

S.172 Directors' Duties Statement

Lake Acquisitions Limited (2024)



Section 172 (1) Statement

The Directors are fully aware of their responsibilities to promote the success of the Company in accordance with Section 172 of the Companies Act 2006. Further details on how the Directors' duties discharged, and the oversight of these duties are included in the Directors Report.

The Company, as an intermediate holding company, has no employees, customers or suppliers and as such, the Directors primarily consider the interests of the shareholders, EDF Energy Lake Limited and Centrica Lake Limited with regard to performing their duties on matters set out under Section 172 of the Companies Act 2006. The key board decisions approved during the year related to the overall strategy of the EDF Energy Nuclear Generation Limited (ENGL) business. The Board decisions were in line with the strategic goals of both the Company and the parent company and these are set out below in the 'Impact on Principal Decisions' section.

In December 2024, the Board approved the lifetime extension of Heysham 2 and Torness nuclear power stations by two years to March 2030 (+/- 2 years) and the lifetime extension of Hartlepool and Heysham 1 nuclear power stations by one year to March 2027 (+/- 1 year). The decision to extend the lifetime of these four stations will help bolster energy security for the UK, underpin plans for the expansion of renewables by helping to maintain grid stability and allow EDF to continue to support the employees and suppliers working across these sites.

Impact on Principal Decisions

The Board is an oversight/ strategic review board, with its primary function being approval of various reserved matters undertaken by ENGL, approving dividends and review of related party transactions. The Board is committed to ensuring that high standards of corporate governance are maintained across its subsidiaries within the Nuclear Operations group and comply with company policies as well as maintaining high standards of business conduct in the spirit of the corporate governance codes and principles.

At Board meetings throughout the year, the Directors are presented with papers and discuss updates in relation to:

- The overall strategy of the Nuclear Operations business.
- Approval of various reserved matters and dividends of the Company.
- In relation to related party transactions:
 - Considering whether the overarching principles have been applied; and
 - Reviewing the efficiency and progress of related party transactions.

The Company uses information from stakeholder engagement and input from Centrica appointed Directors, including employees of ENGL, regulators, together with community and environment factors to make these strategic decisions. The performance of the ENGL's nuclear power stations is a key factor considered by the Board during Board meetings, from both a safety perspective and a financial perspective. The feedback from stakeholders, particularly regulators and ENGL employees, is paramount to the Board when making decisions in relation to the future of the stations and the long-term success of the Company and Nuclear Operations group as whole.