

S.172 Directors Duties Statement (incl. Workforce & Stakeholder Engagement Statements) EDF Energy Customers Limited (2020)



Statement approved by the Board of Directors on 14 June 2021 as part of the Company's Annual Report & Financial Statements (2020) and signed on its behalf by Simon Todd, Director, on 22 June 2021.

The Directors are fully aware of their responsibilities to promote the success of the company in accordance with s.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 and Corporate Governance Statement.

Stakeholder Engagement Statement

The Company's key stakeholders, and the ways in which it engages with them, are set out in the wider Strategic Report and Corporate Governance Statement. The table below provides a summary of these relationships which are fostered by the Company and, in turn, have shaped the way the Board took principal decisions over the year.

STAKEHOLDER GROUPS

ENGAGEMENT OPPORTUNITIES

Employees and Trade Unions

Having people who bring a diverse range of talents and perspectives, and who feel engaged in their roles, is fundamental to the long-term success of our business. It is crucial that we understand their values and what motivates them – and reflect this in the way we operate.

We are committed to recruiting and retaining great people – so listening to our employees is a priority. We communicate with them regularly through employee surveys, team meetings, learning sessions, briefings and our intranet, "eNZO". We also frequently engage with Company Councils and Trade Unions about matters affecting employees.

**A more detailed breakdown can be found in our Workforce Engagement Statement.*

Customers

Our vision for our customers is to be simply better - better than anyone else at solving customer's energy needs. Our ambition is to be the best and most trusted for customers.

We maintain constructive dialogue with our customers, including vulnerable customers. Providing appropriate products and services for our customers is a priority for us. We work closely with organisations such as Citizens Advice and Income Max to make sure we can identify and assist customers who need extra help.

We hold a Standards of Conduct Advisory Panel with respected third parties such as Which? and Citizens Advice to help us understand what we need to do next to best meet customer needs and deliver high standards for every customer. Digital tools have radically transformed how we engage with our customers through support via live WebChat or MyAccount App.

Communities

We want to make a positive contribution to the communities we operate in. We work in partnership with local organisations, schools and colleges to support our projects and goals.

As a company we have outlined our commitment to be open and transparent in our business dealings.

For the most vulnerable in society, the Company's aim is to develop its internal processes and develop more collaborative third party partnerships, including those in the community. The Company provides funding to projects that offer expert advice and assistance at a local level, like the Seasonal Health Interventions Network - London (SHINE London) and the Group's "Improving Energy Efficiency in Communities" project, that's delivered by National Energy Action (NEA). During the Covid-19 pandemic (the **Pandemic**), EDF partnered with Boots UK to help local communities during the Pandemic, delivering essential medicines to vulnerable patients.

Suppliers

How we conduct our business, and the impact and influence we have through our supply chain, is an important aspect of our work. We know that we need to manage and mitigate the environmental and social impacts so we work closely with all of our suppliers and partners to make sure they keep to our ethical business principles throughout their own operations.

We set high expectations for ethical conduct in our supply chain. Including whether our ethical principles are embedded across our supply chain and suppliers comply with the United Nations Global Compact (**UNGC**).

The Company complied with its various statutory reporting obligations in 2020 including Modern Slavery, Gender Pay Gap and Payment Practices and Reporting. The Company actively engages with all material suppliers and takes part in regular oversight, monitoring and feedback with them. The Company aims to ensure all suppliers are paid promptly.

Industry and Business Associations

Through our affiliations we can gain the knowledge and skills necessary to operate in a highly competitive marketplace. The Company and Group have different types of memberships and affiliations relating to the different activities undertaken throughout the Group.

Attendance at monthly Retail Committee Meetings with the industry trade body (Energy UK). This forum is used to discuss regulatory and policy issues arising and to provide direction to Energy UK when engaging external stakeholders. Through this and other forums we collaborate to progress various consumer, regulatory and policy matters alongside other suppliers and industry participants.

Government and Regulators

We engage with political and regulatory stakeholders to help them understand our business better, and so shape the policy and the environment where we operate.

We engage directly with central Government and other agencies such the Department for Business Energy and Industrial Strategy, Ofgem, Competition and Markets Authority, Citizens Advice, etc to develop policies and extra services for customers, and continue to work collaboratively with partners on these.

We have a role to play in sustainability, enabling Britain to achieve Net Zero by championing the transition to a low-carbon future.

Impact on Principal Decisions

Engagement and maintaining strong relationships with its shareholders is of the upmost importance to the Board of the Company (the **Board**) when considering items presented at Board meetings to ensure the long-term success of the Company. The Company strives to provide the best service for its customers and puts customers at the heart of everything it does which is in line with the Company's values.

Following the launch of a new ambition for the Customers Business in 2019, 'Simply Better for Customers', which strives to provide the best service for its customers and puts customers at the heart of everything it does is in line with the Company's values, the Company maintained an 'excellent' Trust Pilot score during 2020, above its most significant competitor. The Customers Business also acquired 160,000 residential customer accounts from ISupply in 2020 which was a key activity for the Customers Retail strategy which the Board oversees implementation of.

As set out further in the Company's Corporate Governance Statement, the Company acquired Pod Point in early 2020, one of the largest electric vehicle (EV) charging providers in the UK, following the launch of its low-carbon EV tariff "Go Electric". "Go Electric" gives customers the chance to lease an EV while benefitting from lower off-peak electricity rates. The acquisition of Pod Point will allow the Company to offer quality installations of charging solutions as part of even more attractive EV deals. With the UK Government vowing to phase-out the sale of new petrol and diesel cars by 2030, taking these decisions was an important step forward for the Company and the wider EDF Energy group in its support of Britain in achieving its Net Zero goals.

As a testament to the level of importance the Company puts on supporting the community, the Company became a signatory of the new Vulnerability Commitment (the **Commitment**) launched by Energy UK in December 2020. The Commitment involves a pledge to a series of commitments, aimed at improving the services the Company offers to those who need in. The Company is a founding member of the Commitment further illustrating our commitment and drive to help the vulnerable within society. The Company has also taken the opportunity to learn from its experience during the Pandemic has incorporated those learnings into its response to the Commitment, with insights including where best to provide additional support and speed of response.

In addition, 2020 also saw a drive by the Board to review the current capabilities of the Company including the demand of its suppliers, generators and business customers for services it already provides whilst looking at potential future profitable beyond supply strategy and opportunities. In order to maximise opportunities in this area, the Company continues to engage with various stakeholders including customers and industry and business associations in order to foster the company's business relationships with these key stakeholders.

Workforce Engagement Statement

The Group engages, informs and consults with its workforce on matters affecting them. This is carried out in a number of ways which gives the workforce a voice and in which our senior leaders actively participate. Some of the key mechanisms are included in the table below:

ENGAGEMENT OPPORTUNITIES

SUMMARY

We Communicate...

With our people.

We strive to maintain a healthy employee environment in which dialogue between management and our employees is embedded in our work practices.

Management engages with employees through formal and informal channels, including regular employee surveys, emails from the Chief Executive Officer, team meetings, face-to-face gatherings, breakfast briefings, interviews and via eNZO.

eNZO is an e-platform for sharing company newsletters, announcements and accessing a wide variety of materials, i.e. company policies, company contacts and information on well-being and company benefits etc. In addition, the Intranet also hosts a number of discussion forums for employees to take part in; this is in addition to EDF Energy's Yammer page where employees can connect on a business or personal level on a variety of topics.

We Listen...

Through various channels including conducting annual employee engagement surveys.

Strong employee engagement is especially important in maintaining strong business delivery in times of change.

'My EDF', is the Employee Engagement Survey conducted annually which gathers the views and opinions of all employees with regard to their work situation, at local level and within the EDF SA Group. It identifies areas of satisfaction and opportunities for improvement in order to help establish priorities within the Group.

The results of the 'My EDF' Survey are discussed at Board level and are used to support the setting of company strategy, realign company purposes / values (where identified as being required) and define individual team objectives. This filters down to discussion on wider strategy of the Company and Group and impacts the principal decisions taken by the directors.

We Engage...

With Company Councils and Trade Unions.

Having a dialogue with our employee representative bodies is also embedded in our work practices.

Continued engagement and consultations with Trade Union & Personal Contract holder structures - Company Council, European Works Council, Corporate Social Responsibility Forum, Strategy meetings, and Business Unit specific forums.

We Support...

Diversity & Inclusion.

Having a diverse workforce at all levels of our company will ensure we make better decisions – for our business and for our stakeholders. We believe that employing a diverse mix of people makes us a stronger and more sustainable business, and one that reflects the diverse society around us. We also value and encourage diversity of thought, perspective and experience in all respects.

The Group promotes diversity through a number of diversity and inclusion networks for its workforce which are sponsored by senior management and provide environments for employee feedback and comment, including LGBT Supporters; Women's; Black, Asian and Minority Ethnic; Disability and Carers; Working Parents; Forces Support; Young Professionals; Cancer Support; and Mental Health Supporters.