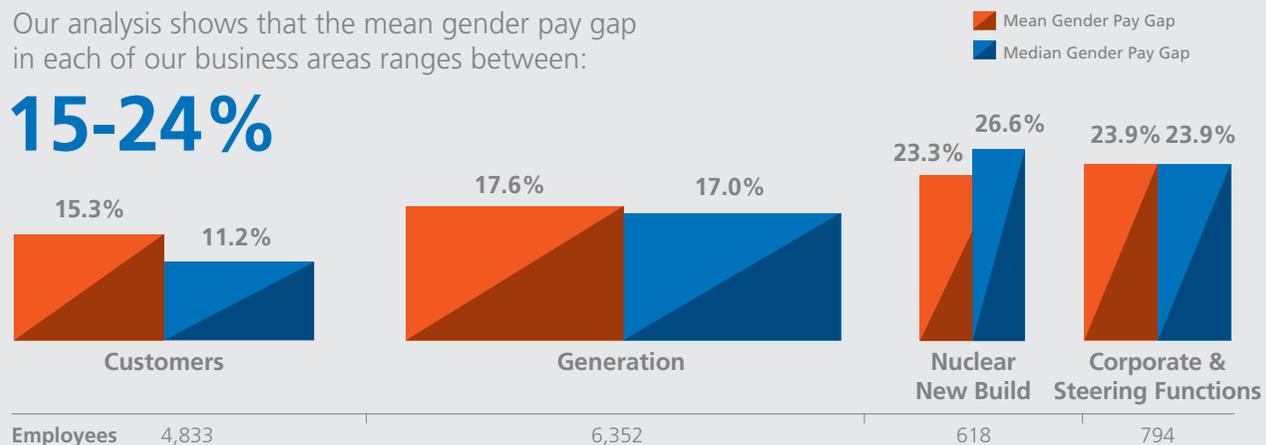


EDF Energy Gender Pay Gap Report 2017

At EDF Energy, we're committed to building a sustainable future for all employees. Honouring this commitment means fostering a work environment where everyone is rewarded fairly for the work they do and the contributions they make to our success. That's why we were fully supportive when the UK Government announced that all companies with over 250 employees would be required to report their gender pay gap.

Our analysis shows that the mean gender pay gap in each of our business areas ranges between:

15-24%



We remain committed to further reducing our gender pay gap in 2018 and beyond and have action plans in place focusing on:

RECRUITMENT
PROMOTION
CAREER PROGRESSION
REWARD PRACTICES
FLEXIBLE WORKING
TARGETS AND TRAINING

To us, this is more than just a legislative requirement: it's an important step forward that will help to drive positive change, not only in our company but in the broader economy... and that's something we are fully behind.

Our analysis

The gender pay gap is defined as the difference between the gross hourly earnings of all male and female employees – part-time, full-time and all grades/levels. This is different from equal pay, which looks at the earnings of men and women performing the same (or similar) work within an organisation.

We are confident that our pay strategy and collective agreements support equal pay for equal work. For all employees undertaking similar roles (regardless of gender) our approach to pay is to ensure there is fairness; we also take into account factors such as market reference points, experience/skills, location and performance in setting individual pay.

We regularly review our pay levels and practices as part of an annual pay review and benchmarking exercise. In response to the UK Government's gender pay gap legislation we have reviewed all roles, at all levels, across our business to understand the full picture of our results.

Internally, as at April 2017, EDF Energy was set up in four distinct business areas (Customers, Generation, Nuclear New Build and Corporate & Steering Functions) employing 12,794* people. When carrying out our analysis the starting point has been to analyse our gender pay gap by business area and then look at our aggregate results in order to clearly identify the key factors and trends contributing to our gender pay gap.

Our results

Our analysis** has shown that the mean gender pay gap in each of our business areas ranges between 15-24%. **Our two largest populations of employees (over 90% of our workforce) work within our Customers and Generation businesses where the mean gender pay gap is 15.3% and 17.6% respectively.** These business areas are very different in terms of the nature of the work, the skills required, typical rates of pay and the gender mix of the populations.

Note: Mean is the **average** number in a data set; median is the **middle** number in a data set arranged lowest to highest.

*The number of employees stated is that of Full Pay Relevant employees.
 **As at April 2017

EDF Energy gender pay gap

We also think it's useful to provide a company-wide view of our gender pay gap to identify any trends or themes emerging across the organisation.

When we aggregate the figures and consider the wide range of all the roles that exist – from technical and specialised to service-based and support, our aggregate mean gender pay gap combines to 27.5%. This figure is a reflection of the different roles across our business areas, market pay variations, as well as the gender mix in each business area. For example, average pay for engineering roles is typically higher than for customer service roles. We have proportionately more men than women in Generation, our largest engineering part of the company, whereas the gender mix in our Customer business area is roughly 50/50.

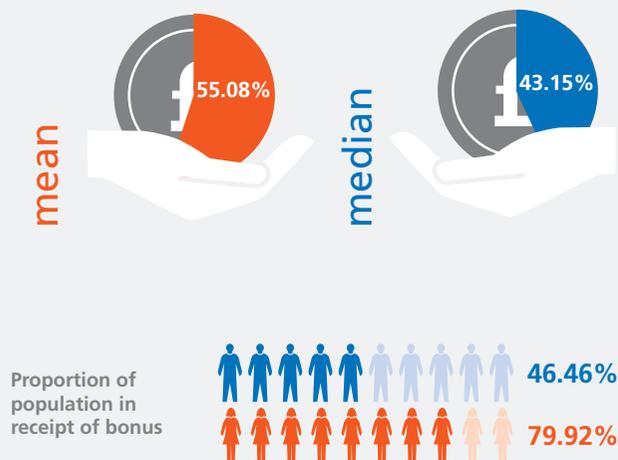
When we've looked back at what our numbers would have been in 2016, we've seen a decrease in our gender pay gap over the past year, from just over 30%. This indicates that we're heading in the right direction and that the actions and initiatives we've put in place are having a positive impact across the company.

Although there is more to do, we have made progress in all our business areas and we remain committed to reducing our gender pay gap further in 2018.

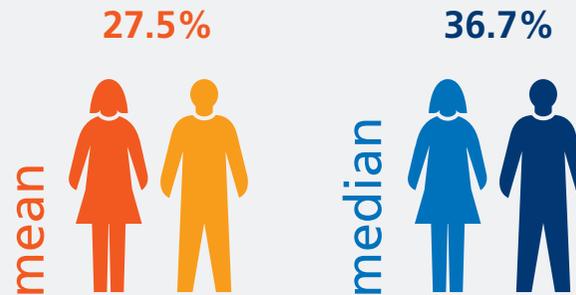
The results below show the aggregate figures for EDF Energy – the full details of our results by legal entity can be found at the end of this document.

Thanks to the strong action plans we have in place, we've made significant progress in recent years **...but we won't stop there.** We have a clear set of actions in place to help us further close our gender pay gap.

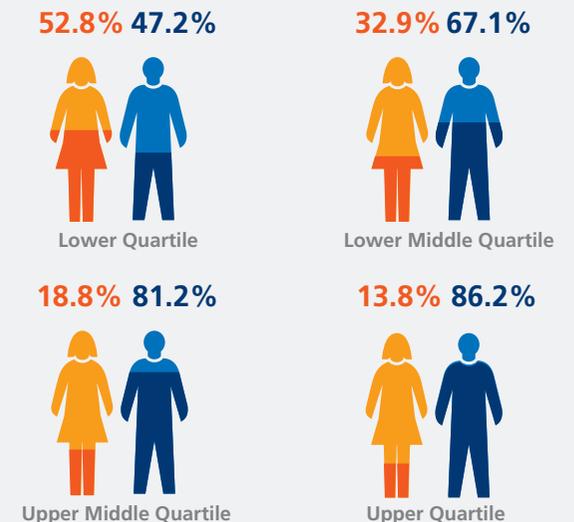
Our aggregate gender bonus gap is...



Our aggregate gender pay gap combines to...



The proportion of males and females in each pay quartile is...



Note: Mean is the average number in a data set; median is the middle number in a data set arranged lowest to highest.

Understanding our gender pay gap

Following a full review, we know that our gender pay gap is largely due to the gender mix of our workforce, the shape of our business and the employment history of the electricity sector.

We and other companies in Science, Technology, Engineering and Mathematics (STEM) fields simply have fewer female employees. Overall, 32% of our company is made up of female employees, and though we're taking steps to attract, retain and develop women in our organisation, this is a significant factor contributing to our gender pay gap.

We also have fewer women than men in managerial and senior positions; 26% of females hold management positions and 16% of our senior leaders are female. This is a figure we've seen improve but there is still more to do.

Our commitment to reducing the gap

Our gender pay gap results are further motivation to continue to strengthen our gender diversity and broader diversity and inclusion efforts in the coming months and years.

We're committed to reducing our gender pay gap. We are working hard with other organisations to raise awareness of the range and variety of career opportunities available within the Energy sector to encourage more people into the industry.

Our action plans

Thanks to the strong action plans we have in place, we've made significant progress in recent years... **but we won't stop there.** We have outlined a clear set of actions to help us further close our gender pay gap which we're implementing across each of our business areas.

Recruitment and promotion

We're putting a specific focus on our internal and external recruitment processes. We have already seen success in this area by introducing new measures in early careers recruitment e.g. improving the gender diversity of our apprentices – in 2017 35% of our apprentices were female, compared with 21% the previous year, up 14%.

Career progression

We now measure the progression of female employees in our talent assessments and succession plans so that we can closely track appointments and career moves. In addition, we have a well-established Women's Network which holds a Women's Development Program regularly to support women in achieving their career potential.

Reward practices

We continue to ensure that the way we govern and operate our reward practices are robust enough to eliminate the risk of any unfairness, bias or discrimination. We regularly benchmark our roles against the market to ensure pay equity. This continues to be a priority for us.

Flexible and agile working

We are increasing the availability of flexible and agile working at all levels. We believe it is important for all employees, both men and women, to have the flexibility and support to balance work and home life.

Meeting our targets

In 2016 we introduced a series of gender diversity targets at senior manager, manager and employee levels which has resulted in us increasing our number of female senior managers to 16.9% in 2017, up from 11.5% in 2016.

Educating and training for managers

We are introducing training programmes for all our managers to help them understand the impact of their decisions on diversity and gender pay, as well as continuing to regularly review pay distribution across our business.

A leading role in our industry

We've partnered with gender campaign groups – WISE (Women in Science and Engineering), BITC's Gender Campaign and WIN (Women in Nuclear). We are determined to help drive awareness and encourage more females to enter our

We need diversity of all kinds, including gender, and we fully understand the importance of including, encouraging and developing the talents of all employees.

industry as well as help develop strong action plans through sharing best practice.

Our Pretty Curious programme, now in its third year, aims to encourage young women to enter a career in STEM. It has grown from providing hands on sessions with just 150 girls in our pilot year to sessions for over 1,000 girls in 2016 and 2017. Our cinema advert has featured in film viewings with over 27m admissions and our inspirational STEM content has been viewed over 240,000 times.

We've been featured in the Times Top 50 Best Places for Women to Work list for two years running, something we're proud of. We also carry out a regular National Equality Standard (NES) assessment of our Diversity and Inclusion activities; in 2015, we were assessed for Equality, Diversity and Inclusion policies and received NES certification. Our goal is to maintain this certification and deliver our Inclusion Strategy by 2019.

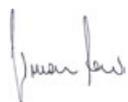
Our business is organised as four distinct business areas however we are required to report by legal entity as set out below.

| Employing Legal Entity | Employees | Pay Gap | | Proportion of men/women (M%/F%) in | | | | Difference in bonus payment between male and female employees (%) | | Proportion of men/women receiving bonus pay (M%/F%) |
|--------------------------------|-----------|---------|--------|------------------------------------|--------------------------------|--------------------------------|-------------------------|---|--------|---|
| | | Mean | Median | lower quartile pay band | lower middle quartile pay band | upper middle quartile pay band | upper quartile pay band | Mean | Median | |
| EDF Energy plc (Corp) | 6,051 | 31.94% | 31.54% | ↑ 38.4% | 36.8% | 59.2% | 74.8% | 60.30% | -4.19% | ↑ 95.62% |
| | | | | ↑ 61.6% | | | | | | ↑ 40.8% |
| EDF Energy Nuclear Gen Ltd | 5,052 | 18.34% | 18.85% | ↑ 77.6% | 11.5% | 10.1% | 6.4% | 59.73% | 74.80% | ↑ 1.58% |
| | | | | ↑ 22.4% | | | | | | ↑ 16.5% |
| EDF Energy Customers plc | 656 | 1.47% | -2.22% | ↑ 95.1% | 87.2% | 83.5% | 93.9% | 37.76% | 21.95% | ↑ 80.50% |
| | | | | ↑ 4.9% | | | | | | ↑ 6.1% |
| EDF Energy (Energy Branch) Ltd | 424 | 10.05% | 14.03% | ↑ 85.8% | 96.2% | 96.2% | 92.5% | -24.18% | 5.81% | ↑ 99.49% |
| | | | | ↑ 14.2% | | | | | | ↑ 3.8% |
| BE Ltd | 349 | 26.33% | 25.39% | ↑ 46.0% | 83.0% | 74.7% | 92.0% | 75.81% | 79.92% | ↑ 20.46% |
| | | | | ↑ 54.0% | | | | | | ↑ 25.3% |

Below is a company-wide view of our results – though not required by the UK Government we have chosen to provide these details for reference.

| Employees | Pay Gap | | Proportion of men/women (M%/F%) in | | | | Difference in bonus payment between male and female employees (%) | | Proportion of men/women receiving bonus pay (M%/F%) | |
|------------|---------|--------|------------------------------------|--------------------------------|--------------------------------|-------------------------|---|--------|---|----------|
| | Mean | Median | lower quartile pay band | lower middle quartile pay band | upper middle quartile pay band | upper quartile pay band | Mean | Median | | |
| EDF Energy | 12,769 | 27.50% | 36.68% | ↑ 47.24% | 67.05% | 81.23% | 86.15% | 55.08% | 43.15% | ↑ 46.46% |
| | | | | ↑ 52.76% | | | | | | ↑ 32.95% |

We confirm that the information and data provided is accurate and in line with mandatory requirements.



Simone Rossi, Chief Executive Officer



Carol McArthur, Chief People Officer

Note: Mean is the average number in a data set; median is the middle number in a data set arranged lowest to highest.