

# S.172 Directors' Duties Statement

## EDF Energy (UK) Limited (2024)



### Section 172 (1) Statement

EDF is one of the biggest energy suppliers in Britain, powering 3.7 million homes. In addition to being an energy supply industry leader, EDF is also Britain's biggest generator of low carbon electricity<sup>1</sup>, helping build Britain's own wind, nuclear and solar energy supply.

The Company is the top UK holding company of the EDF group of companies in the UK ("EDF UK"). The Company is non-trading, has no employees, customers or suppliers: its primary role acts as the financing vehicle for EDF UK; working with its ultimate parent company, Électricité de France, a company incorporated in France, to make sure EDF UK can fund the activities and transactions of each business unit ("BU").

This statement describes the actions taken by the Directors to fulfil their responsibilities to promote the success of the Company and EDF UK, in accordance with the Section 172 of the Companies Act 2006, for the financial year ended 31 December 2024. More details on Directors' duties and the oversight of these are included in the Directors Report.

The Directors have considered the following Section 172 factors:

- The likely consequences of any long-term decisions;
- Developing business relationships with suppliers, customers and others;
- The impact of operations on the community and the environment;
- Maintaining a reputation for high standards of business conduct; and
- Acting fairly between members of the Company.

The EDF UK purpose and strategy is set out in the EDF Energy Holdings Limited Group Strategic Report and published on the EDF UK website. The purpose is summarised as Helping Britain achieve net zero. The purpose and strategy are guided by: i) feedback from stakeholder engagement; ii) consideration of the long-term impact of strategic decisions on the long-term objectives of EDF UK; and iii) the environmental and social impact of those decisions.

### Overview of the Board

The Board has four Directors, each with expertise in Finance. They are all employed by EDF and EDF UK; meaning they have a breadth of experience to suit its activities. As the Company's primary role is a financing intermediary company, the Board's structure allows for intra-group matters to be effectively dealt with by individuals with the relevant capabilities.

In making decisions, the Company and its Directors first consider the impact of the Company's activities on its parent company in France, and EDF UK as a whole. EDF sets the overall strategy and ambition for EDF UK, and the Company makes sure decisions align. Where relevant, the Directors of the Company engage with stakeholders of EDF UK, making sure discussions take place before decisions are made and transactions are entered into.

This means the Company considers the impacts of its decision-making, while performing its duties and considering the factors under Section 172 of the Companies Act 2006.

### Employees

While the Company doesn't have direct employees, it does support and encourage EDF UK in employing people who represent the society we serve and operate in. Seeking employees who have a diverse range of talents and perspectives and feel engaged in their roles is key to the longevity of the Company.

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<sup>1</sup> UK Fuel Mix disclosure information, published by Government Department for Energy Security and Net Zero

### **Suppliers, customers and other stakeholders**

EDF UK is an active supporter of the United Nations Global Compact (“UNCG”), and the acceptance of the UNCG ten core principles forms part of the supplier onboarding process for all BUs across EDF UK. The UNCG covers a range of topics including Human Rights, Labour, Environment and Anti-corruption.

The Company has no direct business relationships with suppliers but recognises the importance of EDF UK collaborating with a broad range of organisations to promote safe, secure, and responsible energy generation, while delivering fair value, better service, and simplicity to customers. EDF UK is a member of MSDUK and WEConnect, and the Company actively supports the development of diverse and inclusive supply chains. The diversity and wellbeing of suppliers are key priorities for EDF UK. Our partners and suppliers play a critical role in sustaining EDF UK's competitiveness and profitability, securing the long-term success of the business.

Similarly, the Company has no direct customers, as it's a financial intermediary for EDF UK. However, the Company retains the values of EDF UK and acknowledges that EDF UK creates strong relationships with its customers by continuously striving to understand their evolving needs. By doing so, EDF UK delivers tailored services with excellent customer service; helping us retain our loyal customer base and attract new customers.

### **Communities and the environment**

EDF UK is committed to leading the UK's transition to a secure, low-carbon electricity system. As the UK's biggest zero carbon generator, EDF UK is helping support the reduction in carbon emissions enacted by the Climate Change Act 2008 (amended in 2019 to set a net zero target by 2050) and the Paris Agreement on Climate Change. Information on EDF UK's commitment to net zero is outlined in EDF's annual Sustainability Update, found on EDF's website.

The Company encourages and supports the arrangements of EDF UK in its strategy and ambition to help Britain achieve net zero.

### **Decision-making**

As the Company is a holding company and not embedded within a particular BU, the Board doesn't meet regularly, instead, it follows a more flexible and agile way of decision making by way of written resolution. The key decisions taken by the Board during 2024 related to the provision of funding to EDF UK, including the ongoing funding of the Hinkley Point C (“HPC”) project. These decisions were in line with the strategic goals of both the Company and EDF UK.

### **Climate-Related Financial Disclosures**

The main governance oversight board of EDF UK is EDF Energy Holdings Limited (“EEHL”), the Company's direct subsidiary, which frequently meets to discuss matters which are of strategic importance for EDF UK. Two of the Directors of the Company are also Directors of EEHL, allowing clear and direct lines of communication between the two companies, which helps ensure that important and strategic decisions are appropriately considered for both companies. For more information on these matters please read the comprehensive s.172 Directors Duties Statement as detailed in the Consolidated Annual Report & Financial Statements (2024) of EEHL.

The Company falls within the scope of the Companies (Strategic Report) (Climate-related Financial Disclosure) Regulations 2022 and is required to provide climate-related financial disclosures within its annual report. The Directors continue to apply the corporate governance practices of EDF UK when taking decisions, making sure they consider climate related factors where relevant. Further detail on EDF UK's governance arrangements on climate-related risks and opportunities can be found in the EEHL s.172 Statement.