

## S.172 Directors Duties Statement

*EDF Energy Nuclear Generation Group Limited*  
(2021)



**Statement approved by the Board of Directors on 25 July 2022 as part of the Company's Annual Report & Financial Statements (2021) and signed on its behalf by Rob Guylor, Director, on 16 August 2022.**

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 are 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 shareholder, Lake Acquisitions 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 oversight of the EDF Energy Nuclear Generation Limited (ENGL) business and included the lifetime strategy for ENGL's nuclear power stations in particular with regard to the end of generation decisions for Dungeness B; confirmation of the lifetime strategy for Hartlepool, Heysham 1 & 2 and Torness; a corporate simplification exercise to remove dormant entities in order to create efficient governance, the payment of dividends; approval of Nuclear Decommissioning - Renegotiation of the Restructuring Agreements and of the annual report and 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.

### **Impact on Principal Decisions**

The Board is an oversight board, with its primary function being the oversight body for the ENGL business and advising the ENGL Board, on the findings resulting from its oversight role. The Board is committed to ensuring that high standards of corporate governance are maintained across its subsidiaries within the Nuclear Generation 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:

- Providing vision and strategy to guide the Nuclear Generation business and approving the budget and direction to enable delivery.
- Advising the ENGL Board on safety, health and environmental matters relating to the Nuclear Generation business by:
  - Reviewing and making recommendations on Nuclear Generation's safety, occupational health and environmental related policies.
  - Monitoring and improving nuclear safety performance.
  - Reviewing and making recommendations on ENGL's safety, occupational health and environmental related policies.
- Providing oversight of performance and nuclear governance by:
  - Considering regular reports from the Executive of the ENGL business on operational performance, technical and operational risks.
  - Reviewing fleet performance metrics and findings from internal and external evaluations.
  - Reviewing major technical and operational options for Nuclear Generation.
  - Reviewing and advising on financial performance.
  - Reviewing the annual investment plan for Nuclear Generation.

The Company uses information from stakeholder engagement, including employees of ENGL, regulators, suppliers, 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 Generation group as whole.

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