMENTED:



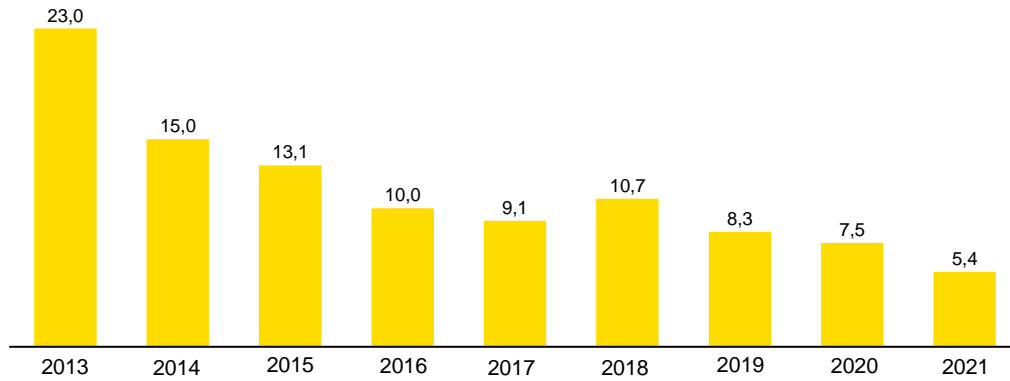
51.5% of the cases dealt with by the Ombudsman arose from a failure by E-REDES to resolve a complaint lodged.

Around 26% of cases submitted to the Ombudsman in 2021 were complaints where a transfer of responsibility took place.

The third biggest cause of complaints was a lack of information (15.4%).

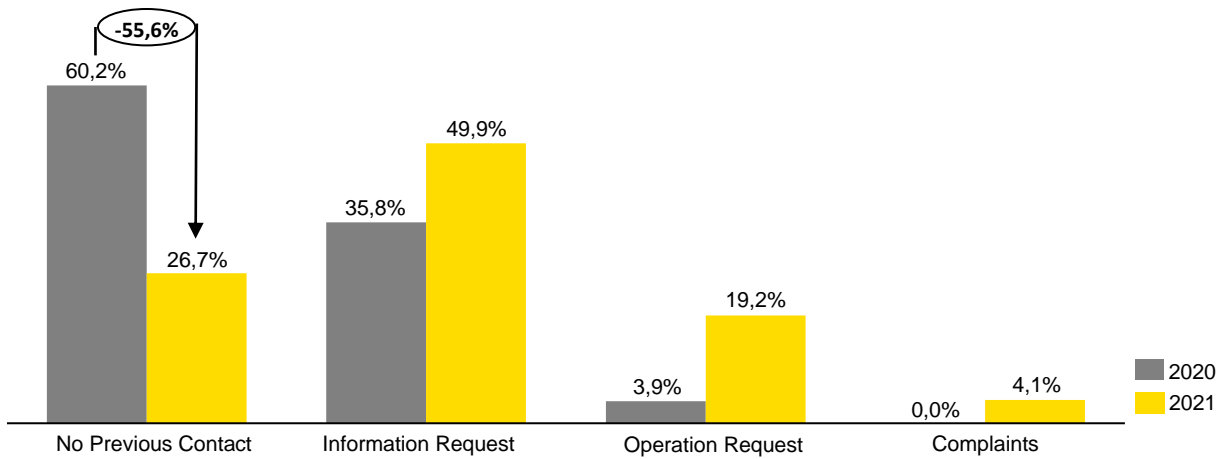
The cause "Delay in the performance of the service", was created during 2021, to represent the cases in which customers believe that E-REDES did not comply with the deadlines presented.

OMBUDSMAN'S RESPONSE TIME TO COMPLAINTS



The Ombudsman's average response time was 5.4 business days, which represented a 2.1 working day reduction compared to the average response time in 2020 (7.5 days). This decrease is explained by the efficiency of the E-REDES Customer Management Directorate, responsible for supporting the Customer Ombudsman during 2021.

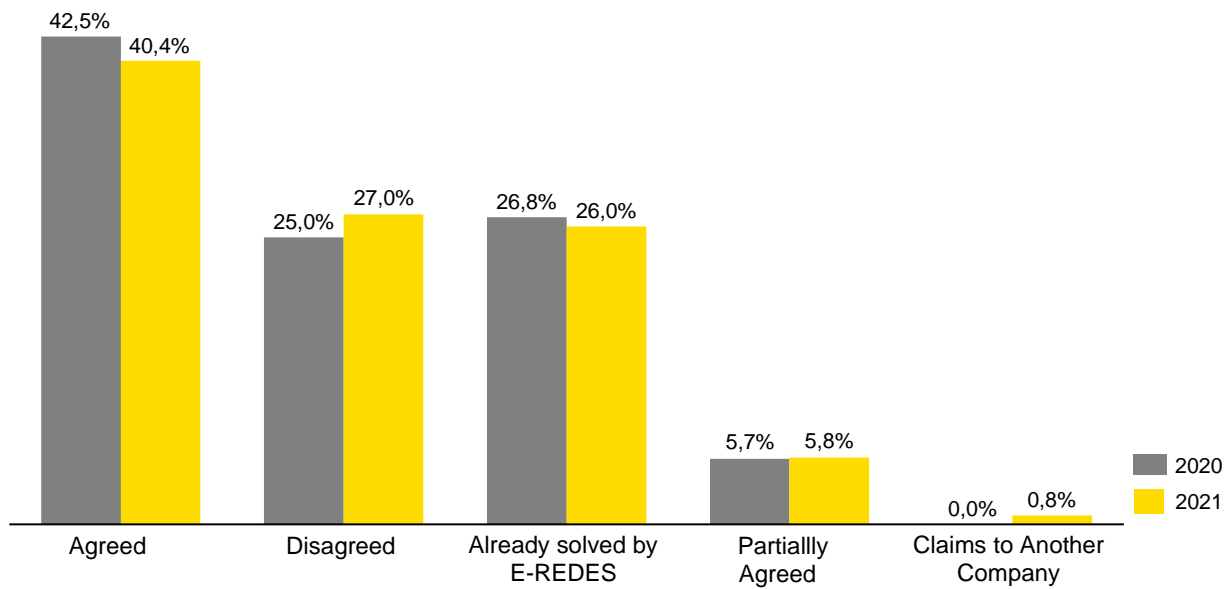
2.5 FIRST-TIME COMPLAINTS



The Customer Ombudsman in 2021 mostly dealt with complaints preceded by previous contacts with E-REDES

Complaints preceded by prior contact with E-REDES in 2021 account for 73.3% of the total complaints handled by the Ombudsman, whereas in 2020 this figure was 39.8%.

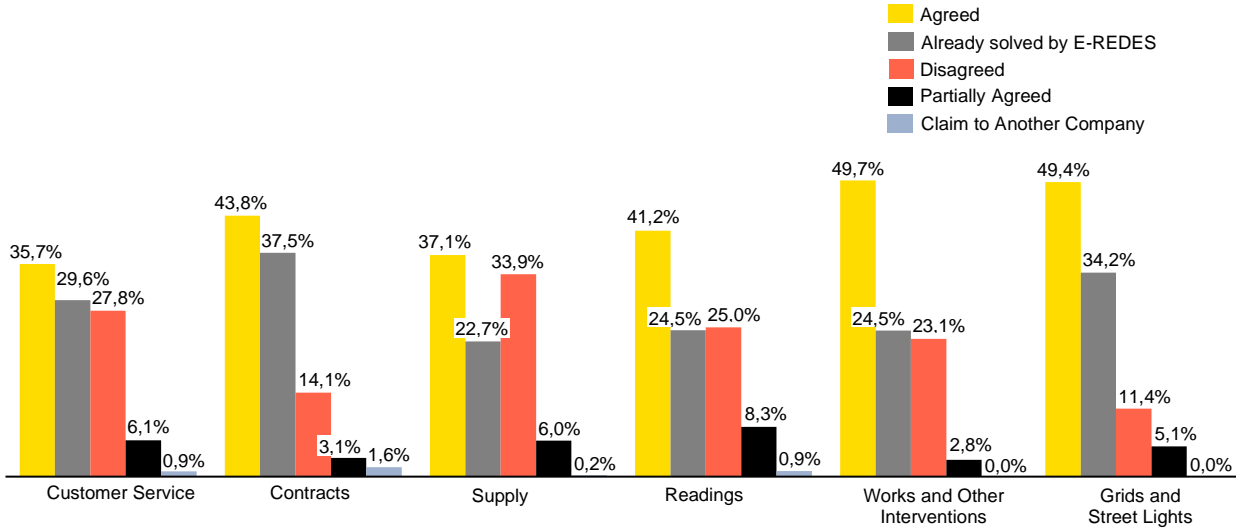
2.6 ORIENTATION OF OMBUDSMAN'S OPINIONS



In 2021, in about 40% of the 651 complaints submitted, the opinions agreed with the customer's complaint, slightly lower than in 2020 (42.5%).

The other orientations have also remained the same, only changing from 1% to 2% compared with the previous year.

2.7 TYPE OF OMBUDSMAN RESPONSE BY CLASSIFICATION



The Ombudsman's predominant opinions were in agreement with the customer's complaints in all classes.

The Contracting, Grids and Street Lighting, and Works and other interventions classes present the highest percentage of complaints submitted to the Ombudsman that had already been resolved at the time of the opinion, meaning that the E-REDES services had already solved the problem submitted.

3. Customer Ombudsman

3.1 MISSION

The Customer Ombudsman, an external and independent entity to EDP, was created in 2008, and the Regulation of the Customer Ombudsman for the EDP Group Companies was approved on 25 March of that same year.

On 01 March 2009, Prof. Luís Valadares Tavares assumed the Customer Ombudsman role and based on the regulation and his vision of the function, committed to the following mission:

“Assuming that in the uncertain world in which we live trust is a valuable asset, it is my mission, as an independent entity, to contribute to strengthening trust in the relationships between the companies of the EDP Group and their customers. My opinion will be based on objective principles and guided by equitable criteria, also taking into account the guidelines adopted in the European Union!”

On 28 October 2014, the new regulation was approved that is included in the annex. While maintaining the mission, it streamlines the relationship with the customer by facilitating access to the Ombudsman and reducing response times.

So that the ombudsman can fulfil this mission, the following activities were identified as key:

3.2 MAIN ACTIVITIES

Receive and examine complaints filed by customers and directly related to actions or omissions by EDP Group companies.

Enter into dialogue with customers who complain.

Arbitrate disputes and conflicts between customers and EDP Group companies.

Issue opinions on matters relating to the activity of EDP Group companies, if requested to do so by any of their corporate bodies.

Propose the adoption of measures to help improve levels of service quality and customer satisfaction.

Establish contacts with third parties to obtain specialist information and knowledge so recommendations can be made to the EDP Group companies on the adoption of measures to improve their customer relations.

3.3 NEW REGULATORY FRAMEWORK

In line with the guidance of the regulator, it was possible in 2021 to completely separate the activities of the Ombudsman for each company of the EDP group, namely E-REDES, EDP Comercial, SU Eletricidade and SU Gás. It should be noted that this separation is complete with regard to the information system, reception, processing and response to customer complaints and likewise with regard to the teams that support the Ombudsman and prepare the information necessary for the delivery of each opinion by the Ombudsman.

In 2021, this team included the following experts:

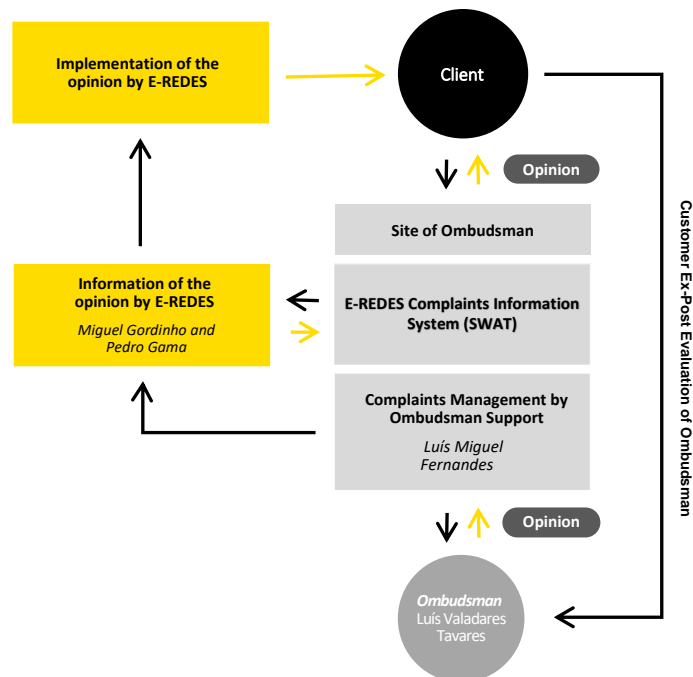
Lisete Gonçalves / Miguel Gordinho

Pedro Samuel Gama

Júlia Faria

The organisational chart is shown below:

COMPLAINT MANAGEMENT MODEL BY THE E-REDES CUSTOMER OMBUDSMAN



In 2022, under the coordination of the DGU, the complete separation of the access site for the submission of complaints by each company of the group is being finalised, so that the various companies no longer have a common access portal. According to information received, this information will be available from 2022.

3.4 SWOP INFORMATION SYSTEM

The Customer Ombudsman website is the chosen communication channel for submitting complaints. The vast majority of Portuguese people today have access to the Internet and are familiar with the use of this communication channel.

The management and handling of complaints submitted through the website to the Customer Ombudsman is ensured by a system specifically designed for this purpose, called SWOP - *Smart Web Ombudsman Platform*.

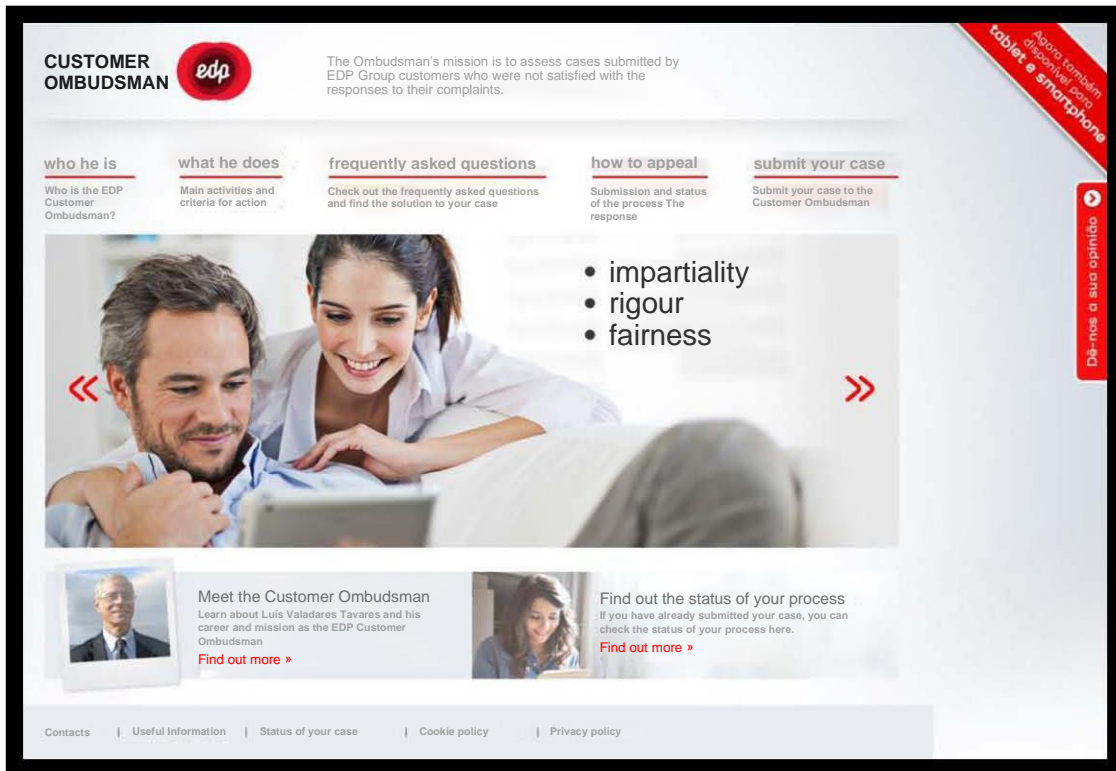
The SWOP platform allows us to:

- Centralise communication with users through a single channel - the Ombudsman website, available at Provedordocliente.edp.pt
- Standardise the format of complaints submitted: there is a digital form for sending complaints.
- Systematise the complaint submission process.
- Maintain a database with the record of all complaints submitted and create a unique key (internal stamp) for each complaint in the database.
- Automate the registration of key data of complaints (e.g. date of submission)
- Minimise the number of ineligible complaints received.
- Ensure a speedy response to the complaints received.

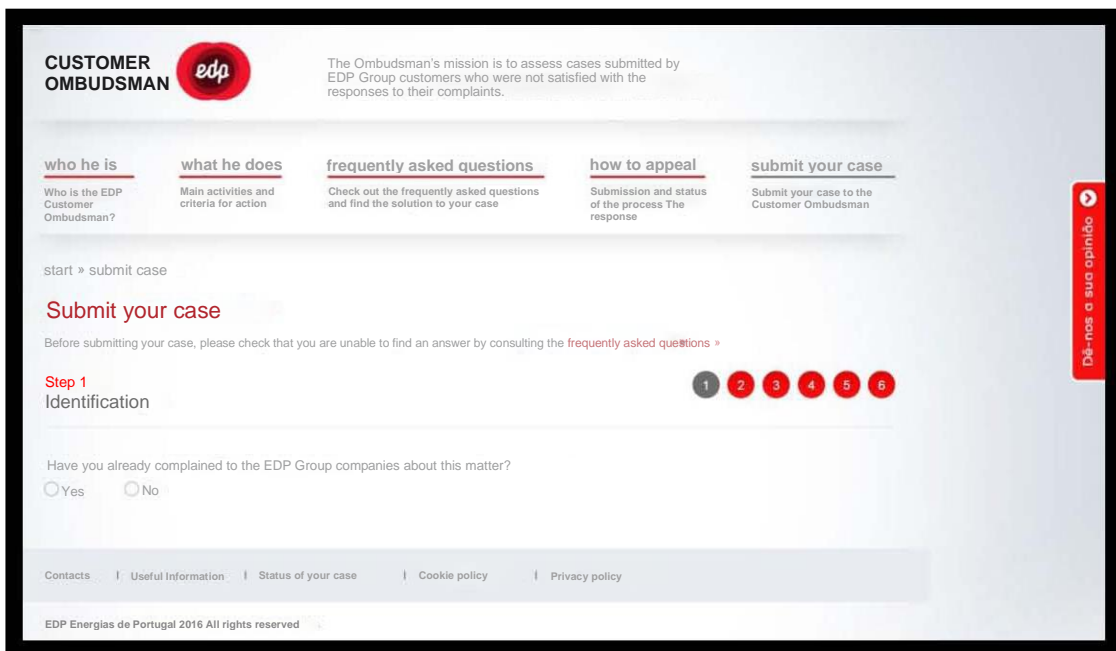
SWOP Components:

- Ombudsman website (*Frontend*).
- Digital form for sending complaints.
- Database where website complaints are logged.
- Unique key (internal stamp) to identify complaints.
- Ombudsman website backoffice.
- *Workflow* of complaint analysis, handling and response processes.
- Typology for the classification of complaints.

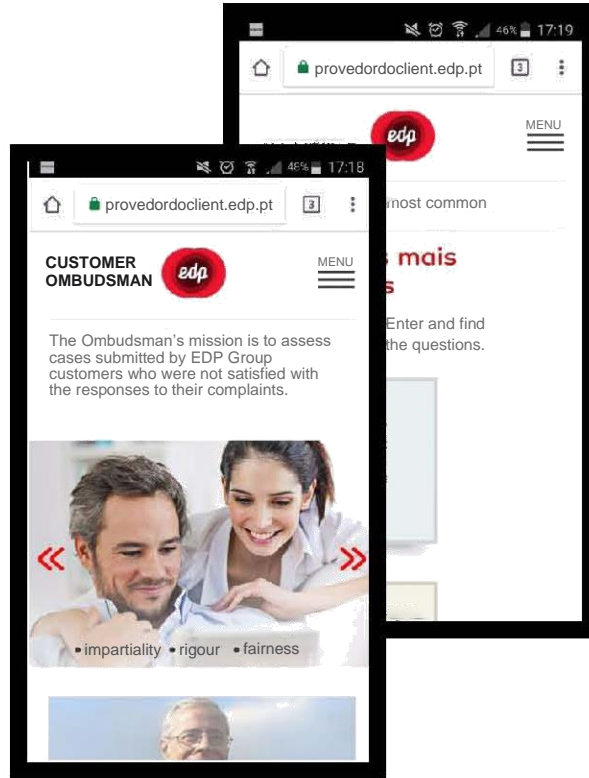
The Customer Ombudsman website is available at Provedordocliente.edp.pt, and looks like this:



The digital complaint form, the main functionality of the Customer Ombudsman website, looks like this:



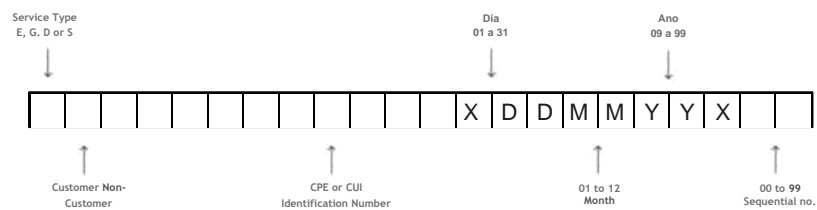
Being a *responsive* site allowing easy and intuitive access on various mobile devices:



The SWOP is linked to a database where all the elements identifying and describing the complainant and their complaint are recorded. The main features and advantages of this form are:

- Standardisation of complaint format.
- Systematisation of the complaint submission process.
- Archiving of complaints in a central database.
- Assignment of a unique key for each complaint.
- Automatic recording of the complaint submission date.
- Automatic pre-verification of the eligibility of complaints.

The key, which we have called the "internal stamp", clearly and quickly identifies complaints. The format of the internal stamp is as follows:



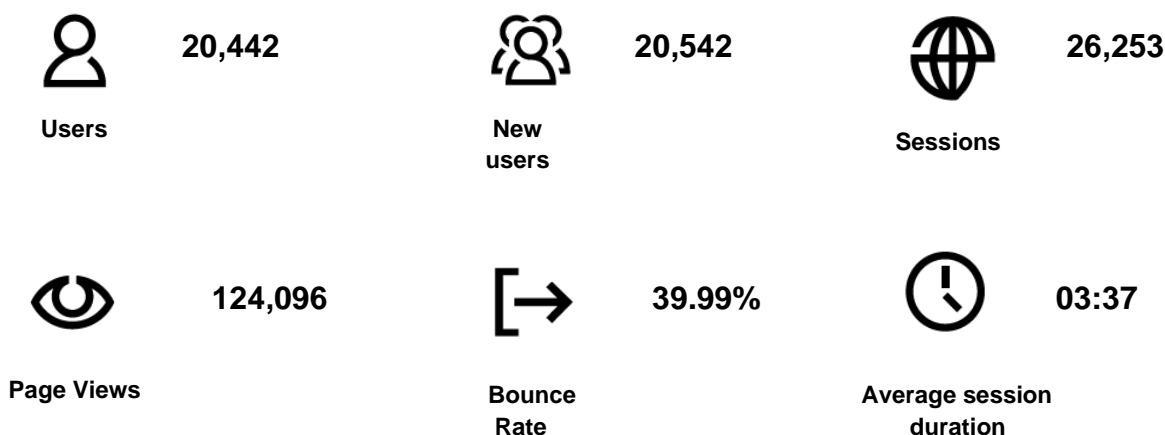
[E] ELECTRICITY [G] DUAL GAS [S] OTHER [C] CUSTOMER [N] NON-CUSTOMER [CPE] UNIVERSAL INSTALLATION CODE DD DAY (01 TO 31) MM MONTH (01 TO 12) YY YEAR (09 TO 99)

4. Main statistics of 2021

This chapter contains graphs of the main statistics on access to the website, submission of complaints, response to complaints and implementation of opinions.

4.1 ACCESS TO THE WEBSITE

A1. OVERVIEW OF VISITORS



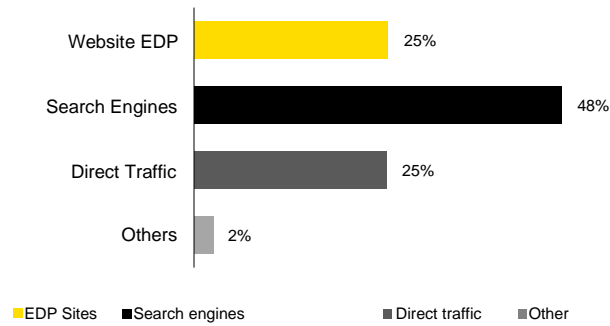
From 1 January to 31 December 2021, the Ombudsman's website was visited by 20,442 people (one-time visitors), representing an average of 56 per day, 11 more daily visitors than in 2020 (45 visitors).

Page views totalled 124,096 (42,260 more than last year), corresponding to an average of 4.73 page views per visit. The average number of page views per visit in 2020 was 4.24.

The average time per visitor spent on the site was 3 minutes and 37 seconds, less time than in 2020 (2 minutes and 36 seconds), reversing the decreasing trend seen in previous years.

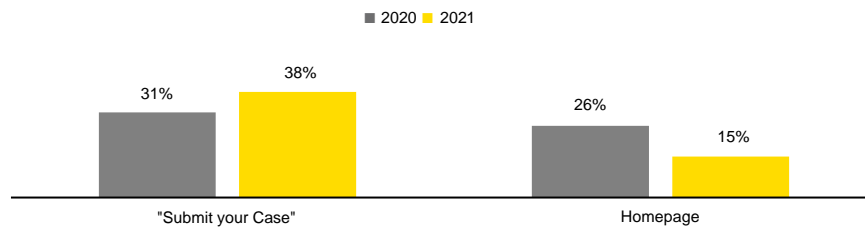
During the period under review, the Ombudsman's website recorded a 39.99% bounce rate, which means that just over one third of the site's visitors left the site via the page they used to access it, i.e. they did not browse the website. In 2020, this figure was 40.43%, a percentage that had been growing year by year, having reversed the trend in the year 2021.

A2. OVERVIEW OF TRAFFIC SOURCES



1. Of the total number of visits received, 25% originated from some EDP group website, with a lower weight compared to 2020 (57%).
2. Around half of the traffic was directed from searches on search engines, which was much higher than the previous year (23%).
3. Direct-traffic visits, i.e. inserting the Ombudsman link into the browser's address bar, represented 25%, whereas in 2020 they accounted for around 19%.

A3. OVERVIEW OF CONTENT



As in 2020, the most visited page continued to be the "Submit your case" page, which gained 38% of the total page views, followed by the homepage with 15%, falling 11 pp compared to the previous year.

A4. OVERVIEW OF COVERAGE



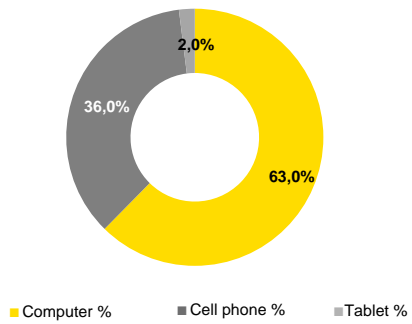
From January to December 2021, the Ombudsman's website received visits from 55 different countries or territories:

1. Naturally, Portugal was the origin of most visits with 91% of traffic.
2. The remaining visits came from countries such as the United States, France, Spain, Germany, the United Kingdom, Switzerland, Finland, the Netherlands and Brazil, among others, which may be associated with emigrants.

A5. VIEW OF BROWSING

1. As is to be expected, most of the browsing (74%) was directed to "submit case".
2. The FAQ page is still used by customers in 22% of sessions.
3. The success of the FAQ page has been confirmed by the high rate (78%) of the customers who leave after visiting it, similar to the previous year's figures.
4. The most frequently asked questions are:
 - o Malfunctions in the electricity grid have caused damage to my electrical equipment. Am I entitled to compensation?
 - o I have received an invoice that includes consumption six months before its date of issue. What do I do?
 - o My bill has been adjusted and is very high. What can I do to be able to pay it?

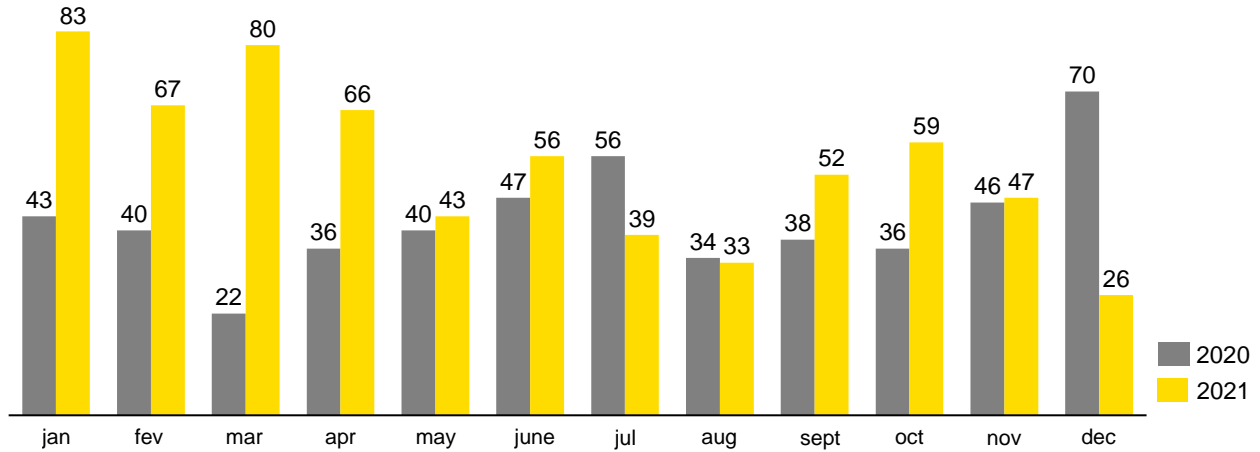
A6. VIEW PER DEVICE



1. Use of the Ombudsman's website on mobile phones has remained steady, accounting for 36% of the total accesses.
2. Computer usage decreased from 65% to 63% and tablet use remained steady compared to 2020.
3. We expect the use of mobile phones will continue to increase compared to other devices in the coming years.

4.2 SUBMISSION OF COMPLAINTS

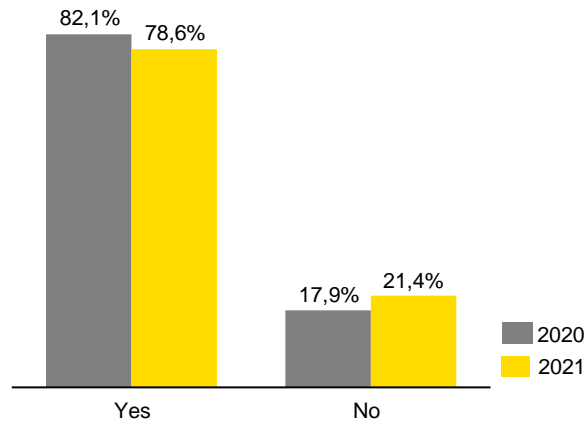
B1. BY MONTH



In 2021, 651 complaints concerning E-REDES were submitted to the Customer Ombudsman, 143 more than in 2020, representing an increase of 28%.

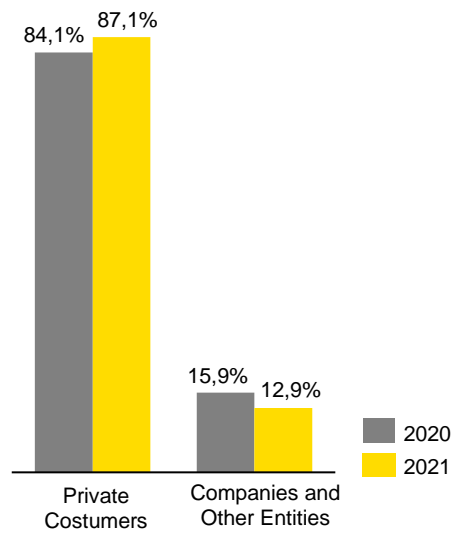
However, in 2021, the number of complaints was less than in July, August and December 2020.

B2. BY RELATIONSHIP TYPE WITH EDP SUPPLIER



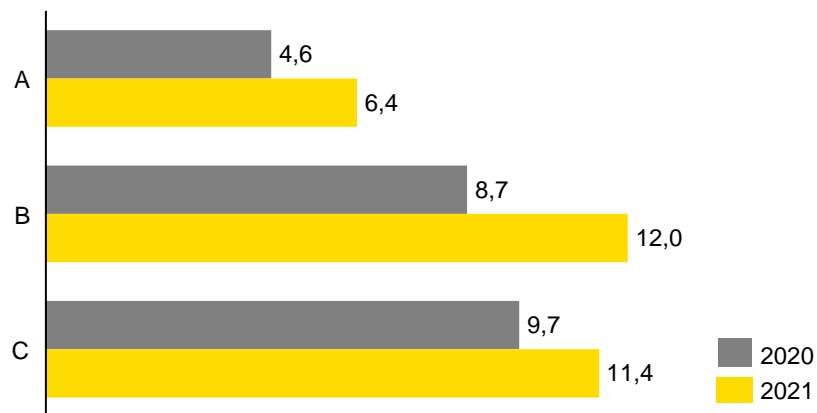
79% of complainants who submitted complaints to the Ombudsman said they were customers of EDP, a lower figure than in 2020 (82%).

B3. BY CUSTOMER TYPE



Complaints submitted by corporate customers decreased by around 3 pp compared to 2020, confirming the Ombudsman's presence with corporate customers.

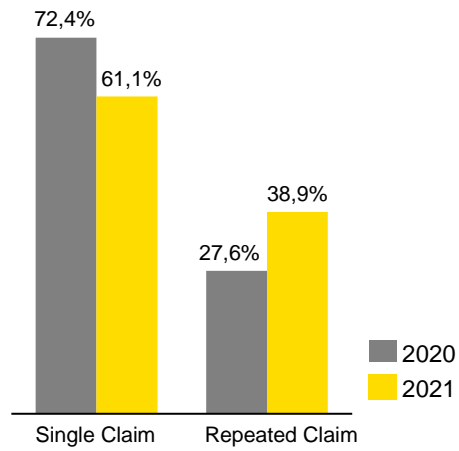
B4. BY E-REDES SERVICE ZONES (PER 100,000 CONTRACTS)



- Analysing the number of complaints per 100,000 contracts, this ratio increased from 4.6 to 6.4 in the Quality of Service Zone A, increased from 8.7 to 12.0 in the Quality of Service Zone B and increased from 9.7 to 11.4 in the Quality of Service Zone C.
- This assessment suggests that an adjustment of the qualities of zones between A, B and C should be made and all zones should be improved.

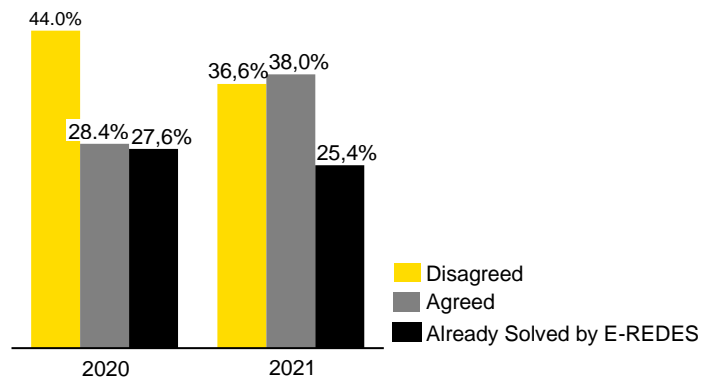
4.3 ANSWERS TO COMPLAINTS

C1. ONE-TIME COMPLAINTS



Of the 651 complaints submitted, 398 (61.1%) were one-time complaints, while the other 253 were repeat complaints. Compared to 2020, there was a slight decrease of around 11 pp in one-time complaints.

C2. RELATIONSHIP BETWEEN THE OMBUDSMAN'S OPINIONS AND E-REDES' PREVIOUS REPLIES TO THE CUSTOMER

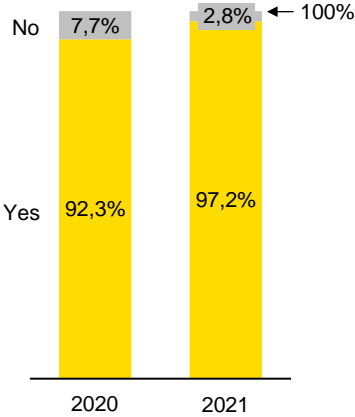


About 36.6% of the complaints received opinions disagreeing with E-REDES' previous response to the client, a figure similar to that seen in 2020 (44%).

In 38% of the complaints examined, the Ombudsman's opinion was in line with E-REDES' last response, lower than in 2020 (28.9%).

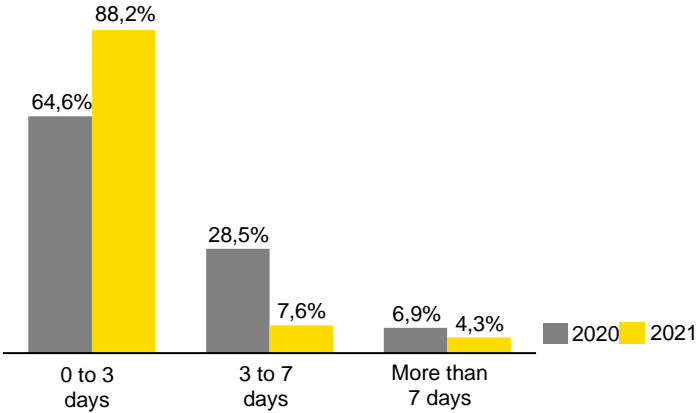
4.4 IMPLEMENTATION OF OPINIONS

D1. OPINIONS IMPLEMENTED FAVOURABLY



Around 97% of the opinions issued in 2021 were implemented favourably.

D2. OPINION IMPLEMENTATION TIME

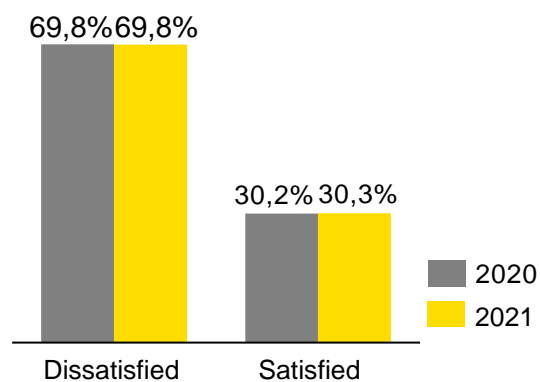


- The average implementation time for opinions in 2021 was around 2.1 days, a significant improvement compared to 2020, where the average time was 3.2 days.
- There was an improvement in the implementation times of the opinions, namely a decrease of the opinions implemented after more than 7 days in 2021, from 6.9% in 2020 to 4.4%, and opinions implemented in less than 3 days saw an increase of nearly 14 pp compared to the previous year.

5. Ombudsman assessment

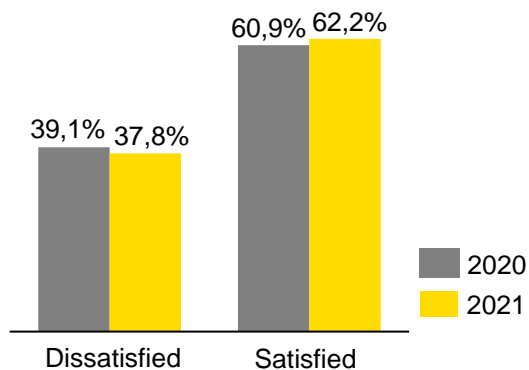
The assessment of the Customer Ombudsman is performed anonymously by all customers who have filed a complaint, 21 days after the complaint is lodged. The response rate remains exceptionally high.

A. PROBLEM SOLVING



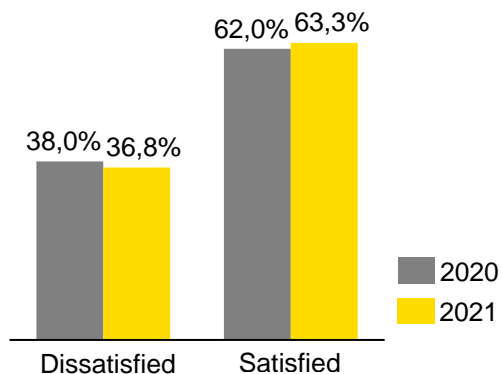
Satisfaction with the solution to the problem is particularly impressive given that all customers provide an assessment, including those who have received unfavourable opinions.

B. ACCESSIBILITY AND EASE OF LODGING A COMPLAINT



The level of satisfaction with this criterion is already exceptionally high, but it still rose from 2020 to 2021

C. OMBUDSMAN'S RESPONSE TIME



The percentage of satisfaction with response time remains very high, and a slight increase in satisfaction was recorded.

D. NET PROMOTER SCORE ASSESSMENT

The Ombudsman has implemented a model based on the Net Promoter Score (NPS) to evaluate the restoration of customer satisfaction. It complemented the traditional question of whether the customer was satisfied with EDP after the Ombudsman's opinion with two questions:

1. Would you recommend EDP to friends and family?
2. Would you advise against EDP to friends and family?

The possible answers to both questions were:

3. Definitely
4. Perhaps
5. No

The results of our analysis of the answers received in 2021 were as follows:

For customers who have received favourable opinions, there is a recovery rate of around 60%, as only 38.5% refuse to recommend EDP.

For those customers who have received unfavourable opinions, obviously the percentage mentioned above is lower, but still reaches 14.3%.

Unfavourable opinions	Recommends EDP	Advices against EDP
Definitely	2.01%	63.33%
No	81.35%	14.52%
Perhaps	16.64%	22.15%

Unfavourable opinions	Recommends EDP	Advices against EDP
Definitely	17.73%	35.45%
No	43.32%	30.69%
Perhaps	38.95%	33.86%

6. Strategic recommendations and closing remarks

6.1 STRATEGIC RECOMMENDATIONS

2021 had additional problems due to the poor performance of the new computer system (Jump) in complying with data communication requirements for suppliers regarding customers with self-consumption and production contracts. This problem was exacerbated by the significant expansion of solar installations, partly explained by the new public funding programme for this type of facility.

The significant increase of complaints sent to ERSE is worrying because it shows a decrease in customer satisfaction regarding the process of managing complaints by E-REDES and also because it is a source of additional risks due to less favourable audits.

The "*mise en place*" process for new solar installations requires coordination between the different actors (supplier, E-REDES, DGEG, customer). There is a need to improve the graphic flow and the information provided to the customer to avoid gaps and situations in which the replacement of the electric energy meter, or its payment, were not carried out in due time, generating complaints and losses.

The disparity between the number of claims per customer according to the type of area (A versus C) increased significantly.

The reduction in the use of the online channel is particularly negative, as it contrasts with the evolution of Portuguese consumers: the percentage of consumers using online commerce has jumped from 45% (2019) to 80% (2021).

6.2 CLOSING REMARKS

Priority should be given to more effective information and management systems, in particular on readings, and to improving the provision of information to customers in line with the new European guidelines already applicable in Portugal.

Redesigning the process of implementing solar units based on the information available to the customer can reduce complaints and grievances.

A critical review of the disparities in the areas can be justified.

A new website strategy and design is essential and is already under development.

Finally, I appreciate the excellent cooperation of all team members: Miguel Gordinho, Pedro Gama, Júlia Faria (2020/21) and Luís Miguel Fernandes (2022).

7. Annexes

7.1 GLOSSARY

VISITAS / VISITS

Number of individual sessions initiated by all visitors to the website

VISITANTES / VISITORS

Total exclusive visitors to the website in a certain period of time.

EXIBIÇÕES DE PÁGINAS / PAGE VIEWS

Number of times that a certain page is viewed.

PÁGINA DE ENTRADA / LANDING PAGE

First page displayed during a visit.

TAXA DE REJEIÇÃO / BOUNCE RATE

Number of visits that left the website after seeing the landing page.

TRÁFEGO DIRECTO / DIRECT TRAFFIC

Visit via direct link (typing in address in the browser or via favourites).

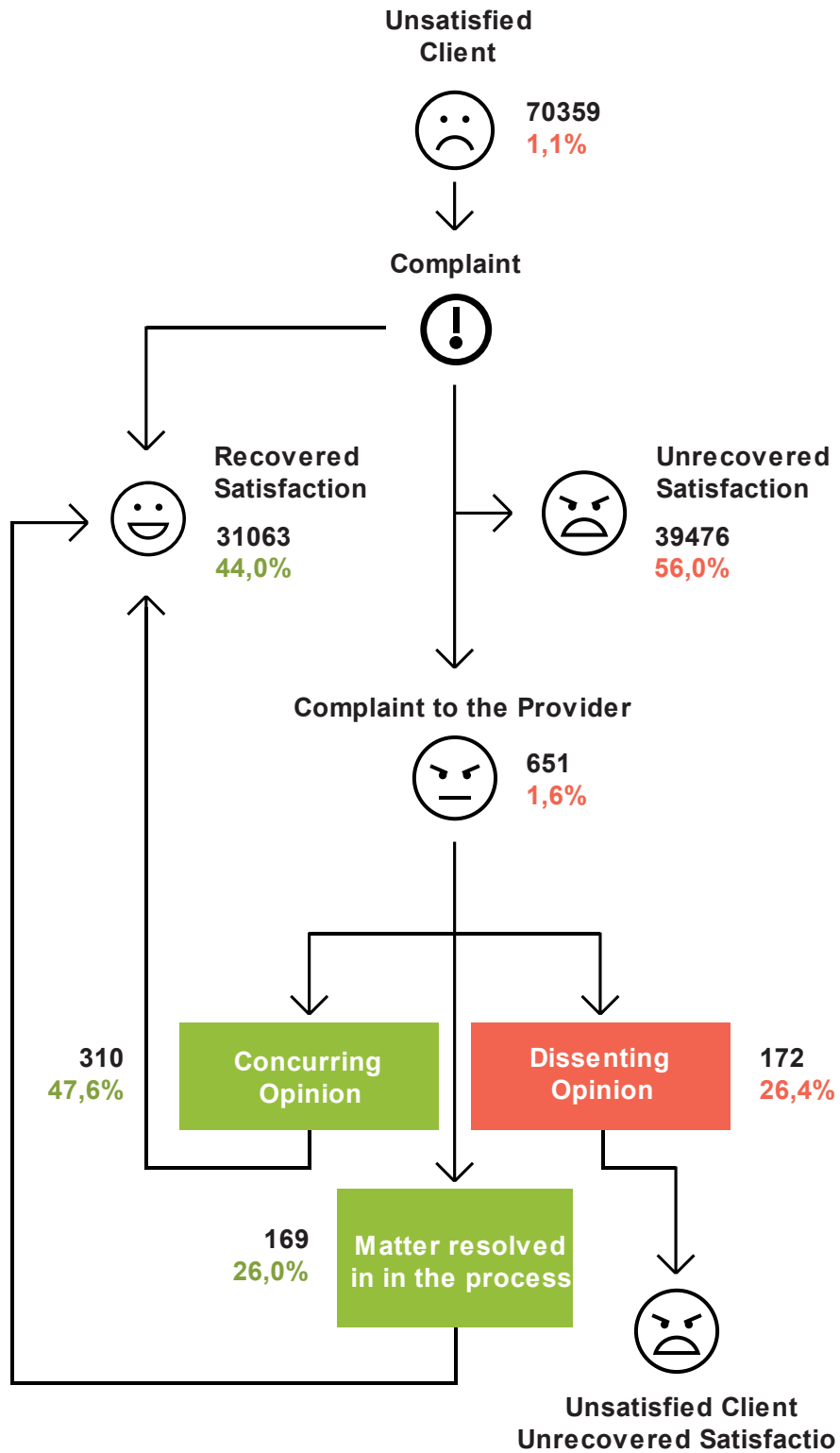
TRÁFEGO POR REFERÊNCIA / REFERRAL TRAFFIC

Visit from another website with a link to the site.

TRÁFEGO ORGÂNICO / ORGANIC TRAFFIC

Organic searches (unpaid) on search engines (e.g. Google, Bing, etc.).

7.2 DISSATISFACTION ROADMAP



7.3 REGULATION OF THE CUSTOMER OMBUDSMAN FOR THE EDP GROUP COMPANIES

Approved at a meeting of the Executive Board of Directors of EDP – Energias de

Portugal, S.A. (EDP) on 09 December 2014.

Chapter I

General Provisions

Article 1

Functions

The main function of the Customer Ombudsman for the companies of the EDP Group, hereinafter referred to as Customer Ombudsman, is to defend and promote the rights and guarantees of the Customers of the EDP Group companies, within the scope of the exercise of his or her activities.

Article 2

Principles of action

The Customer Ombudsman is guided by the principles of independence and fairness. He or she promotes dialogue between the companies of the EDP Group and their Customers, contributing to the relations between the parties that are guided by good faith and mutual trust.

Chapter II

Scope of Application

Article 3

Subjective scope

The Customer Ombudsman is competent to assess all matters submitted to him or her by any natural or legal person entitled to do so, provided that they concern the conduct of the business of the EDP Group companies and their relationship with their Customers.

Article 4

Objective scope

The Customer Ombudsman gives his or her views on all matters that are brought to his or her attention, provided that they relate to the provision of services and energy supply by the EDP Group companies and their Customers, in particular as regards the fulfilment of supply contracts, consumption estimates, billing and claims for compensation that result directly from the service provided.

Chapter III

Customer Ombudsman Statute and Competencies

Article 5

Appointment and term of office

1. The Customer Ombudsman is appointed by EDP's Executive Board of Directors. The appointee must be a person of recognised standing, repute, professional reputation, integrity and independence.
 2. The Customer Ombudsman serves for a period of 3 (three) years and may be reappointed twice for an equal period.
 3. Upon expiry of the term of office, the Customer Ombudsman remains in office until the appointment of his or her successor.
4. The contractual relationship between EDP and the Client Ombudsman is not of an employment nature.

Article 6

End of duties

The end of the Customer Ombudsman's duties may occur in the following situations:

- a) Term of office;
- b) Resignation submitted to the EDP Executive Board of Directors;
- c) Supervening incapacity;
- d) Decision of the EDP Executive Board of Directors, in cases of confirmed negligent behaviour by the Customer Ombudsman in the exercise of the functions assigned thereto.

Article 7

Incompatibilities

Upon appointment and while performing his or her duties, the Customer Ombudsman

may not:

- a) Perform any management, directorial, advisory or consultancy function in any company that competes with EDP Group companies or in companies that are in a controlling or group relationship with companies that compete with EDP Group companies;
- b) Be connected in any way to other entities, such as customers, competitors, suppliers or service providers of the EDP Group companies, if such connection could give rise to a conflict of interest.

Article 8

Impediments

The Customer Ombudsman may not review or make decisions on matters to which he or she is a party or as a representative of another person, or in which he or she has any personal interest.

Article 9

Responsibilities

The Customer Ombudsman's responsibilities include the following:

- a) Receive and examine complaints filed by customers and directly related to actions or omissions by EDP Group companies;
- b) Enter into dialogue with customers who complain;
- c) Arbitrate disputes and conflicts between customers and EDP Group companies;
- d) Issue opinions on matters relating to the activity of EDP Group companies, if requested to do so by any of their corporate bodies;
- e) Propose the adoption of measures to help improve levels of service quality and customer satisfaction;
- f) Establish contacts with third parties to obtain specialist information and knowledge so recommendations can be made to the EDP Group companies on the adoption of measures to improve their customer relations.

Article 10

Steps

1. In the course of performing his or her duties, the Customer Ombudsman is competent to undertake, in particular, the following steps:
 - (a) Make and encourage contacts with the EDP Group companies, requesting any information and documents he or she considers appropriate;
 - (b) Make recommendations to correct discriminatory, illegal or irregular practices that violate the rights and guarantees of Customers of the EDP Group companies or affect the quality or efficiency of the supply or service they provide.
2. The Customer Ombudsman has as direct representatives the persons that EDP

may appoint for this purpose.

3. Subject to the previous paragraph, and provided that he or she informs the representative appointed by EDP in advance, the Customer Ombudsman may establish direct contacts with the EDP Group companies he or she considers necessary to provide the necessary clarifications on the matter under consideration.

Chapter IV

Procedure

Article 11

Organisational Structure

In the exercise of his or her functions, the Customer Ombudsman has its own organisational structure, called the Customer Ombudsman's Office, whose composition will be defined by the Executive Board of EDP, following a proposal from the Customer Ombudsman.

Article 12

Submission of complaints

1. The Customer Ombudsman only becomes involved after a Customer obtains an unfavourable response to their complaint, issued by the competent services of the EDP Group companies.
2. Under the provisions of the preceding paragraph, the Customer Ombudsman shall refer to the competent services of the EDP Group companies all complaints not yet submitted directly to those services.
3. The Customer Ombudsman is also competent to assess complaints which, having been directly addressed to the competent services of the EDP Group companies, are not answered within 1 (one) month of their receipt.

Article 13

Form, deadline and requirements for the submission of complaints

1. The complaint should be addressed in writing to the Customer Ombudsman and must contain the full identification and residence of the complaining Customer, together with a description of the reasons for the complaint and should be accompanied by all relevant documentation for its examination.
2. The complaint may also be filed by any entity with powers to

represent the Customer provided that, in the written communication to be submitted, in addition to the documentation mentioned in paragraph 1 of this Article, proof is attached of the legitimacy of the entity concerned to represent the Customer.

3. Complaints submitted shall be numbered sequentially according to their date of submission.
4. The complaint must be lodged no later than 6 (six) months from the date of receipt of EDP's unfavourable decision or the expiry of the period referred to in paragraph 3 of the previous article.

Article 14

Preliminary assessment

1. Complaints are the subject of a preliminary examination by the Customer Ombudsman or any of the members of his or her Office. Complaints which are made in bad faith or are unfounded are rejected outright.
2. The Customer Ombudsman may ask Customers for clarification and/or additional documentation on the facts described or the reasons alleged.

Article 15

Examination

The following principles must be observed when examining the case:

- a) Speed - the Customer Ombudsman has 20 (twenty) business days from the date of receipt of the complaint to submit the proposed recommendation to EDP;
- (b) Cooperation - in the context of the steps to be taken by the Customer Ombudsman to establish the facts, the representative appointed by EDP will provide all the necessary support for complete clarification of the situation, in particular by providing the information and submitting the documentation requested.

To this end, the Ombudsman will seek to establish with EDP Group companies the contacts necessary to properly resolve the issues at hand.

Article 16

Dismissal

Complaints are dismissed when they:

- (a) Are not the responsibility of the Customer Ombudsman;
- b) Are silent on essential elements and do not allow a

recommendation to be made;

- c) Concern issues that have since been resolved.

Article 17

Recommendations

1. After examining the case, the Customer Ombudsman makes its recommendation and communicates it to EDP.
2. EDP, within an average of 10 (ten) days, informs the Customer Ombudsman of its position on the proposed recommendation, and in the event of disagreement must give reasons for its decision.
3. The Customer Ombudsman recommendations that EDP accepts are considered binding.

Article 18

Response to Customer

The response to the Customer must be sent by the Customer Ombudsman's Office within 5 (five) days of the date of receipt of the EDP decision regarding the recommendation.

Article 19

Recourse to courts

Recourse by the complaining Customer to the out-of-court procedure contained in this Regulation does not deprive the complaining Customer of the right to appeal to the courts with jurisdiction to resolve the dispute.

Chapter V

Rights, Duties and Obligations

Article 20

EDP Obligations

In order to enable the activities of the Customer Ombudsman, EDP undertakes to:

- (a) Provide the Customer Ombudsman with an annual budget allocation;
- (b) Provide the Customer Ombudsman with the means and conditions to obtain the necessary information and documentation required.

Article 21

Ombudsman Obligations

1. The Customer Ombudsman shall submit to the EDP Group companies any

recommendations and proposals that he or she considers useful for the protection of the rights and guarantees of the Customers and that contribute to the improvement of the relationship of the EDP Group companies with their Customers.

2. The Customer's Ombudsman shall keep confidential all facts of which he or she becomes aware in the course of his or her duties, in so far as the nature of those facts so requires.

Article 22

Provision of Information

1. On a quarterly basis, the Customer Ombudsman submits to the representative appointed by EDP a summary of the activities carried out in the previous quarter, as well as the proposals deemed appropriate to improve the performance of his or her functions.
2. Each year, the Customer Ombudsman submits to EDP's Executive Board of Directors an annual report of his or her activities, which allows the evaluation of the results obtained and the identification of the nature of the disputes submitted to him or her, with a view to its subsequent publication.

Chapter VI

Final Provisions

Article 23

Entry into force

This Regulation shall enter into force on the business day following that of its adoption by the EDP Executive Board of Directors.

Article 24

Publication

EDP will publish this Regulation on its website (www.edp.pt) and on its intranet to inform its Customers and employees.

