# Leading the Energy Change

Annual Performance Report 2009







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There is no more pressing issue confronting the world today than climate change.

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# Leading the Energy Change

There is no more pressing issue confronting the world today than climate change. As we ask ourselves what kind of planet we are leaving our children, so we also must ask what kind of children we are leaving our planet.

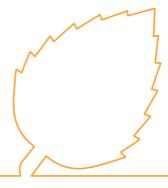
This is a human challenge – not just a technical one. By acting now and acting together, we can rise to the challenge and tackle climate change head-on.

Climate change, energy affordability, security of supply – these are global issues requiring the complete transformation of our company, our industry and our nation. For this we need a diverse range of energy sources which must include nuclear. We believe there is no other practical way of securing affordable low-carbon energy for the long term.

EDF Energy is part of EDF Group, which has by far the lowest carbon emissions amongst all the major European energy companies. Electricity supplied by EDF in France has a carbon intensity which is already around a tenth of the average for electricity in the UK.

In 2007, EDF Energy launched Our Climate Commitments, with Our Social Commitments following the year after. As we said in 2007, we will continue to build on these commitments as we evolve as a company. Coming together with British Energy is a huge step forward in this evolution.

Sustainability is therefore not only integral to our business – it is our business, our strategy, and our future.



We will lead the energy change by bringing affordable low carbon energy solutions home to everyone. We will lead wholehearted collaboration in five areas:

- Reducing carbon and waste
- Delivering low carbon nuclear responsibly
- Helping our customers
- Building a world-class culture; and
- Serving our communities

Underpinning this is our core commitment to reduce the intensity of CO2 emissions from our electricity production by 60% by 2020. We are on track to exceed this target in 2020 and to set even more ambitious targets in the years ahead.

Skills, leadership and inspiration are crucial to the transformation ahead. We will make the renewal and transfer of skills and technology a top priority. We will build external partnerships and physical centres of excellence to develop the current and future skills we need for a sustainable economy.

Through products such as Read.Reduce.Reward and programmes such as Team Green Britain, we are encouraging others to play their part as well. Using energy more efficiently is the surest way to reduce costs to customers – and costs to the planet.

As the first sustainability partner of the London 2012 Olympic and Paralympic Games we want to use the inspiration of the Games to leave a lasting legacy of care and action in the fight against climate change. Not only do we want to play our part in making the Games more sustainable, we also want to also use the Games to inspire the whole nation to become more sustainable.

We believe the scale of Our Sustainability Commitments goes beyond anything else in the energy industry. We also believe they will make a material difference now and well into the future. We will continue to build on them in years to come and hope others will follow our lead. We understand that these commitments have to be both genuine and transparent. It is in this spirit that we present our report, and introduce our next step forward in Our Sustainability Commitments.





**Vincent de Rivaz** *EDF Energy Chief Executive* April 2010

#### Thank you for reading our report.

To read more about our approach to reporting including how we engage stakeholders and assure our information see our Sustainability reporting, stakeholders, risk and governance section.



Your views are important to us as they help us improve the way we do things. Let us know your thoughts on our report and whether you found what you wanted by contacting us at **sustainability@edfenergy.com** Your feedback will be reviewed by our sustainability team and used to improve communications in the future.

# 2009 Highlights

EDF Energy is committed to applying the principles of sustainable developments to all its activities and we are making good progress towards this aim.



#### Delivering low carbon nuclear responsibly

 The coming together of EDF Energy and British Energy means that we are now the UK's largest generator of low-carbon electricity, with eight nuclear power stations in our existing generation fleet and plans to build four new reactors – two at Hinkley Point and two at Sizewell

#### Reducing carbon and waste

- We completed the fourth year of a five-year, £30 million investment programme to improve the efficiency of our coalfired power stations. The programme should reduce our carbon emissions with modifications to boilers and the replacement of high pressure turbines and pumps completed at our West Burton and Cottam stations. The programme is due to be completed at the end of 2010. We will continue to explore other ways to improve efficiency and reduce emissions in future
- We made good progress throughout 2009 in reducing energy consumption in our offices and depots. This was due to a number of initiatives being implemented throughout the year, including the appointment of an Energy Manager, installation of voltage optimisation units and energy audits at our sites\*

#### **Serving our communities**

- By 2012, 2.5 million young people in the UK will have participated in 'The Pod,' our schools programme. By the end of 2009, around 7,500 schools had already registered with the programme
- In 2009 we launched Green Britain Day and Team Green Britain, a nationwide movement encouraging everyone to join forces in the fight against climate change. By the end of 2009, over 713,000 people had signed up to take part

#### **Helping our customers**

- In 2009 we spent over £12 million on targeted help for our vulnerable customers. This was 10% more than the voluntary commitment that we agreed with the Government
- We spend around £100m per year on energy efficiency measures. Much of this is targeted at vulnerable customers.
   In the first year of the Carbon Energy Reduction Target (CERT) programme (ending March 2009), we installed 90,000 loft insulations and around 70,000 cavity wall insulations
- We have developed products and services to help our customers use less energy. The Read.Reduce.Reward product encourages customers to reduce their consumption. By the end of 2009, around 636,000 product accounts were registered for this service
- We have continued to offer energy efficiency advice and we have developed green energy tariffs for our domestic and business customers

#### **Building a world-class culture**

- In 2009, we were one of only seven UK companies to be awarded 'Platinum Plus' in the Business in the Community Corporate Responsibility Index and we received seven big tick awards\*
- Through 2009 and 2010, Vincent de Rivaz took on the official role as National Ambassador to HRH The Prince of Wales and led an inquiry into the leadership skills required for a sustainable economy. The inquiry highlighted the importance of:
  - Empowering people at all levels to think and act in a lowcarbon way
  - Being able to inspire the public against a backdrop of inertia and confusion
  - Building and nurturing new external partnerships
  - Promoting diversity of experience, culture and background
  - Using clear, accessible, positive language; and
- The consistency and resilience to stick with it

## These are qualities we are encouraging in all our people and at all levels.

\*Excludes British Energy

"By 2012, 2.5 million young people in the UK will have participated in 'The Pod', our schools programme."

# **EDF Energy Business**

EDF Energy is an integrated energy company employing 20,077 employees that generates and distributes electricity, and supplies electricity and gas across the UK. We are a wholly owned subsidiary of EDFSA.

Through our distribution network of 182,000km, we distributed electricity to around eight million homes and businesses in London, the East and South-East of England, supplying 66.1 TWh (terra watt hours) of electricity and 27.3 TWh of gas. We had 5.6 million customer product accounts ranging from residential customers, small and big businesses.

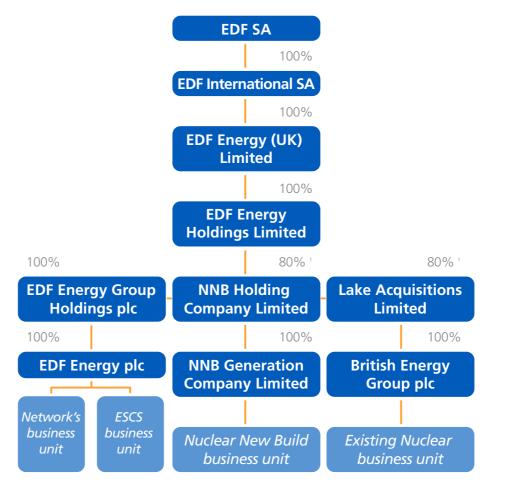
EDF Energy generated around one fifth of the UK's electricity (71.3 TWh) through our eight nuclear power stations, two coal-fired power stations and our wind farms.

We are making good progress with the integration of EDF Energy and British Energy and the financial results for the year ended December 31, 2009 highlight the strength of the new combined business. In the year ended December 31, 2009 our total revenue and EBITDA were £9,836 million (€11,052 million) and £2,702 million (€3, 0361 million) respectively.

"EDF Energy generated around one fifth of the UK's electricity (71.3 TWh) through our eight nuclear power stations, two coal-fired power stations and our wind farms." A highlight for our regulated networks business was the setting of operator funding levels by Ofgem for 2010 – 2015. Following this, we are confident that our Networks business will continue to deliver robust performance over that period. In October 2009 we announced a review of the ownership options for our Networks business. This process has yet to conclude and we remain focused on maintaining safe and secure electricity supplies across our regions.

We became the number 1 distributor of electricity (as measured by volume of electricity distributed and value of regulated asset base) and the number 1 electricity supplier (as measured by TWh) in the UK. We were also the UK's largest producer of electricity and the largest generator of low carbon electricity.

For more information on our company please visit our website at: <a href="https://www.edfenergy.com/about-us/about-edf-energy/our-structure/index.shtml">www.edfenergy.com/about-us/about-edf-energy/our-structure/index.shtml</a>



<sup>1)</sup> Remaining 20% owned by Centrica plc, with effect from November 26, 2009

# The Carbon Challenge

The UK is legally committed to achieving 80% reductions on our 1990 levels of CO<sub>2</sub> emissions by 2050.



## In 1990, these emissions totalled nearly 600 Megatonnes (Mt) This came from:

- Energy Supply two fifths
- Road Transport a fifth
- Business a fifth: and
- Home and Heating a seventh

#### To do this will require an energy revolution, involving:

- A radical drive on energy efficiency in people's homes and offices
- Radical changes in the way we generate electricity; and
- Radical changes in the transport and heating sectors

And while addressing these challenges, we must also protect the most vulnerable people in our society from rising energy bills. Over five million UK households are currently estimated to be living in fuel poverty, and as Ofgem have recognised the costs of investment in new, low-carbon infrastructure are likely to mean higher prices for consumers.

We have a business responsibility to deliver these required emissions reductions using the lowest cost route, and as a responsible energy company we will do all that we can to help the UK in meeting its 80% carbon reduction targets.

Of the 28 gigatons (Gton) of CO2 emitted globally in a year, fossil fuel-burning power generators and industrial manufacturing account for approximately 16 Gton. We believe a diverse mix is critical to addressing climate change, ensuring security of supply and providing affordable electricity. This includes all types of generation, as well as investment in the grid and in greater energy efficiency. Nuclear Energy is also the cheapest large-scale low-carbon electricity source - we firmly believe nuclear power has a major role to play in the UK's future energy mix.

For more detailed information on our energy mix please visit: www.edfenergy.com/products-services/fuel-mix.shtml

EDF Energy has a vision to lead the energy change in the UK.

Our business model must be sustainable in the long term if we are to make the huge investments necessary for our future. Economic viability is as important to sustainability as environmental and social viability.

Our approach to sustainability will increase value and competitive advantage for EDF and EDF Energy through:

- Earning stakeholder trust and confidence
- Shaping, not chasing, new regulation
- Increasing our share of the growing decarbonised electricity market
- Supplying decarbonised electricity to emerging transport and heating markets
- Realising cost and operational efficiency gains from cutting waste
- Increasing employee and customer engagement, acquisition and loyalty; and
- Earning a leadership corporate reputation

As the challenges accelerate, so will the competitive advantages of leading the energy change.

Residential 80

Business 108

Road Transport 109

Energy Supply 243

**1990** – UK CO<sub>2</sub> emissions (Mt) 592Mt total

**2050** – Target UK CO<sub>2</sub> emissions (Mt)

UK target 119

The 2050 target is UK net CO2 emissions and not the equivalent Source: DECC



# Our Sustainability Strategy

EDF Energy has a mission 'to bring sustainable energy solutions home to everyone.' This guiding principle shapes the way we do business.

Sustainability lies at the core of our **Vision, Mission** and **Ambitions**:

#### **Our Vision**

'Leading the energy change'

#### **Our Mission**

'To bring affordable low carbon energy solutions home to everyone'

#### **Our Ambitions**

Balanced view of business success

#### Leading the energy change

Modern life thrives on energy. Our vision is to lead the energy change towards a low-carbon future.

Burning carbon intensive fossil fuels can no longer be the basis of our society's quality of life. With our long-standing experience of delivering low-carbon electricity on a national and global scale, we are in a unique position to help lead the UK into a low carbon future. We are not prepared to keep our fingers crossed against a backdrop of fluctuating scepticism about climate change. We believe the science is clear, and that we have to act now. With companies like us providing such leadership, there is a much greater prospect that we will make this transition.

EDF Energy is already making progress against delivering this vision, mission and the ambitions that underpin them.

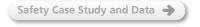


#### Achieve a world-class zero harm record

We believe that all harm is preventable so our aim is zero harm. That means providing workplaces that are safe for all and taking positive action to ensure the public is not harmed by our operations. We have a robust health and safety management system across our business and a clear governance framework in place to manage personal and process safety. Work continued throughout 2009 to implement a number of initiatives. These included:

- The Zero harm helpline a free, confidential telephone service that allows employees and contractors to report unsafe acts and conditions that they feel unable to mention to their supervisor or manager
- The Zero Harm Project an initiative that aims to change procedures and behaviours. It involves a full review of our safety training programmes to ensure that priority is given to refresher safety training for our employees and includes a Stress Awareness Training package for all line managers developed by Occupational Health in conjunction with Employee Engagement

Our Lost Time Injury Frequency Rate (LTIFR) for employees and contractors improved during 2009, with a year end figure of 0.17 per 100,000 hours worked compared to 0.33\* in 2008. We had no fatalities in 2009.



#### To deliver strong financial performance

We continue to deliver strong financial performance for our shareholders and EDF Group. For more details of how we contributed to the financial results of EDF Group in 2009 please visit: www.edf.com

\*Excludes British Energy



#### Be first choice for customers

We are a customer focussed business that strives to provide affordable services that meet all of our customers' needs. We aim to provide a high quality service for our customers by getting things right first time, every time. For more vulnerable customers, including households that have difficulty in covering the cost of fuel, we have been proactive in developing our policies and extra services, and continue to work with the UK Government in tackling the root causes of fuel poverty.

Customers Case Study 🔷

#### Be a leader in sustainability

We're certain that sustainability must be at the heart of any energy company's long-term strategy. We want to lead the way in tackling the biggest environmental and social issues facing our industry and we've clearly defined our agenda through our sustainability commitments. <a href="https://www.edfenergy.com/sustainability/our-commitments/our-sustainability-commitments/interactive">www.edfenergy.com/sustainability/our-commitments/our-sustainability-commitments/interactive</a>

#### To have high performing people

Our ambition to maintain a team of high performing people means we will actively engage with our employees. We want them to be involved in the business and to feel a shared sense of ownership. This means helping them to understand their role in achieving our business strategy, helping them to function as advocates of the business and providing them with the training, development and support to achieve great things.

Employee Engagement Case Study 🔷

#### To lead the way in nuclear power generation

We believe nuclear power has a key role to play in helping to address climate change and in ensuring secure and affordable supplies of energy are sustained in the UK. Our parent company, EDF SA, has unique experience in building and running nuclear power stations as the world's largest nuclear power generator. In early 2009 we acquired British Energy, growing our capacity to build new nuclear power stations in the UK to ensure we lead the way in low-carbon electricity.

Nuclear Data 🔷

#### At A Glance – Our Business Performance

Performance +

Ambition	Kay nowfaveanne indicator	Actual 2009
Ambition	Key performance indicator	Actual 2009
Achieve a Zero Harm Safety Record	Lost time injury rate	
To deliver strong Financial Performance	Profit EBITDA	
to deliver strong rinancial refrontiance	Free cash flow outflow	
D. Control of the con	Supply customer preference rate	
Be first choice for our customers	Networks customer satisfaction	•
Be a leader in sustainability	Sustainability commitments*	•
To have high-performing people	Employee engagement rate	
To lead the way in Nuclear power generation	New nuclear build milestones	



\*Excludes British Energy

# Our Sustainability Commitments

# We have developed Our Sustainability Commitments to support our ambition to be a leader in sustainability.

In 2007, we published our Climate Commitments with our Social Commitments following in 2008.

We believe they are amongst the most stretching of any major UK company.

We said in 2007 that we would review, revise and strengthen these as our journey evolved. Joining forces with British Energy is a huge step forward in our journey. So we have added some new commitments, strengthened others, and rebased a few to take account of the major structural business changes involved.

We understand that our commitment has to be both genuine and transparent. In line with our commitments, we have made significant further progress in the last 12 months on our journey to become a truly sustainable energy company. This includes:

- A review of our climate and social commitments which we have renamed 'Our Sustainability Commitments' and now include skills, engagement and nuclear commitments Link to new commitments at: www.edfenergy.com/sustainability/ our-commitments/our-sustainability-commitments/index. shtml
- Steady progress towards meeting our commitments
- A review of our company ambitions, which are now even more integral to our business success

 Recognition for our Chief Executive Officer, Vincent De Rivaz, who was awarded with the Prince's National Ambassador award in acknowledgement of his leadership and commitment to reducing emissions and landfill waste, as well as a determination to tackle climate change. For more detailed information on this announcement please visit:

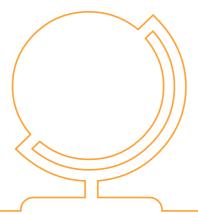
#### <u>www.bitc.org.uk</u>

- Reviewing our sustainability strategy to incorporate our vision of Leading the Energy Change
- Introducing new advertising, products and services such as Eco 2020 and Renew that tackle climate change

For more detailed information please visit our website at: www.edfenergy.com

- A stakeholder review of the material issues that matter to our diverse stakeholders
- The launch of our employee engagement strategy 'Our Compelling Story' and the launch of on-line sustainability training, 'Sustainable Steps,' for all employees

In 2009 our target was to achieve performance in 12 of our commitments. We were slightly behind target and achieved performance in 11 of our commitments. The remedial actions taken have put us back on track for 2010.





#### **Our Performance at a glance**

Sustainability commitments	Unit	Baseline 2006 <sup>1</sup>	Actual 2009	Status
Reducing carbon and waste		•		
We will reduce the intensity of CO2 emissions from electricity production by 60% by 2020	t/GWh	810.0	785.3	•
We will cut CO <sub>2</sub> emissions from our offices and depots by 30% by 2012	kt	24.0	20.0	
We will cut CO <sub>2</sub> emissions from our transport by 20% by 2012	kt	26.7	26.1	
We will reduce volume of materials (ash) sent to landfill by 50% by 2012	kt	606	475	
We will eliminate waste sent to landfill from street works by 2020	% disposal	81.6	7.0	
We will reduce the volume of waste from energy billing by 30% by 2020	Project Orchard on track	N/A	Project on track	
We will send no office or depot waste to landfill by 2020	% disposal	61.3	31.5	
Developing low carbon Nuclear responsibly				
We will work with the Government, NGOs and others to demonstrate real progress towards implementing a long term UK radioactive waste solution	New commitment to be reported from 2010			
We will be open and transparent in our nuclear businesses and demonstrate we can be trusted to act to the highest professional standards in relation to nuclear security issues	New commitment to be reported from 2010			
We will support the development within the UK of the skills necessary to sustain our nuclear businesses by working with schools, universities and other bodies	New commitment to be reported from 2010			

Key:	
well below target	
below target	
on or above target	<b>*</b>
well above target	*

\*Excludes British Energy



#### **Our Performance at a glance**

Sustainability commitments	Unit	Baseline 2006 <sup>1</sup>	Actual 2009	Status
Helping our customers				
We will reduce the proportion of CO <sub>2</sub> arising from our customers energy consumption by 15% by 2020	t/prod. acc.	6.40	6.05	•
We will commit to keeping our prices competitive and will provide enduring support for our most vulnerable supply customers until 2012	No. customer accounts (discounted tariff)	N/A	158,110	
We will lead the industry in protecting vulnerable customers from the adverse effects of power cuts	No. packages of support	N/A	5,068	*
Building a world class culture				
By 2012, 100%of our employees will understand how they can help achieve our sustainability commitments and will be participating in Team Green Britain	%	255	42	•
By 2012, we will have attained gold standard from independent experts for our approach to diversity and inclusion	Diversity and inclusion project status	N/A	Project slightly behind	•
We will build external partnerships and physical centres of excellence to develop the current and future skills we need for a sustainable economy	New commitment to be reported from 2010			
Serving our communities	`			
We will extend our health and safety activity to support children, community groups and our customers	No. children Carbon Monoxide detectors	N/A N/A	287,773 12,572	•
We will work with all our suppliers to ensure they meet the 10 principles of the Global Compact to guarantee an ethical supply chain	Project status	N/A	Project on track	
By 2012, 2.5 million young people in the UK will have participated in our Sustainable Schools Programme, learning about the sustainable use of energy	No. pupils engaged	N/A	498,488	*

- 1) 2006 Baselines are original and unadjusted
- Our 2009 actual for office and depot CO2 emissions excludes duplicate server usage of 3kt relating to the IT Transformation Programme (a new customer relationship management IT system)
- 3) Our 2009 target for transport was adjusted upwards by 2.5kt to take into account the acquisition and disposal of business operations
- 4) In our 2009 commitments review, we have concluded that due to external market conditions beyond our control, it is no longer appropriate to continue with this commitment. The volatility in ash volumes from generation output, combined with a weaker economic backdrop, means that this is no longer a viable target
- 5) Baseline is 2007

Note; the 2009 commitments performance data excludes British Energy

# Key Sustainability Initiatives

This describes some of the ways we have been delivering against Our Climate and Social Commitments.



## We will reduce the intensity of CO2 emissions from our electricity generation production by 60% by 2020

- Life extensions to our existing nuclear power stations
- Investment in new nuclear power generation capacity
- Investment in CCGT technology
- Generation production fleet efficiency improvement programme
- Investment in renewable energy generation capacity

## We will take action to cut CO2 emissions from our offices and depots by 30% by 2012

- Installation of voltage optimisers within specific buildings
- Upgrade thermal insulation in existing buildings
- SMART metering and sub-metering
- Optimisation of data centre cooling at our Plymouth office

## We will take action to cut CO2 emissions from our transport by 20% by 2012

- Fleet review
- Installation of Black Box control technology
- Installation of speed limiters
- Defensive driving training for our employees
- Electric Vehicles

## We will reduce the proportion of CO2 arising from our customers' energy consumption by 15% by 2020

- Read.Reduce.Reward product take-up
- Implementation of on site energy efficiency measures
- Our Climate Balance Product
- Implementation of smart metering

## By 2012, 100% of our employees will understand how they can help achieve our sustainability commitments and will be participating in Team Green Britain

- We will measure the former through the percentage of favourable responses to specific questions within our annual Employee Engagement Survey. We will also monitor progress from responses to our interim "pulse" surveys (planned for 2010, 2011 and 2012)
- We will measure the latter through employee sign-ups to Team Green Britain

#### We will eliminate street-works waste sent to landfill by 2020

 A waste strategy is being trialled with options for achieving zero waste to landfill

## We will reduce the volumes of waste we produce in our energy billing activities by 30% by 2020

 This will be delivered by our IT transformation programme which will allow our customers to opt out of paper billing

#### By 2020 we will send no office and depot waste to landfill

 Implemented recycling initiatives at all offices and depots (increase of re-used / recovered share of overall waste from offices and depots)

## We will commit to keeping our prices competitive and will provide enduring support for our most vulnerable supply customers

- Monitor the number of vulnerable customers receiving tariff relief
- Ensure that vulnerable customers have access to practical measures to reduce their energy usage
- Provide specialist support for most vulnerable customers via the EDF Energy Trust Fund

## We will lead the industry in protecting vulnerable customers from the adverse effects of power cuts

- Provide 'Packages of Assistance' in cases of power failure
- Improve our Priority Services Register

#### We will extend our health and safety activity to support children, community groups and our customers

- Continue our efforts to educate children about the dangers of electricity
- Continue to build on our partnership with Neighbourhood Watch to keep people safe around substations
- Provide carbon monoxide detectors to our customers

#### We will work with all our suppliers to ensure they meet the ten principles of the Global Compact to guarantee an ethical supply chain by 2012

 Identify those suppliers in high risk groups and develop action plans for compliance

## By 2012, 2.5 million young people in the UK will have participated in our Sustainable Schools Programme, learning about the sustainable use of energy

- Help schools understand and address their energy use and understand running costs
- Fund renewable technology projects for schools through our Green Fund

## By 2012, we will have attained gold standard from independent experts for our approach to diversity and inclusion

 Developed a Diversity Action Plan which includes; Employee Monitoring, Awareness Programmes, Talent Review, Benchmarking, Targeted Recruitment, and governance plans

# Awards and Recognition

We have won awards for our approach to sustainability and leadership recognition.



#### BITC

In 2009, we achieved 'Platinum Plus' status in the Business in the Community (BITC) Corporate Responsibility Index. We achieved an overall score of 99%, which improves on our past performance and maintains our track record for improvement over five consecutive years. It also places us as sector leaders in the CR Index. One of the most notable improvements recognised was in our 'strategic integration' – the way we have implemented our corporate responsibility strategy right across our business – and also our approach to reducing our impact on the environment\*. For more detailed information please visit <a href="https://www.bitc.org.uk">www.bitc.org.uk</a>

We also received a record seven 'Big Ticks' for: Environmental Leadership, Active Communities, Supply Chain, Climate Change, Education, Healthy Workplace and also Power in Partnership. Big Ticks are only awarded to businesses able to demonstrate high quality management of their responsible business practices, and able to show significant positive impact on society and on their business.

#### **CommunityMark**

We have also been awarded the CommunityMark from BITC in recognition of our strategic approach to community investment. The CommunityMark recognises businesses that have brought positive changes in their local communities by investing and working with them. EDF Energy is one of 30 companies in the UK that have successfully received this award. For more detailed information on the community mark please visit **www.bitc.org.uk** 

#### The Prince's Ambassador Award 2009

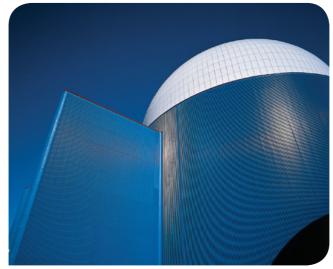
Our Chief Executive, Vincent De Rivaz was appointed as National Ambassador to HRH The Prince of Wales. This prestigious position is given to individuals whose leadership and commitment to responsible business has resulted in changes and improvements inside their own company and who have inspired other organisations to take action. Vincent received the Prince's Ambassador Award for the leadership he has shown at EDF Energy by reducing emissions, landfill waste and energy and for his ongoing commitment and determination to tackle climate change. For more detailed information on the Prince's Ambassador Award please visit:

www.bitc.org.uk

#### **Biodiversity Award**

We also received high praise after the land surrounding Sizewell B became the first power station to receive the Biodiversity Benchmark from the Wildlife Trusts in July 2009. The award recognises the work done with Suffolk Wildlife Trust to turn the 684 hectares (ha) of land around the station into a haven for wildlife and nature enthusiasts. Since 1994 over 13 miles of public and permissive paths have been created across the estate, and are enjoyed by over 25,000 visitors each year thanks partly to the guided walks led by the Suffolk Wildlife Trust wardens.

\*Excludes British Energy



Nuclear Generation Sizewell B

### "Our Networks business pioneering partnership with the British Red Cross helped us win a customer service monetary award from OFGEM for the fourth year in a row."

#### The Prince of Wales's May Day Network

EDF Energy is a national sponsor of The Prince of Wales's May Day Business Summit on Climate Change. We are taking action to reduce our own carbon emissions, and introducing products to help our customers take action too. The May Day Network is the UK's largest group of businesses committed to taking action on climate change. Over 2,000 businesses of all sizes and from all sectors have signed up to-date. Collectively, we promise to play a powerful role in reducing the UK's carbon emissions.

#### **Ofgem Discretionary Award**

Our Networks business' pioneering partnership with the British Red Cross helped us win a customer service monetary award from OFGEM for the fourth year in a row. OFGEM established the reward scheme in 2006 to recognise UK network companies that go beyond their regulatory obligation to offer exceptional customer service. The 2009 award recognised our collaborative partnership with the Red Cross. The arrangement sees Red Cross volunteers giving practical and emotional support to customers who have been without power for an unusually long period of time.

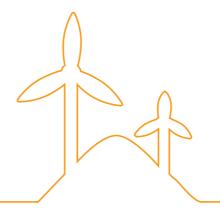
# Stakeholder Advisory Panel Perspective

I am pleased to welcome EDF Energy's Sustainability Performance Report for 2009.

EDF Energy has set itself an impressive range of climate and social commitments for three years now and this year's report shows that the company continues to make progress against all of them – despite the obvious and profound economic problems of the last year. These are important stepping stones to becoming a truly sustainable business.

The Stakeholder Advisory Panel was established in 2006 and over the last four years we have been able to discuss with senior management the key issues facing the business. I consider the opportunity to offer feedback on how EDF Energy is dealing with issues such as climate change, energy affordability and security of supply in our regular quarterly meetings attended by the company's top team as unique. The impact is cumulative, and there for all to see.

In 2007 EDF Energy committed to review, revise and strengthen their commitments as their journey evolved. This promise has been met. I very much welcome their revision and rebasing to reflect the new combined company following the integration with British Energy.



The 2009 Sustainability Report outlines these new and revised commitments and again demonstrates how EDF Energy is prepared to be transparent in dealing with the material issues and challenges that really matter. It is heartening to see that the Panel has played a demonstrable part in shaping and informing the revised commitments and that our feedback has been used constructively to help formulate the company's future strategy.

EDF Energy has a clear agenda for 2010 and beyond. We welcome the opportunity to continue to support and challenge EDF Energy in the years ahead.

Will Hutton, Executive Vice Chair, The Work Foundation Chair EDF Energy's Stakeholder Advisory Panel



"We welcome the opportunity to continue to support and challenge EDF Energy in the years ahead."

# Case study **Safety**

Our Ambition: Achieve a world-class Zero Harm Safety record

**Our Commitment:** We will extend our health and safety activity to support children, community groups and our customers

#### The Business Case

Our Safety in Education programme promotes social responsibility and helps to promote positive perceptions about EDF Energy.

There were 237 cable strikes caused by natural causes and vandalism in 2009 compared to 392 in 2007 and 333 in 2008, meaning lower repair costs.

#### The Story

Safety is at the heart of our social responsibility agenda. The message that our customers should stay safe from the hazards of high voltage electricity is central to our communications efforts. By being proactive, we can save lives.

Safety is of paramount important to us. Helping ensure our staff, customers, local children and communities stay safe from the hazards of high voltage electricity is an important message which we communicate in the most appropriate way we can to engage our audience.

Our Safety in Education programme aims to:

- Improve public safety by protecting young people from potential dangers of contact with our distribution network equipment
- Protect our electrical equipment from trespass, vandalism, theft or accidental damage
- Reduce subsequent repairs
- Minimise instances of power cuts and impact on vulnerable customers; and
- Limit damage to our reputation and public/customer relations

In 2009, our dedicated team of ten education advisors worked with primary and secondary schoolchildren through school visits, events and our interactive Power Up! website.

We have achieved this by holding free workshops, community safety events and using our interactive Power Up! Website.

In addition, our volunteering programme, Helping Hands, sees employees spend two paid days each year volunteering in their local community and helping to raise awareness about safety around electricity.



View performance data **Safe for All** 



#### The Results

We held Safety in Education events at 879 schools in 2009, reaching nearly 170,000 secondary school children. This success has prompted us to extend the scheme to infants.

Participation in community events has allowed us to reach out to additional children. In 2008 we reached more than 38,000 while in 2009 we reached more than 45,000 – all with the same number of education advisors.

The overall result of our Safety in Education programme is that more children than ever before are learning about electrical safety. This has resulted in a reduction in the number of incidents involving young people and electrical equipment.

#### **Quotes**

"I look forward to Crucial Crew every year. It is so much fun and very rewarding seeing how the children respond to the information we give, It's also confidence boosting for me as the children respond so well and, knowing that I'm trusted to deliver the safety message, definitely leaves me with a feel good factor and greater feeling of worth"

**Linda Cowley,** Customer Relations Officer, Networks

"I really look forward to the Crucial Crew events as they are so rewarding although also hard work, you certainly know you have done one by the end of it!" Celia Sturgeon, Senior Customer Relations Advisor "We had a session last year and the children were very responsive to it. The resources used were superb. It is crucial from a safety point of view. Children need to know that areas with overhead lines and substations are not play areas. The DVD had quite an impact on the children and they were fascinated by the whole workshop. We're really looking forward to taking part again this year."

**Karen Mortimer,** Head of Key Stage 2, Edward Peake Middle School

"The overall result of our Safety in Education programme is that more children than ever before are learning about electrical safety."

View performance data **Safe for All** 



# Case study **Customers**

**Our Ambition:** Be first choice for customers

**Our Commitment:** To keep our prices competitive for our customers. To provide enduring support for our most vulnerable customers

#### The Business Case

It is critical for us as an energy supplier to address the issue of affordability and support for our most vulnerable customers.

Heat and electricity are essential requirements and we have a responsibility to work with Government to support those customers who struggle to pay for them. This also helps us to avoid levels of bad debt incurred by customers who cannot meet their bills.

However, it is also important that we demonstrate publicly our commitment to support such customers. This contributes to our image as a responsible energy company.

#### **The Story**

Energy affordability is a key issue. We believe that a secure, low carbon energy supply is the best way to deliver affordable energy to all. We intend to continue to support our most vulnerable customers as we strive to reach that goal.

Over five million UK households are estimated to be living in fuel poverty. A household is defined as living in fuel poverty if they spend more than 10 % of their household income on energy bills in order to keep warm. The Government's Fuel Poverty Strategy sets out their intention to eradicate fuel poverty by 2016. We believe that we have a role to play alongside the Government to address this issue. As a result, in 2006 we introduced a discounted tariff (Energy Assist) to support customers most likely to be living in fuel poverty.

The key challenge is to identify our most vulnerable customers. We work with third party agencies that help to reach out to such individuals and our own independent charitable Trust supports those customers who most need help.

EDF Energy works closely with all the key stakeholders concerned with the issue of fuel poverty, including Ofgem and the Department of Energy and Climate Change. We are also represented on the Government's Fuel Poverty Advisory Group for England.

We also work alongside partners such as the Citizen's Advice Bureau, WRVS, the Energy Efficiency Partnership for Homes and National Energy Action (NEA), the leading fuel poverty charity.

"Energy affordability is a key issue. We believe that a secure, low carbon energy supply is the best way to deliver affordable energy to all."

View performance data **Customers Choice** 





EDF Energy helps deliver energy efficiency improvements to domestic households under the Government's Carbon Emissions Reduction Target (CERT). In 2001, we helped to establish the London Warm Zone (LWZ) - a successful community programme which tackles the challenges of climate change and fuel poverty through a systematic-door-to door assessment process in order to identify and help the capital's most vulnerable people.

The Ofgem-approved Community Energy Saving Programme (CESP) obligates UK suppliers and generators to relieve fuel poverty and reduce carbon emissions in some of the most deprived areas of the country. EDF Energy is expected to contribute £65 million over the lifetime of the programme.

We continue to develop new partnerships with agencies who address financial exclusion. In tandem with the Department of Work and Pensions and other energy suppliers, we are part of plans to target the poorest elderly consumers and offer them tariff relief assistance.

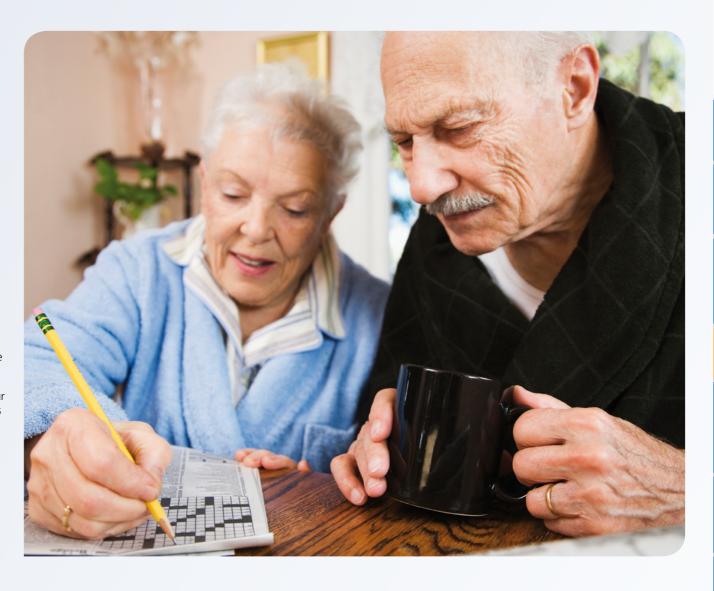
#### The Results

EDF Energy committed to spending at least £13m by the year ending 31st March 2010 on initiatives to support our customers living in, or at risk of, fuel poverty, and this has resulted in a range of support to vulnerable customers.

In 2009, our discounted Energy Assist tariff helped 158,000 of our customers. During the same period, our Trust made 4,181 awards to households in serious debt totalling £2.3m – a 36% increase from 2008.

In addition, our sponsorship of London Warmzone in 2009 has successfully delivered:

- 15,000 household energy assessments
- 10,000 homes receiving one or more insulation measures
- £7m of installed insulation measures; and
- Unclaimed benefits of £900,000 secured for clients



View performance data **Customers Choice** 

# Case study **Sustainable Steps**

Our Ambition: Be a leader in sustainability

**Our Commitment:** By 2012, 100% of our employees will understand how they can help achieve Our Sustainability Commitments and will be participating in Team Green Britain

#### The Business Case

Sustainability is our business, is our strategy and is our future. Sustainable Steps is just one of the ways we have of preparing our people for the transformational change ahead. These changes will build long term competitive advantage for the entire business as well as help us recruit the right employees and maintain the loyalty and high productivity of our people.

The tool itself will provide EDF Energy with an evolving sustainability resource that will reinforce and build the understanding, pride and ownership of individual employees.

It will also help us examine the depth and breadth of sustainability knowledge across the company.

#### **The Story**

Sustainable Steps is an engaging and interactive e-learning tool that has been developed to encourage all of our employees to become leaders in sustainability. It is called Sustainable Steps for two reasons. First because it's another step in our ongoing efforts to build basic sustainability awareness and understanding amongst our workforce. And second, because we aim to develop it as a dynamic tool expanding both the content and opportunities for interactivity.

The tool takes around 30 minutes to complete and covers basic sustainability information and key messages. An additional half hour of information gives more detail about our initiatives and encourages employees to take action to reduce their impact and help the company to become a leader in sustainability.

The user is taken through a journey, starting from 'what is sustainability?' which introduces the three pillars of sustainability, to 'what is the challenge?' that sets out the future challenges to people, planet and profit. The core of the training then covers how EDF Energy is responding to the challenge through Our Sustainability Commitments, providing details about our core commitment to reduce carbon and waste and how we have performed so far.

We are encouraging all 20,077 employees to use the tool and take a short quiz at the end to strengthen what they have learnt. We will use an 80% mark as the basic pass rate.

Sustainable Steps will also be developed and will be made available through the BITC Skills Resource Library.

View performance data **Sustainable Performance** 





#### **Impacts**

Through completing the Sustainable Steps tool, our staff will have engaged with our revised Sustainability Commitments and gained a deeper understanding about our low-carbon agenda. It will also give employees the information and confidence to have a conversation about nuclear power with our consumers and stakeholders.

The tool also encourages:

- Employees to make positive sustainable changes to the ways they live and work
- Genuine support and loyalty for our company as a leader in sustainability
- Participation in activities to support Our Sustainability Commitments

#### Quotes

"Sustainable Steps is another step towards building basic awareness and understanding throughout the organisation. It aims to inspire people to take some steps of their own towards making this a truly sustainable business."

Neville Farrington, Head of Sustainability, EDF Energy

"Sustainability is our business, is our strategy and is our future. Sustainable Steps is just one of the ways we are preparing our people for the transformational change ahead."

# Case study **Employee Engagement**

**Our Ambition:** To have high performing people

**Our Commitment:** By 2012, 100% of employees will understand what they need to do in their jobs to help EDF Energy achieve our sustainability commitments. By 2012, we will have 100% active employee participation in Team Green Britain

#### **The Business Case**

Showcasing sustainable games in London in 2012 will create value and a competitive advantage for EDF and EDF Energy through:

- Strengthening our brand and corporate reputation
- Earning stakeholder trust and confidence
- Increasing employee engagement, acquisition and loyalty; and
- Influencing on an international level

#### The Story

As a sustainability partner of the London 2012 Games, we are committed to helping stage a sustainable Olympic and Paralympic Games for London in 2012. We also want to use the Games to inspire the UK to lead a more efficient and low-carbon lifestyle. We see 2012 as a deadline for change; a real chance for Britain to lead the world in the fight against climate change.

On July 10, 2009 EDF Energy – in conjunction with LOCOG, The Eden Project, Global Action Plan and many schools across the country – launched Green Britain Day.

Our Sustainability Strategy

**Green Britain Day** is a bold and ambitious nationwide campaign to engage the wider community on actively tackling climate change.

- In 2009, activities took place throughout the company, with cycling, walking buses, litter picking, swapshops and even green fancy dress
- Over 800,000 members of the public from around the nation are now engaged with Team Green Britain.
- Around 800 schools held Green Britain Day events
- Over 5000 people attended a spectacular Green Britain Day concert at the Eden Project

EDF Energy also developed The Pod, an online educational initiative that forms the sustainability element of London 2012's 'Get Set' programme for schools.

As part of our Sustainability Commitments, we have pledged to engage 2.5 million young people.

The Pod was developed in partnership with the Eden Project and Eco Schools and covers subjects such as energy, water, transport and waste. Teachers can access free lesson plans, resource packs, games and activities while pupils can use it to blog and share films and photos.



View performance data **High Performing People** 



We are committed to helping London 2012 set a benchmark for a sustainable games. For example, we plan to supply electricity during the Games from low-carbon or renewable sources. This includes producing a low carbon fuel solution for the Olympic Flame, a project we are developing with the support of our employees, and developing a project to install charging points to allow the showcasing of electric vehicles during the Games.

In addition, we are delivering a range of essential projects before, during and after the Games. This includes:

- Moving 6km of overhead power lines underground, enabling the transformation of the area surrounding the Olympic Park
- Developing a new primary electricity substation that will supply the Olympic Park and neighbouring communities for generations to come
- Building the high voltage electricity network serving the Olympic Park; and
- Providing and installing state-of-the-art smart metering devices in the apartments of the Athletes' Village

#### The Results

The Pod has been a huge success with children in over 8,000 UK schools already using it to learn about sustainability and climate change. All Pod activities have been accredited by Eco Schools and will count towards an Eco Schools award.

The **London 2012** project team won Project of the Year (2009) from The Association of Project Management for its power lines underground project on and around the Olympic Park.

#### Quotes

"The power lines project delivered the first real legacy from the Games by unlocking the Olympic Park landscape for long-term regeneration, allowing the skyline of East London to be permanently transformed.

This was a complex and hugely challenging project delivered on budget and to an unprecedented timetable. This award is recognition of the considerable achievement of the power lines team, our contractors and other partners.

The careful planning, collaborative working and innovation used in this project have set a benchmark for world-class delivery, not only for the wider Olympic Park construction projects, but for the whole industry to follow."

**John Armitt,** Chairman, Olympic Delivery Authority (ODA)

"EDF Energy is committed to helping London 2012 set a benchmark for a sustainable games. For example, we plan to supply electricity during the Games from low-carbon or renewable sources."

View performance data **High Performing People** 



# Case study **Nuclear skills**

Our Ambition: Lead the way in nuclear power generation

**Our Commitment:** We will support the development within the UK of the skills necessary to sustain our nuclear businesses by working with schools, universities and other bodies

#### The Business Case

EDF Energy recognises the need for suitably qualified and experienced people to maintain our current nuclear operations and to meet future new build developments.

#### The Story

As an organisation we have a significant challenge ahead of us in maintaining our talent across the company, with an ageing workforce and a significant increase in activity in the UK nuclear market.

In addition the take up of Science, Technology, Engineering and Mathematics (STEM) subjects is low in the UK. We are investing in initiatives to increase awareness and uptake of STEM subjects across various levels of education. We are investing not only in the future of EDF Energy but in the future skills mix of the UK.

These initiatives include:

- Go4SET, Headstart and the Engineering Education Scheme
- Gap Year In Industry, Industrial Placements and Summer Placements
- Big Bang Event and other community liaison work to help increase the take up of STEM subjects amongst young people

We have increased our intake of Chemistry Trainees (previously only at Sizewell) to encourage a new generation of chemists into the industry. The post A-level / Scottish Higher students, chosen from schools across the UK, will take up posts at each station across the fleet for a period of up to two years.

HMS Sultan is the home for our Apprentice Training programme where 107 first and second year Existing Nuclear (EN) apprentices live and work at the centre for the first two years of their four year scheme, getting the skills they need to work on our nuclear power stations.

Our nuclear graduate scheme is making a major contribution to our skills programme. The scheme has a vital role to play in selecting and developing the leading engineering talent of the future. We increased our annual intake from 15 to over 50 in 2009 and are aiming for 80 in 2010. The increased intake allows EN to bridge the future resourcing gap as well as providing skills for Nuclear New Build (NNB).

"Our nuclear graduate scheme is making a major contribution to our skills programme."



The 12-month programme is sponsored at Executive level and allows graduates to experience working in different areas of the business, to obtain a broad overview of the company and seek networking and career development opportunities in EN as well as EDF Energy.

Our Nuclear Engineer Development Programme (NEDP) was launched in 2009 and is one of the routes into our EN operations and NNB projects for more experienced engineers. The programme – which usually ranges from 6 to 24 months – is particularly aimed at engineers from different industries who want to move into the nuclear industry.

Another source of skills for EN and NNB is the Royal Navy. A significant number of individuals leave the armed forces and enter the civilian job market each year, a number of whom are from nuclear submarine programmes.

#### The Results

EN won three major prizes at the 2010 Nuclear Skills Annual Awards: Regional Nuclear Apprentice of the Year; the National Nuclear Apprentice of the Year Award and the Outstanding Leadership in Skills Award.

Hinkley Point B's Lewis Rush won the Regional Nuclear Apprentice of the Year Award (South West) and the National Nuclear Apprentice of the year Award, beating strong competition from across the nuclear industry.

lan Williams, Existing Nuclear Apprentice Manager, won the Outstanding Leadership in Skills Award. The award recognises the efforts of an individual who demonstrated outstanding commitment to the nuclear sector. Ian has helped EN's new apprenticeship scheme grow to 106 apprentices with an expected growth of 50% in 2010.

#### Quotes

"Our goal is to provide progression and wellbeing for the apprentices. Taking school children and turning them into responsible young adults, equipped with the skills to be nuclear professionals."

Ian Williams, Existing Nuclear Apprentice Manager



"Existing Nuclear won three major prizes at the 2010 Nuclear Skills Annual Awards: Regional Nuclear Apprentice of the Year; the National Nuclear Apprentice of the Year Award and the Outstanding Leadership in Skills Award."

## Information about Nuclear Power

Our stakeholders need to feel they can trust us in the key areas of safety and security, and want to know more about our long term plans for waste.

"Nuclear power currently provides around 20% of the UK's electricity. It has been making a significant low carbon contribution to the UK's energy needs for more than half a century"

#### **Nuclear Facts**

Replacing nuclear power stations with gas fired power stations would cause emissions to rise by the equivalent of increasing the number of cars on UK roads by a third. Extending the life of existing nuclear power stations makes good economic sense and keeps carbon emissions down now. Investing in new nuclear will help secure low-carbon energy in future.

With British Energy now part of EDF Energy, we believe we have created the platform on which we can justifiably lead the way in nuclear power generation in the UK. EDF is by far the leading global nuclear power generator, operating 58 reactors in France and a total of 73 reactors across the world. This means we have unparalleled experience in building and running nuclear power stations from construction and operation, through to decommissioning and waste disposal.

We aim to invest in up to four new reactors in the UK with a total capacity of over 6,000 Megawatts (MW).

We are proud to be playing a key role when it comes to helping mitigate climate change. Our low-carbon nuclear power generation has long played an important role in helping the UK meet its emissions targets. Over their complete lifetime our fleet of seven AGR nuclear stations will help avoid the emissions of over 900 million tonnes of carbon dioxide (mtCO2) that would have been emitted had the same output been generated by fossil fuel stations. Our most modern PWR power station, Sizewell B, will alone over its life time help avoid emissions in excess of 200mt CO2.

In 2009 our nuclear fleet generated 55TWh, enough electricity to power 47% of the demand from UK households. In total our nuclear fleet helped avoid emissions of 34.7mt CO<sub>2</sub> had the electricity been generated by the prevailing fossil fuel energy mix.

To get the same benefit would be equivalent to halving the emissions from the UK's passenger cars.

## High Activity Waste (HAW) Long-term storage and disposal: the solution

The stated strategic end point for Higher Activity Waste (HAW) (i.e. ILW, HLW and spent fuel) is disposal – i.e. managed storage leading to disposal.

Our Sustainability Strategy

The UK Government policy is to pursue Deep Geological Disposal (GDF). However the policy in Scotland differs from the rest of the UK – the policy in Scotland is "near surface, near site" storage or disposal facilities so that the waste can be monitored and retrieved and the need for transporting it over long distances is minimised.

UK Government studies are now being carried out to create a single location which can safely store all ILW, HLW and spent fuel. Over the years, various options have been considered, including storage above ground, underground storage in an engineered store and even deep-ocean trenches. With hazardous waste, the bottom line for any possible solution is the same: how can we separate it completely from people and the environment, and monitor, manage and protect it?

#### **Underground disposal - Deep Geological Disposal (GDF)**

Studies into the best disposal options have been ongoing for more than 25 years in the UK alone. In July 2003, an independent task force, the Committee on Radioactive Waste Management (CoRWM) was established to review and assess all options, and make its recommendations to the Government, CoRWM reported its findings in July 2006, and recommended 'geological disposal' as the solution for the long-term storage of the most hazardous radioactive wastes. This will involve constructing an engineered storage facility, at a depth of between 200 metres and 1 kilometre underground. In addition to the barriers provided by the purpose designed containment, the surrounding rock structure would provide a further shield against any potential release of radioactivity. Underground provides a natural storage facility. After all, billions of cubic metres of natural gas have existed and stayed there for many millions of years. In comparison, nuclear waste is a relatively simple proposition: it will need a minute fraction of the space, and it will be in a solid and stable form

#### When?

A UK GDF facility will take many years to come to reality. A suitable location needs to be found, and like any major planning project, it must be acceptable to local people.

A Scottish Government strategy to implement the "near surface, near site" storage or disposal facilities will also take many years to come to fruition

Meanwhile, higher-activity wastes can continue to be safely stored for as long as required at power stations, and at other licensed nuclear sites.

It should be noted that EDF Energy supports UK Government's intention to construct a central Geological Disposal Facility (GDF) for HAW. Until this is constructed, the waste from our operations is stored safely and securely at our power stations or at Sellafield.

#### Radioactivity in the environment

The Food Standards Agency, the Environment Agency, Scottish Environment Protection Agency, and the Environment and Heritage Service (in Northern Ireland) independently monitor any radioactivity present in food and the environment due to radioactive discharges from nuclear sites. The monitoring data are used to determine the highest radiation dose received by members of the public in the vicinity of each site. A joint report is published annually entitled Radioactivity in Food and the Environment and is available on the Food Standards Agency website. It presents the most recent data which is for 2008. The maximum dose reported for discharges to air attributable to an Existing Nuclear site was 0.007 mSv at Hunterston B - to put this into context this is broadly similar to the radiation dose accrued through a single flight from London to Rome. The maximum dose reported for discharges to sea attributable to an Existing Nuclear site was 0.019 mSv at Hartlepool - in this case slightly less than the dose accrued through a single flight from London

to Johannesburg. These doses should also be compared with the UK annual public dose limit of 1 mSv for the controlled release of radioactivity from artificial sources, and the average UK annual dose of 2.2 mSv received by the general public due to natural radiation."

#### Further CO<sub>2</sub> avoided through life extensions

Our declared life extensions to-date will deliver approximately 370TWh – that's greater than the UK's annual consumption. It will also avoid the emission of about 240MtCO2 that would be emitted at the current fossil fuel mix – to put this into context, to get the same benefit would require removal of all road transport from UK roads for 2 years.

#### **2009 Nuclear Performance (Existing Nuclear)**

#### **Number of Nuclear Safety Events**

The International Nuclear Event Scale (INES) is a rapid alert system used for consistent communication of events across the nuclear industry. These are categorised between Level 1, which is an anomaly with no impact on the safety of the general public or workforce, and Level 7 which represents a major accident. During 2009 we had one nuclear safety event rated INES Level 2 which is classed as an incident with minor consequences to people or facilities, but where the measures put in place to prevent or cope with accidents did not operate as intended. No other nuclear events in 2009 were rated higher than INES Level 1.

The INES Level 2 incident occurred at one of our power stations during the construction of a new fuel assembly. Whilst a fuel assembly is the completed series of fuel components used in the core of an Advanced Gas Cooled Reactor Power Station, the incident did not concern the reactor in any way. In the process of connecting a new fuel assembly to the supporting fuel plug unit a piece of rubber was, on a procedural check, found trapped in the coupling preventing the two sections from joining correctly.

As part of the recovery process polyurethane foam was injected below the suspended fuel assembly to minimise the potential drop height in the event of a de-latch. Subsequent analysis of the foam showed that its use was not permitted under the power station's operating arrangements. The foam did not come into contact with the fuel assembly and the coupling did not fail.

There was no impact on the safety of the workforce at the station or the public at large. There was no release of radioactivity or any damage to the plant. This incident was reported to the safety Regulator, with which the operator has co-operated, and has been thoroughly investigated. Company wide improvements have since been made.

#### **Nuclear Reportable Events**

Our site licences require comprehensive arrangements for reporting and investigating incidents occurring at our power stations. The most significant of these are known as nuclear reportable events. In 2009 we had five such events. This is our lowest total for a full calendar year continuing the improving trend over the past several years.

#### **Collective Radiation Dose**

We operate to strict procedures to minimise and control the radiation doses received by employees and contractors at all of our nuclear power stations. Any worker required to enter a radiological controlled area is issued with an electronic personal dosemeter which measures radiation dose and warns the wearer if pre-determined dose levels are exceeded.

Radiation dose is measured in units of milliSieverts (mSv), and the legal dose limit is 20 mSv per year. In calendar year 2009, the average individual dose received by all workers on our sites was 0.114 mSv. The highest individual dose received was 8.709 mSv.

The three year average yearly WANO collective radiation dose for British Energy at the end of 2009 was 0.117 manSv/reactor compared to 0.138 manSv/reactor in 2008. The one year average collective radiation dose British Energy at the end of 2009 was 0.116 manSv/reactor compared to 0.174 manSv/reactor in 2008.

The 2008 higher level was due to a programme of inspection, repair and reinstatement of reactor boilers at Hunterston B and Hinkley Point B. This work continued at both sites in 2009 but with a reduced work programme. The company's performance in this area remains amongst the best when compared to nuclear reactors worldwide

#### **Unplanned Automatic Trip Rate (UATR)**

Following the indications of a deteriorating trend in our 2008/2009 UATR performance, a comprehensive fleet level review was conducted into the reasons for this adverse outcome and improvements plans were put in place. This has resulted in significant improvement. The overall UATR for all our nuclear stations at the end of the calendar year 2009 was 0.82. The long term trend since 2003/2004 continues to improve.

#### **Nuclear Waste**

We manage our nuclear waste under very tight regulation from the Nuclear Installations Inspectorate, the Environment Agency, and the Scottish Environment Protection Agency. Radioactive waste is classified as High, Intermediate or Low Level Waste (HLW, ILW or LLW respectively), according to its radioactivity level.

Indicator	<b>Definition</b>	Data
Nuclear Safety		
Number of Nuclear Safety Events	Number of nuclear safety events rated higher than International Nuclear Event Scale (INES) Level 1 (lowest) – representing anomalies that have no impact on the safety of the general public or our workforce	1
Number of Nuclear Reportable Events	Events that have to be reported formally in writing to the Health and Safety Executive's Nuclear Installations Inspectorate (NII) per our site licence compliance arrangements	5
Collective Radiation dose (man-mSv/reactor)	One year average collective radiation dose measured in manSieverts per reactor as defined by the World Association for Nuclear Operators (WANO)	0.116
Collective radiation dose (man-Sv/ reactor)	Three year average collective radiation dose as defined by WANO	0.117
Unplanned automatic trip rate	Number of unplanned automatic trips per 7,000 hours of operation as defined by WANO. A low figure indicates that the reactor is controlled well within its safety limits and is operating reliably	0.82

#### **Tonnes of Uranium sent off site**

HLW arises from the reprocessing of our spent AGR nuclear fuel at Sellafield. The spent AGR nuclear fuel is transported to Sellafield in specially designed flasks (spent fuel at our PWR at Sizewell remains in storage on the site). In 2009, 147 tonnes of spent uranium was sent off site excluding cladding and packaging measured as a weight of unirradiated uranium.

We have contracts with Nuclear Decommissioning Authority (NDA) for the management of our spent AGR fuel and we monitor the performance and progress of the management by the NDA (and its subcontractor, Sellafield Ltd), of materials created from our fuel. Under our contracts, for fuel loaded after January 2005, the NDA now determine whether spent fuel is reprocessed to separate uranium and plutonium for possible future use or stored for the longer term. Spent fuel is not considered a waste until a decision has been taken to dispose of it. In either case safety and protection of the environment are paramount.

#### **Amount of Intermediate Level Waste generated**

The ILW indicator is derived from the UK's 2007 radioactive waste inventory produced by DEFRA and the NDA in association with the waste producers. It includes estimates, provided by the waste producers, of the annual volume of ILW that will be produced throughout the sites' lives. It was estimated in the 2007 radioactive waste inventory that 170m<sup>3</sup> of ILW would be generated on EDF Energy sites in 2009. This waste volume is the packaged waste volume for disposal, based on NDA proposed waste package types. ILW includes sludge and resins from the treatment of radioactive liquids and components from spent nuclear fuel assemblies. All ILW is stored on site in appropriately engineered and shielded facilities in accordance with best practice, pending the availability of an appropriate disposal route. Appropriate controls are in place to minimise the volumes of waste generated to reduce the volume of waste requiring disposal.

#### **Amount of Low Level Waste sent off site**

According to UK law, LLW is waste having a radioactive content not exceeding 4 GBq (gigabecquerels) per tonne of alpha, and/or 12 GBq per tonne of beta/gamma activity. The data in this report is compiled from annual return forms submitted to the regulator to satisfy our authorisation conditions (note that this has lead to a change in the way in which the total has been calculated this year compared to previous years). Most of our LLW is lightly contaminated material such as redundant equipment, used/worn protective clothing, metal, wood and rubble. There are a number of treatments that are carried out on the waste prior to disposal, for example shredding or compacting to reduce the overall volume for disposal. The volume of LLW from all of our stations sent off-site to be disposed of at the designated National LLW Repository near Drigg in Cumbria, or incinerated at Hythe, was 607m³ of packaged LLW in 2009.

There are a number of changes happening at the moment in the area of radioactive waste management, which are aiming to prolong the life of the National LLW Repository near Drigg. The use of a Very Low Level Waste (VLLW) category, covering waste only at the very bottom end of the LLW activity range, and the ability to treat radioactively contaminated metals to substantially reduce the final amount for disposal are recent changes. Over the coming year it is envisaged that these new routes will be used to help minimise the amount of our waste that has to go for final disposal at the National LLW Repository near Drigg.

For more detailed information on nuclear facts and figures please visit <u>www.british-energy.com</u> or <u>www.world-nuclear.org</u>

Indicator	Definition	Data
Nuclear Waste		
Tonnes of Uranium sent off site	Tonnes of spent fuel sent off site excluding cladding and packaging measured as a weight of unirrdiated uranium in tonnes	147
Amount of Intermediate Level Waste (ILW) generated (m³)	The ILW Indicator provided by EDF Energy is derived from the UK's 2007 radioactive waste inventory produced by the Nuclear Decommissioning Authority (NDA). It provides an estimate of the annual arising volume of waste that will be classified as ILW at the end of the sites life. The waste volume is given as a packaged waste volume based on the NDA proposed waste package types. All ILW is stored on power station sites pending a National decision on final disposal	170
Amount of Low Level Waste (LLW) sent off site (m³)	The UK legal definition of LLW is waste sent off site having a radioactive content not exceeding 4 GBq (gigabecquerels) per tonne of alpha, or 12 GBq per tonne of beta/ gamma activity	607

# Our Performance at a Glance

Ambition	Measure	Unit	2009	2008	
Safe for All					Case study
	Lost time incidents rate	Per 100,000hrs worked	0.17	0.33*	
	Work-causal ill-health	Per 100,000hrs worked	0.48*	0.58*	
	Unplanned Automatic Trip Rate	Per 7,000 hours of operation as defined by WANO	0.82	Data not reported by EDF Energy and is available in the British Energy 2008/ 2009 CSR Report	
Shareholder's Ex	kpectation				
	EBITDA	£m	2,702	769*	
	Turnover	£m	9,836	6,616*	
	Turnover (Electricity)	£m	7,812	4,701*	
	Turnover (Gas)	£m	869	860*	
	Turnover (Other)	£m	1,154	1,060*	
	Net Assets	£m	15,499	3,025*	
Customers Choic	се				Case study
	Preference rate	%	83.1	82.8	
	Networks customer satisfaction	%	66.3	64.7	
	Distribution customer interruptions	Per 100 customers	191.6	193.9	
	Distribution customer	Minutes lost per customer	229.8	223.9	

**←** Our Sustainability Strategy

Ambition	Measure		Unit	2009	2008
Sustainable Performa	nce				
	CO <sub>2</sub> from power stations		tonnes/Gwh	785.3*	803.7
	CO <sub>2</sub> from building energy use		'000 tonnes	20*	22.5
	CO <sub>2</sub> from transport		'000 tonnes	26.1*	25.8
	CO <sub>2</sub> per customer account		tonnes	6.05*	6.13
	Employee involvement		Index %	42*	39
	Ash to landfill		'000 tonnes	475*	673
	Street-works waste to landfill		%	7*	19
	Managed building waste to landfill		%	31.5*	37.9 <sup>-</sup>
	Eligible customers on discounted tariff		No.	158,110	126,72
	Packages of support to vulnerable customers		No.	5,068	632
	Children educated in electrical safety		No.	287,773	112,980
	Children registered on Sustainable Schools programme		No.	498,488	53,698
	CO detectors issued		No.	12,572	2,873
	Total net generation – elec	All	(TWh)	71.6	27.3
	NOx emissions		Tonnes	30,649	38,63
	SO <sub>2</sub> emissions		Tonnes	13,408	12,37

Case study Sustainable Steps

<sup>\*</sup>Data excludes British Energy

Ambition	Measure	Unit	2009	2008
Sustainable Perform	nance			
	Collective Radiation Dose (man-Sv reactor)	1 year average collection radiation dose as defined by WANO	0.116	0.174
	Collective Radiation Dose (man-Sv reactor)	3 year average collection radiation dose as defined by WANO	0.117	0.138
	Nuclear Reportable Events	No.	5	
	Number Nuclear Safety Events (scale 2)	No.	1	Data not reported
	Uranium sent off-site	tonnes	147	by EDF Energy and is available in
	Amount of Intermediate Level Waste (ILW) generated	m³	170	the British Energy 2008/2009 CSR Report
	Amount of Low Level Waste sent off site	m³	607	Report
High Performing Pe	ople			
	Employee engagement survey	% engaged	78	77*
	No. of employees	Headcount	20,077	13,406*
	Number of days lost to sickness	Number	164,181	132,795*
	Number of leavers	Number	1,385	1,733*
	Number of female employees	Number	5,510	4,374*
	Number of working hours	Number	38,172,394	24,239,225

Case study Employee Engagement

<sup>\*</sup>Data excludes British Energy



# Sustainability Reporting, Stakeholders, Risk and Governance

# The information in this section outlines more information about our approach to sustainability reporting, stakeholders, governance, risk and assurance.

#### **Our reporting**

Our 2009 Annual Report entitled 'Leading the Energy Change' maintains our commitment to report publicly on our vision, mission, ambitions and commitments in an integrated summary. The report is intended for all our key stakeholders: customers, employees, business partners, suppliers, public bodies, opinion formers, trade unions and NGOs.

#### Reporting scope and boundary

The report covers the activities of EDF Energy UK Ltd, our subsidiaries, EDF Renewables and all other joint ventures in which we hold an interest of over 50%.

As a subsidiary of EDF Group, EDF Energy is not listed on the London Stock Exchange and so we are not obliged by law to comply with Stock Exchange rules, or to adopt the same standards as listed companies. However, as a subsidiary of EDF Group which is listed in Paris we have certain obligations under Autorité Des Marches Financiers (AMF) Regulations and we always seek to operate to the highest standards. For more detailed information please visit our website: <a href="www.edfenergy.com/about-us/about-edf-energy/our-structure/corporate-governance.shtml">www.edfenergy.com/about-us/about-edf-energy/our-structure/corporate-governance.shtml</a>

The content of this report has been shaped and informed in dialogue with a broad range of energy industry stakeholders such as industry publications, government and regulatory bodies, trade unions, user groups, NGOs, partners and suppliers as well as employees and customers.

In terms of subject scope, this web report focuses on sustainability issues have assessed as most material to our business. We have striven to remain objective and report in an open, honest and balanced way.

#### Reporting period

The 2009 Annual Performance Report covers the January 1, 2009 to December 31, 2009 period unless stated otherwise. This report serves as a summary document and reference is sometimes made to relevant detailed information that is available in other sections of our corporate and group websites.

#### Reporting measurement approaches

Our individual business units collect and process their performance data using the best available national or international methodologies and techniques for measurement, calculation and analysis wherever possible. For example, we use the World Association Nuclear Operators (WANO) definitions and approaches to reporting our nuclear safety performance; we comply with DEFRA-approved approaches for calculating CO2 emissions; recognised national and international-approved methodologies for employee incident rates and manufacturers' recommendations for eco-efficiency savings.

We also employ internal data measurement experts to ensure transparency on the measurement scope and boundaries – and to standardise calculations for the robust and credible aggregation of values. The objective is to represent fairly the business performance level and achievements.

We support the principles of the Prince of Wales Accounting for Sustainability Connected Reporting Framework and take due cognisance of this in our internal and external reporting. For more information please visit:

#### www.accountingforsustainability.org/home/

Our Sustainability Report has changed scope in line with our business operation following the integration of the former British Energy Business. As a result 2009 will be used to establish a new baseline for all of EDF Energy's nuclear business units (i.e. Existing Nuclear and New Build). All data within the report includes British Energy unless stated otherwise.

#### Our Stakeholders

EDF Energy wants to be recognised as a leading and respected point of reference on energy policy and matters concerning our business. We maintain dialogue with various organisations in order to understand our stakeholders' views and take these into account when we plan our business activities.

Our engagement with key stakeholders – shareholders, employees and customers – reflects the emphasis we place on safety and sustainability. It helps us to build trust, demonstrate transparency, formulate strategy and policy and improve our operations, products and services.

#### **Materiality**

We have worked closely with our key internal and external stakeholders to define our sustainability agenda and ensure that our commitments and reports address the things that matter to our stakeholders. As a result we have established EDF Energy as a respected point of reference on energy policy and sustainability issues. The key groups we consult with include: the EDF Energy Stakeholder Advisory Panel; Forum for the Future; Fuel Poverty Advisory Group; National Energy Action; EDF Group; and our National Works Council. Our dialogue with all of these stakeholders is ongoing.

#### Our materiality process

We look at significance as well as relevance when determining whether an issue is material for us. We do this by reviewing and considering:

- Our position on an issue; and
- The level of stakeholder interest in the issue, assessed through research and one-to-one meetings with many of our stakeholders including, employees, suppliers, regulators, influencers, opinion formers, customers, media and NGOs.
   The basis of these sessions is to canvas their views on what they deem to be the important issues for the energy industry, for EDF Energy and to them as stakeholders, and what we should take action on and what we should report on.

#### Our material issues

Our most material issues which have been covered in this report are listed below:

- Nuclear Delivering low-carbon nuclear responsibly
- Climate Change impacts Reducing carbon and waste
- Energy Efficiency Reducing carbon and waste
- Energy Security Helping our customers
- Electricity Markets Pricing and energy affordability / Helping our customers
- Electricity Generation Reducing carbon and waste / Delivering low-carbon nuclear responsibly
- Health and Safety Serving our communities; and
- Employment Building a world-class culture

#### Stakeholder Advisory Panel

In 2006, we set up a Stakeholder Advisory Panel to allow our Chief Executive and our Executive Team to discuss key strategic issues and the impact on EDF Energy with a range of expert independent advisors. We use their expertise, experience and intellect to challenge our Executive Team on our strategy, our business approach and to offer input into the development of strategy.

The panel meets on a quarterly basis and we can access the knowledge of members on an ad hoc basis. The panel has never had any legal or fiduciary responsibilities and any actions proposed are subject to the normal governance process of the company.

Panel members provide a strong voice on behalf of our stakeholders and have helped us shape key policies in recent years, including Our Climate Commitments and Our Social Commitments. The members of the panel are Will Hutton (Chair), John Roberts, Diane Coyle, Lord Patten of Barnes and Simon Robertson.

The three key strategic issues discussed throughout with the panel in 2009 – and how we addressed them are outlined in the table below.

<b>Discussion Point</b>	Challenge	Our Action
British Energy Integration	Perception of nuclear	<ul> <li>Undertook opinion polls with key stakeholders</li> <li>Employee engagement plan developed</li> <li>Development of 'Our Compelling Story'</li> </ul>
Commitments review	To restate and implement changes to support evolved business	Development, implementation and communication of newly revised commitments These can be viewed at: http://www.edfenergy.com/sustainability/our-commitments/our-sustainability-commitments/index.shtml
Market Reform	New nuclear, revenue surety and planning	Dialogue with UK Government and regulator on energy planning     Development of position papers for internal and external use

# Strategy and Commitments Validation

# EDF Energy aims to be recognised as a leading and respected point of reference on energy policy.

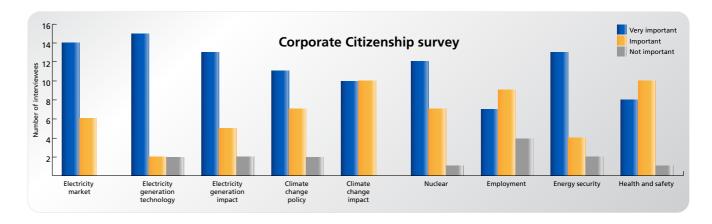
We maintain dialogue with various organisations in order to understand our stakeholders' views and take these into account when we plan our business activities.

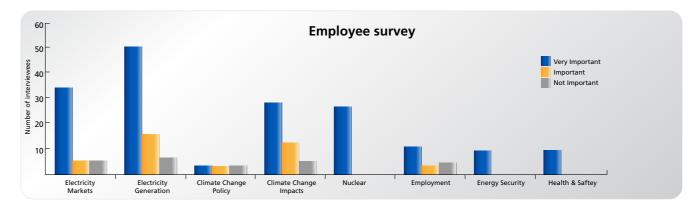
In the latter part of 2009 we commissioned an independent company, Corporate Citizenship, to carry out interviews with our key stakeholder groups including representatives from the energy industry, media, unions, user groups, NGOs, partners and suppliers. We also carried out similar internal interviews with a small number of our employees. The purpose of these interviews was to gather opinions from our key stakeholders on:

- Sustainability in general, and in relation to EDF Energy
- Our material issues
- External communication by EDF Energy about sustainability issues: and
- Specific views on sustainability reporting

The graphs opposite illustrate how the issues are classified. In most cases, issues identified during the sessions with stakeholders in 2009 were defined as 'material' by both EDF Energy and our stakeholders and are included within the body of this report. There were also some issues that we considered less important that were not identified as significant in our stakeholder research.

The key challenges raised by stakeholders and how we are addressing them are outlined in the table on page 45.





Challenge	Response Employees	Response Other stakeholders	How we are responding
What do you know about our current sustainability activity?	<ul> <li>Mixed response dependent on job role</li> <li>Lack of big picture view</li> <li>Aware of some of the individual climate commitments</li> <li>Unsure of their individual role</li> </ul>	<ul> <li>Ambitions well communicated within the business</li> <li>Clear and ambitious targets</li> <li>Integration of British Energy has impacted other priorities</li> <li>Can be slow to respond</li> </ul>	<ul> <li>New sustainability report</li> <li>Employee engagement</li> <li>Dedicated website</li> <li>Roll out of "Our Compelling Story"</li> <li>Development and implementation of sustainability training for all employees</li> </ul>
What constitutes leadership in this area?	<ul> <li>Putting words and statements into action and ensuring evidence is demonstrated for those actions</li> <li>Shaping policy</li> <li>Being open</li> </ul>	<ul> <li>Having a strategy in place for managing social, environmental and economic impacts over the long- term</li> <li>Shaping public policy and leading public debate</li> </ul>	<ul> <li>New sustainability report</li> <li>New strategy and commitments</li> <li>Engagement plan for all stakeholders to be rolled out in 2010</li> <li>Dedicated website to engage stakeholders in debate and enable comment and feedback</li> </ul>
Nuclear facts	<ul> <li>Support for nuclear aims</li> <li>Concern for perception of what nuclear means</li> <li>Confusion as to whether it will lead to higher or lower prices in the future for customers</li> <li>Key issues were waste, storage and location of new plants</li> </ul>	<ul> <li>Mixed response</li> <li>Risk of inflating the issue</li> <li>Focus on nuclear has moved focus from other areas</li> <li>Long term impacts</li> <li>Our role in furthering nuclear debate</li> <li>Transparent and honest reporting required</li> </ul>	<ul> <li>New sustainability report outlining how we are addressing key material issues</li> <li>Educating all of our employees on key nuclear facts through programmes like "Our Compelling Story"</li> <li>Energy policy debates with key stakeholders</li> <li>Development and build of new nuclear visitor centres</li> </ul>
Employee awareness on sustainability	Ensuring sustainability strategy is embedded into the business and that this is supported by tangible action plans	Ensure messages are concise and supported by clear and concise actions and substance in our statements	<ul> <li>Sustainability training for all employees</li> <li>Dedicated Sustainability Intranet</li> <li>Sustainability ambition linked to Company Incentive Plan</li> <li>Revised ambitions impact appraisal tool to be used in all of our project methodology</li> </ul>

# Risk Management

# Our Corporate Risk Management Policy details our risk management objectives and standards.

### Our internal control and risk management framework allows us to:

- Identify, evaluate, control and report significant risks
- Implement a comprehensive, consistent, company-wide approach to risk management
- Maintain a register detailing risks to our businesses and support functions and appropriate controls and remedial action plans; and
- Promote control of risk as a fundamental business process

Effective internal controls help us to reduce risks, improve competitiveness and comply with legal requirements. Internal control covers all systems used to provide our directors and managers with reasonable assurance concerning:

- · Compliance with laws and regulations
- Compliance with management decisions and guidelines; and
- The effectiveness and efficiency of our activities and processes

### The risks to our Sustainability objectives are categorised as follows:

- Market framework and political risks to the delivery of new low-carbon generation
- Regulatory risks and compliance with evolving regulation and legislation
- Operational risks to our day to day business operations and to the operation of our existing nuclear power stations and to the building of new nuclear power stations
- Health and Safety; and
- Risks to achieving Our Sustainability Commitments

We believe that by controlling and managing our risks well, we can also respond to the opportunities by developing our business model to provide a low-carbon economy in the UK. We have already responded by creating our energy services team to grow a customer-facing business in this area and developing expertise and low carbon products and service offerings. Other opportunities include:

- Increased revenue streams through the provision of energy efficiency products and services to customers for example through the UK Government's Low Carbon Buildings Programme and other micro-generation support packages; and
- Building solution and business orientated packages that respond early to regulation and provide micro generation and renewable heat solutions to homes and business, supported by government policies





#### Market framework and political risks

In order for EDF Energy and other companies to commit to low-carbon investment (and thus address climate change and security of supply concerns) there needs to be a market framework which ensures that a sustainable return can be made. This requires action at a UK Government level, for example on the price of carbon. To mitigate market framework risks, we have responded to consultation documents, conducted detailed analysis of the impact of potential reforms of the market and established a Market Reform Project Group to inform stakeholders on areas of strategic impact.

It is important that the UK political process ensures continuity in energy policy and planning matters so as to avoid any delay to the building of new nuclear power stations. It is therefore vital that the UK Government's National Planning Statements are finalised as soon as practical following scrutiny. It is also important that the planning system can provide time bound decisions on planning applications while also providing for appropriate consultation with local communities. Again, we seek to address this by explaining the dependencies outlined.

There is also a need for the UK Government to implement a long-term radioactive waste solution at a date to be agreed.

#### **Regulatory Risks**

Whilst we operate in highly competitive markets we must also still comply with rules and regulations set by Ofgem the energy industry regulator. We are therefore exposed to regulatory risks where external decisions or changes to regulatory regimes and industry policies could fundamentally affect our operations. As a diverse energy company who generates, distributes and supplies electricity and gas to residential and business customers, we must mitigate these risks and look for ways to shape and not chase regulation. To do this, we have in place the appropriate expertise, policies and compliance frameworks to work proactively with Ofgem and other government bodies to ensure we are at the forefront of evolving regulation and legislation.

#### **Operational Risks**

The safe operation of all of our offices, depots and sites involves identifying and managing any operational risks that could occur.

Extensive activity has taken place to ensure operational safety and excellence of our nuclear power stations. Investment in assessing plant risks is ongoing. In 2009 this resulted in a significant increase in the volume of low-carbon electricity generated by our nuclear fleet.

Building four new nuclear power reactors – two at Hinkley Point and two at Sizewell – to deliver the required low carbon generation, will be a substantial operational challenge. To address this we will need sufficient skilled engineers, a strong supply chain and partners, and an effective regulatory framework. In order to meet these challenges we have established a Nuclear New Build Business Unit to manage the programme in partnership with our parent company. We are also developing a diverse range of skills programmes to enable us to rise to this challenge.

Nuclear Skills Case Study

#### **Health and Safety risks**

We have a robust health and safety management system and governance framework in place to manage personal and process safety. This covers risk assessment, annual improvement plans, key performance indicators, targets, performance review, emergency response plans, training and competency development, human factors, audit and verification.

We strive to run all of our offices, depots and sites with the safety of our employees and the local communities in mind. Our maintenance programmes ensure that they operate safely and properly to minimise dangers. We also have security in place at all our major sites to prevent intentional damage to our assets that could disrupt national energy supply or bring danger to our employees or the local community. Should protestors or terrorists endanger our assets we have developed emergency planning processes known as Business Continuity Programmes for each of our sites to minimise their impact.

Our plans are fit for purpose business driven and business owned. They provide a strategic and operational framework that:

- Proactively improves our resilience against any disruption
- Provides a rehearsed method for restoring our capacity to supply our key products and services to an agreed level within an agreed time; and
- Delivers a proven capability to manage business disruption and protect our reputation and brand

"We manage delivery risks through applying a consistent project management approach right across the business. We also recognise the need for strong employee engagement."

#### **Our Sustainability Commitment risks**

We manage the risks to delivery through our project management methodology across our operations. Achieving Our Sustainability Commitments will require strong engagement.

To achieve our carbon and waste reduction commitments we need to inspire behaviour change by building a world-class sustainability culture, with programmes that encourage people to participate in sustainability initiatives.

To achieve our communities commitment, we have also developed open and transparent stakeholder engagement policies and collaborate with local communities on a range of subjects on a regular basis. We have dedicated schools programmes which seek to educate young children on safety and we have developed the POD website which is an online hub to engage local schools and school children in the sustainable use of energy.

Our Energy Sourcing and Customer Supply Business Unit are helping to seek solutions to address the problem of fuel poverty. It looks to help by identifying our most vulnerable customers and by putting special measures in place to protect them during power cuts, providing access to free energy efficiency advice, priority services, and discounted tariffs and debt management referrals pathways to other specialist agencies.



## Our Governance

# We want to be held accountable for the commitments we are making. Good governance is central to ensuring we deliver.

That is why we will report annually with an independent audit of progress. We will be at the forefront of the climate change debate in the UK. We will be open in our dialogue with our stakeholders and in our communications, and we will be answerable for the commitments we are making.

#### How corporate governance works in EDF Energy

Our Board is responsible for providing effective corporate governance policies and is ultimately accountable for every decision made, including those on sustainability. The Board delegates the authority to make decisions to the Chief Executive (who reports directly to the Board). Acting on the Board's behalf, our Executive Team ensures that our corporate governance policies and all other systems of internal control, performance reporting and risk management are implemented correctly.

Our Board of Directors is responsible for ensuring we meet our financial and legal obligations while sustaining, and enhancing the value we create for our shareholders. Through our directors, the Board meets quarterly to decide our strategy, budget and financial requirements.

The Board's remit also covers the policies that we develop to support our strategy, such as our corporate governance policy. For more information on our corporate governance please visit our website at: <a href="https://www.edfenergy.com/about-us/about-edf-energy/our-structure/corporate-governance.shtml">www.edfenergy.com/about-us/about-edf-energy/our-structure/corporate-governance.shtml</a>

For more information on our board composition please visit our website at: <a href="https://www.edfenergy.com/about-us/about-edf-energy/our-structure/board-of-directors.shtml">www.edfenergy.com/about-us/about-edf-energy/our-structure/board-of-directors.shtml</a>

We operate a company incentive plan (CIP) for all employees, including our Executive Team. This is approved by the Company Remuneration Committee. The scheme comprises a balanced set of measures relating to the six ambitions. One of these criteria is 'to be a leader in sustainability' at company and business unit level. Typically 30% of the bonus is determined by company and business unit financial performance, with the remaining 70% judged against performance across the company's other ambitions.

Our Business Ambitions 🔷

"We will be open in our dialogue with our stakeholders and in our communications, and we will be answerable for the commitments we are making."

#### **Governing sustainability performance**

We have many aspects for the governance and management of our sustainability principles.



#### Corporate Responsibility & Environmental Panel

Brand, Sustainability and External Communications Director (Heads of Sustainability)

## **Environmental Exellence Group**

Chaired by Environmental Officer (Heads of Sustainability)

#### Delivery Group

Chaired by Head of Business Performance and Internal Control (Heads of Sustainability)

## Community Investment Group

Chaired by Community Investment Manager (Heads of Sustainability)

#### **Sustainable Development Committee (SDC)**

The first is through our Sustainable Development Committee (SDC) whose purpose is to provide company-wide leadership in the delivery of our sustainability commitments, including acting as champions and overseeing sustainability performance.

## The Corporate Responsibility and Environment Panel (CR&E panel)

This strategic panel discusses and agrees our policy and direction with regards to key operational objectives for delivering on our commitments for sustainability performance. The panel also reviews our progress with regards to our commitments and targets and takes on board operational recommendations and future planning considerations.

#### **Delivery Group**

This group co-ordinates the delivery aspects of our sustainability performance and ensures cross-functional communication on initiatives, as well as knowledge-sharing and experience.

#### The Environmental Excellence Group

Is accountable for ensuring that we meet our environmental legal requirements and to support the delivery of our sustainability commitments

#### The Community Investment Group

Is responsible for maximising opportunities for our community stakeholders

Material issues discussed across these groups in 2009 are outlined below:

Challenge	Our Action
Engagement of employees in the integration of British Energy	<ul> <li>Employee engagement plan developed</li> <li>Development of 'Our Compelling Story'</li> <li>Development of sustainability training 'Sustainable Steps' to be delivered to all employees</li> </ul>
Commitments review to revise commitments to support nuclear initiatives and the changes to our business	Development, implementation and communication of newly revised commitments These can be viewed at <a href="https://www.edfenergy.com/sustainability/our-commitments/our-sustainability-commitments/index.shtml">www.edfenergy.com/sustainability/our-commitments/our-sustainability-commitments/index.shtml</a>
Review and centralise all environmental management and certifications in the newly integrated company	Development of Assurance and Integrity Management system (AIMS) framework
Review, develop and implement action plans to enhance performance and mitigate sustainability risks	<ul> <li>New balance sheet and revised performance index for reporting</li> <li>Appointment of a Travel Change Manager to implement policy and process to deliver transport commitment</li> <li>Appointment of a Waste Manager with responsibility for implementation of waste polices and processes</li> </ul>
Ensure sustainability is integrated into business operations	<ul> <li>Revision and implementation of new business ambitions</li> <li>Development of ambitions impact appraisal tool to incorporate into all project methodology including governance</li> </ul>

## **Assurance**

#### How data is assured internally

Whilst producing comprehensive and balanced performance management reports is important, it is not enough on its own. It is necessary to ensure that all data is robust. To assure our data, we have gone beyond the standard practice of relying solely on system automation as a means of control. Instead, we have established a company assurance and data control management role within the Business Performance and Internal Control team to physically evidence our data. We also employ external assurance providers to perform additional annual checks on our systems and data.

#### Certifications

Environmental management is high on our agenda and we have a strong company ethos to go beyond good environmental performance, and to strive towards excellence. Further, it is increasingly important to take a more holistic view of our operations, to address all the components that contribute to sustainable development.

All of our sites are certified to ISO 14001:2004 which requires us to demonstrate continual improvement. An example of a major piece of work carried out in 2009 at Heysham 1 and at Hinkley Point B to install oil interceptors significantly decrease the risk of an inadvertent loss of oil to sea from the sites, which is the most likely way that our operations would have a direct impact on the environment.

External auditors have reviewed Networks performance in respect of key international standards dealing with environmental management, quality management and occupational health and safety. They have confirmed our compliance with ISO14001 and ISO9001. Our ISO18001 is currently still under review and we are hoping to have achieved our recertification by September 2010. We maintain our certification for ISO 9001 (quality management covering key business processes) and OHSAS 18001, which deals with occupational health and safety.

#### Report assurance

For the third year, our 2009 report has been independently assured by Two Tomorrows to ensure transparency and maintain stakeholders' trust.

The assurance was conducted in accordance with the AccountAbility Assurance Standard (AA1000AS) (2008), Type 2 assurance. This evaluates our adherence to the principles of inclusivity, materiality and responsiveness and the reliability of specified sustainability performance information.



"While producing comprehensive and balanced management performance reports is important, it is not enough on its own. It is necessary to ensure that all data is robust." In their assurance of our Sustainability Performance Report 2008 (published in July 2009), Two Tomorrows made a number of high-level observations some of which are outlined in the table below:

Topic	Two Tomorrows Recommendation	Our Response
Inclusivity	Given the change in the business and following the acquisition of British Energy, we recommend that membership of the panel be reviewed to ensure it maintains the necessary expertise to challenge and support EDF Energy and its sustainability strategy	On the 1st April 2009 the membership of our stakeholder advisory panel changed and new members include Lord Patten of Barnes and Simon Robertson. We believe the panel continues to maintain the expertise required to continually challenge us on a range of issues. 2009 was a challenging and yet rewarding year for EDF Energy with the integration of the two companies. We welcomed the comments made by the panel in this process as well as in a number of other areas including our new sustainability commitments, our environmental policies and market reform
Material Issues	In our opinion, the 2008 report covers all material issues. Future reports could become even more focussed if EDF Energy were to prioritise the range of material issues they address. The process for determining material issues and prioritising them should also be outlined in the report	We responded to this and appointed Corporate Citizenship to undertake some research with our key stakeholders. The main objective was to identify the material issues that we should prioritise as well as those that we should report on in our 2009 report. These material issues are outlined in our stakeholder material issues section of this report and the content of this report has been formulated from this feedback
Responsiveness	EDF Energy engages with a broad range of stakeholders on a variety of sustainability issues. The report identifies issues raised by various stakeholder groups, together with actions taken during 2008 in response to issues identified. In future the company should consider expanding this discussion, to focus on feedback on specific issues, including observations and quotes from representatives of stakeholder groups or independent experts. This would more clearly describe the outputs of dialogue between the company and its stakeholders during the year	Stakeholder research findings undertaken in 2009 by Corporate Citizenship are being used to influence future energy policy dialogue and also how we engage with stakeholders in our external publications

# Independent Assurance Statement

## Scope and objectives.

Two Tomorrows (Europe) Limited has undertaken independent assurance of the EDF Energy Sustainability Performance Report 2009 (the Report).

The assurance process was conducted in accordance with AA1000AS (2008). We were engaged to provide Type 2 assurance, which covers

- Evaluation of adherence to the AA1000APS (2008) principles of inclusivity, materiality and responsiveness (the Principles) and
- The reliability of specified sustainability performance information

Our objective was to achieve a moderate level of assurance for both adherence to Principles and for the reliability of performance information. The performance information included in scope was all data and key claims in the report. Any financial information contained within the Report is excluded from the scope of this assurance process, as are any links leading beyond the 2009 Sustainability Performance Report section of the EDF Energy website.

We used the Global Reporting Initiative (GRI) Quality of Information Principles as Criteria for evaluating performance information.

## Responsibilities of the directors of EDF Energy and of the assurance providers

The directors of EDF Energy have sole responsibility for the preparation of the Report. In performing our assurance work, our responsibility is to the management of EDF Energy, however our statement represents our independent opinion and is intended to inform all of EDF Energy's stakeholders. We adopt a balanced approach towards all EDF Energy's stakeholders.

We were not involved in the preparation of any part of the Report and this is the third year that we have provided assurance. During the year we have had three other contracts with EDF Energy. We conducted the verification of its green energy supply certification, carried out a review of EDF Energy's new sustainability commitments and reviewed the company's management arrangements for the evaluation of its suppliers based on the United Nations Global Compact. These additional contracts provided further insight into EDF Energy's approach and status of management arrangements, which has strengthened the basis for our assurance opinion.

Our team comprised Jon Woodhead, Judith Murphy and Anne Euler. Further information, including individual competencies relating to the team can be found at: <a href="https://www.twotomorrows.com">www.twotomorrows.com</a>

#### Basis of our opinion

Our work was designed to gather evidence with the objective of providing moderate assurance as defined in AA1000AS (2008). We undertook the following activities:

- Review of the current sustainability issues that could affect EDF Energy and are of interest to stakeholders
- Interviews with selected directors and senior managers responsible for management of sustainability issues and review of evidence to support issues discussed. Interviewees were selected through discussion with the sustainability team
- Review of EDF Energy's approach to stakeholder engagement
- Each year we choose a different business area for our site
  visit through discussion with the sustainability team. This year,
  following the recent merger with British Energy, we visited the
  Existing Nuclear Office in Barnwood to review the integration of
  processes and systems for collecting and reporting sustainability
  data with existing EDF Energy systems
- Review of information provided to us by EDF Energy on its reporting and management processes relating to the Principles
- Review of supporting evidence for key claims in the report
- Review of the processes for gathering, checking and consolidating data and, for a sample, checking the data consolidation

#### **Findings and Opinion**

We reviewed and provided feedback on drafts of the Report and where necessary changes were made. On the basis of the work undertaken, nothing came to our attention to suggest that the Report does not properly describe EDF Energy's adherence to the Principles or its performance. Nothing came to our attention to suggest that the reported performance data have not been properly collated from information reported at operational level, nor that the assumptions utilised were inappropriate. We are not aware of any errors that would materially affect the presentation of overall company performance.

#### **Observations**

Without affecting our assurance opinion we also provide the following observations.

This year EDF Energy has produced a radically different report to previous years, following stakeholder consultation on material issues undertaken in autumn 2009. This report is shorter and more focused than previous reports, and this new format provides a sound basis for future reporting. However reporting and commentary on performance against commitments is brief and further detail would enhance future reports.



#### Inclusivity concerns the participation of stakeholders in developing and achieving an accountable and strategic response to sustainability

- A variety of engagement efforts underpin the company's understanding of stakeholder concerns, and its ability to integrate them into its decision making processes. The membership of the stakeholder panel was reviewed this year which has allowed new viewpoints to be considered and has ensured that an appropriate level of dialogue and challenge for the business has been maintained
- We recommend that in future reports, the statement by the Stakeholder Panel should comment more directly about their observations on EDF Energy's handling of specific topics that were discussed with the Panel during the year. In our statement for last year's Report, we suggested that future Reports could more clearly describe the process for agreeing the priority issues for discussion with the stakeholder panel and how outputs from panel meetings have influenced the company approach. We restate this recommendation
- During the last year EDF Energy conducted an extensive stakeholder consultation process. The Report outlines the conclusions from this stakeholder feedback that are being used to inform EDF Energy's sustainability strategy in addition to the company's reporting

#### Material issues are those which are necessary for stakeholders to make informed judgments concerning EDF Energy and its impacts

- This year the business has undergone significant change, most notably through the merger with British Energy. The Report clearly states the issues that the enlarged business has identified as material, following the recent revision of its materiality analysis. We are not aware of any material issues that have been excluded
- This year EDF Energy's Sustainability Commitments have been revised to reflect the broader range of issues that now face the business. In our opinion, EDF Energy's revised suite of Sustainability Commitments now provides appropriate coverage of the spectrum of sustainability issues that EDF Energy needs to address and the new Commitments adequately reflect the nature of the challenges faced by the nuclear generation part of the business. Each of these Commitments can be seen to represent an appropriate medium term challenge that will deliver clear sustainability benefits once achieved
- For further observations on EDF Energy's new Sustainability Commitments, see our separate 'Independent Review' statement at <a href="https://www.edfenergy.com/sustainability/">www.edfenergy.com/sustainability/</a> our-commitments/our-sustainability-commitments/ interactive/

## Responsiveness concerns the extent to which an organisation responds to stakeholder issues

- EDF Energy engages with a broad range of stakeholders on a variety of sustainability issues and notably this year undertook stakeholder consultation on material issues. In our statement for last year's Report, we recommended that EDF Energy should consider including in future reports observations and quotes from representatives of stakeholder groups or independent experts. We restate this recommendation
- Future reports would also benefit from more explicit recognition of the expectations and concerns held by specific stakeholder groups in relation to EDF Energy's actions and performance on material issues
- Last year we also recommended that in future EDF Energy should provide relevant information on price changes during the year through its Report, in addition to information already provided to customers. This year's Report does not address how EDF Energy's energy prices have changed over time, or the current and future drivers behind price changes. Energy prices have continued to be a source of stakeholder concern during the year, and EDF Energy has increased its actions and financial commitment to initiatives to support vulnerable customers and those living in, or at risk of, fuel poverty. We recommend that future Reports should make clear how EDF Energy views the drivers behind price changes, how the company assesses the success of measures to protect vulnerable customers and those affected by fuel poverty, and the actions taken by the company to communicate with stakeholders on price changes, above and beyond the mandatory communications required by regulatory authorities

#### **Performance Information**

- The amount and quality of supporting evidence provided by EDF Energy's internal validation process continues to strengthen the assurance process, and is a clear example of best practice in this sector
- The report provides information on key initiatives for delivering against the Sustainability Commitments. Our review of the process for devising the new Commitments confirmed that the company has appropriate arrangements in place to deliver against these commitments, and has considered the risks that might hinder achievement. In reporting performance of commitments the report should explain the key factors in achieving this year's performance. Furthermore, we recommend providing commentary on initiatives which are proving particularly successful or challenging in reaching these targets, and updates on the anticipated and actual rate of progress for specific initiatives. It would be helpful to include targets or benchmarks for the Business Ambitions to enable stakeholders to put this performance into context

Jon Woodhead Group Director

Anne Euler Senior Consultant Judith Murphy Senior Consultant

Two Tomorrows (Europe) Limited London, May 2010

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"The amount and quality of supporting evidence provided by EDF Energy's internal validation process continues to strengthen the assurance process, and is a clear example of best practice in this sector."

# **Definitions**

Key Measure	<b>Definition</b>
Buildings and depot waste	Office and depot waste is any waste that arises from EDF Energy business activities undertaken at an office or depot. It includes office waste streams such as paper, cardboard, IT equipment, furniture and plastic cups, depot waste streams such as metals and transport waste, and operational projects where EDF Energy has the Duty of Care for the waste. It excludes by-products, such as ash from power generation and spoil from street works. Office and depot waste is re-used, recycled or disposed of through assigned, dedicated and specialist disposal routes managed as part of a contract with waste service providers. The volumes of waste are supplied to EDF Energy by its waste contractors and business performance reporting of that data is carried out in-house. Processes and procedures are periodically audited by DNV as part of our ISO 14001 and OSHAAS 18001 accreditations
Streetworks waste	Any spoil produced in the process of EDF Energy Networks excavation of the highway, including waste produced by sub-contractors, can be divided into the three categories of re-usable on site, recovered for recycling, and disposed waste. The percentage of excavated spoil re-used and recycled is measured against the total volume of spoil excavated. The volumes of waste are supplied to EDF Energy by its waste contractors
CO2 emissions from business travel (Ktonnes)	Tonnes of CO2 emitted from business travel (air, road and rail). CO2 calculated using conversion factors as defined by DEFRA
CO2 avoided (MtCO2)	Amount of CO2 that would have been emitted if the energy generated by nuclear generation had been produced by prevailing fossil fuel sources
Tonnes of Uranium sent off site	Tonnes of spent fuel sent off site excluding cladding and packaging measured as a weight of unirradiated uranium in tonnes
CO <sub>2</sub> (DECC)	The CO2 emissions from EDF Energy's generating plants are determined in accordance with the site specific Environment Agency permits issued under the "Greenhouse Gas Emissions Trading Scheme Regulations 2005 (S.I.2005 No 925) (The "ETS Regulations"). The UKAS accredited organisation CICS conduct annual verification audits of the Greenhouse Gas emissions data reported by EDF Energy, which once verified are submitted to the Environment Agency and entered onto the EU ETS Registry
LTI Frequency Rate	The Lost Time Incident Rate is the number of lost time incidents per 100,000 hours worked. Lost Time Incidents are defined as the number of workplace accidents that lead to a day or more off work. A day represents the next full working day following the accident. The measure covers all staff – employees, agency and contractors
School children	We have a team of Education Advisors who communicate our safety message via school visits and safety events. Data relating to these school visits and safety events is sourced from an online reporting system called CCS. The number of children reached through the competition of an online Quiz on our Powerup! Website is captured by reporting analytics software called net-tracker



Key Measure	<b>Definition</b>
CERT	CERT Performance against target is reported externally every quarter to Ofgem who use the information from all suppliers to create a combined quarterly report. Through the 3 year programme all the CERT Measure information is submitted to Ofgem through the 'banking procedure to verify CO2 savings and through the closedown procedure at the end of the programme to ensure that the target has been met. The banking procedure is done using templates that Ofgem provide which contains the details for each measure type in terms of CO2 savings. The defined CO2 saving information held within these templates enable EDF Energy to monitor its own progress internally throughout the duration of the programme. The programme is split into Priority Group and Non-Priority Group customers of which 40% of the CO2 savings must be delivered to the Priority Group. Priority Group customers are defined by Ofgem as in receipt of certain benefits and/or aged 70 or over
Energy Assist	EDF Energy's vulnerable customers assisted by means of our discounted tariff are defined as those customers living in or at risk of fuel poverty. The UK Government definition of a household in fuel poverty is one who spends more than 10% of their net income on gas, electricity or other fuels in order to keep warm – this in turn is defined using the World Health Organisation definition that in order to keep warm, a home should be heated to 21 degrees in the lounge and 18 degrees in all other rooms. It is our assumption that households living on income support or pension credit benefits are very likely to be spending more than 10% of their income on energy bills. The discounted tariff, Energy Assist, therefore benefits vulnerable customers who are in receipt of income support or pension credit, or who can otherwise prove that they are fuel poor
Customer minutes lost and customer interruptions	Data is governed by and compliant with the Quality of Service regulations defined by Ofgem. It covers calendar year rather than regulatory year reported to Ofgem
Work causal ill health rate	The Work Causal III-Health Rate is the number of musculoskeletal or mental iII-health incidents per 1,000 employees. Incidents are classified by our health service providers and only those where work is considered to be the most significant causal factor is included. Contractors and agency staff are excluded
Number of Nuclear Safety Events	Number of nuclear safety events rated higher than international Nuclear Event Scale (INES) Level 1 (lowest) representing anomalies that have no impact on the safety of the general public or our employees
Number of reportable nuclear events	Events that have to be reported formally in writing to the Health and Safety Executive's Nuclear installations Inspectorate (NII) per our site licence compliance arrangements
Collective radiation dose (man-Sv reactor)	Three year and one year average collective radiation dose as defined by the World Association for Nuclear Operators (WANO)
Unplanned automatic trip rate	Number of unplanned automatic trips per 7,000 hours of operation as defined by WANO

Key Measure	<b>Definition</b>
Amount of Intermediate Level Waste (ILW) generated (m³)	The Intermediate Level Waste Indicator provided by EDF Energy is derived from the UK's 2007 radioactive waste inventory produced by the Nuclear Decommissioning Authority. It provides an estimate of the annual arising volume of waste that will be classified as Intermediate Level Waste at the end of the sites life. The waste volume is given as a packaged waste volume based on the Nuclear Decommissioning Authority proposed waste package types. All Intermediate Level Waste is stored on power station sites pending a National decision on final disposal
Amount of Low Level Waste sent off site (m³)	UK Low Level Wastes (LLW) Wastes sent off site having a radioactive content not exceeding 4 GBq (gigabecquerels) per tonne of alpha, or 12 GBq per tonne of beta/gamma activity
Team Green Britain	TGB member data is stored in a database held by a third party agency Razorfish. The database receives a number of different feeds of new sign ups to allow us to track the source. At present these can be summarised as: - sign ups through the TGB website - sign ups completed through our Customer Services (entered by our agents on a unique website) - sign ups through Marketing and Brand activity (input from response files) - sign ups as part of products e.g. Eco2020 which are provided by the website hosts Energylinx - sign ups gained by our field agents which are completed on cards and manually entered by a mailing house  A weekly report is extracted of the number of sign ups per channel and the overall volume
POD schools registered	The Pod provides registered teachers with lesson plans, resource packs, activities, games and a place to blog and to share ideas about green issues including, energy, water, waste, transport and biodiversity. It also provides materials that students can use to inspire parents and the local community to be greener too. Data relating to the number of schools, teachers and students registered to <a href="https://www.jointhepod.org">www.jointhepod.org</a> is sourced from the websites content management system. This system is also used to measure engagement with the programme. Engagement calculations are based on registration information provided by users when they register to the site e.g. the number of pupils in the school, the level and type of interaction with different Pod resources, the target student size for particular activities and a set of assumptions e.g. average class size etc
Employee Engagement Survey	To help us improve the way we engage with employees, we appointed a new employee survey provider Towers Perrin-ISR (now known as Towers Watson) during 2009. As a leading global provider of employee and organisational surveys, Towers Perrin-ISR has already provided survey design expertise and invaluable support in analysing results and helping us to set priorities for action. We have also used the benchmark data they publish annually to give perspective to our survey results. They conducted an independent employee engagement survey of research in November 2008 and November 2009 and are currently conducting a 'Pulse Survey' (an employee engagement survey to c20% of our employee population) on our behalf
Read Reduce Reward	Reductions in energy usage are entirely within a customer's control. Participation in the Read. Reduce. Reward scheme will not itself reduce energy usage, but will help customers to do so as part of an overall energy saving programme, by providing energy efficiency advice and estimated forecasts of usage

Key Measure	<b>Definition</b>
London Warm Zone (LWZ)	London Warm Zone is a not for profit organisation working in partnership with local councils, the Government and EDF Energy. We make it easy for people who own their home or rent it from a private landlord to make energy efficiency home improvements and help them save money on their energy bills whilst reducing their carbon footprint
	An assessment form is completed on each site visit details of which are recorded on a specialist Energy Efficiency database (called UNO). It is maintained by an external IT company (Energy Audit) and LWZ Quarterly reports are extracted and checked by the individual Regional Directors before they are forwarded to the Senior Management Team. They are also sent to the National Energy Action Board, along with summary and graphs
SO <sub>2</sub>	The emissions of SO <sub>2</sub> from our coal-fired power stations are regulated by the Environment Agency under the Pollution Prevention and Control (PPC) permits and in accordance with the Environment Agency document "A Framework for the Regulation of Existing Large Coal- and Oil-Fired Combustion Plant at Power Stations in England and Wales: 2008-15". Data is audited periodically by Deloittes on behalf of the EDF Group
NOx	The emissions of NOx from our coal-fired power stations are regulated by the Environment Agency under the Pollution Prevention and Control (PPC) permits and in accordance with the Environment Agency document "A Framework for the Regulation of Existing Large Coal- and Oil-Fired Combustion Plant at Power Stations in England and Wales: 2008-15". Data is audited periodically by Deloittes on behalf of the EDF Group
CESP	The Community Energy Saving Programme (CESP) has been created as part of the government's Home Energy Saving Programme. It requires gas and electricity suppliers and electricity generators to deliver energy saving measures to domestic consumers in specific low income areas of Great Britain. CESP has been designed to promote a 'whole house' approach and to treat as many properties as possible in defined areas
Employee Numbers	The number of EDF Energy permanent full/part-time employees by headcount
Carbon Monoxide Detectors	A carbon monoxide detector or CO detector is a device that detects the presence of the carbon monoxide (CO) gas in order to prevent carbon monoxide poisoning
New Nuclear Milestones	This measures the ability of Nuclear New Build to deliver on quarterly deliverables on schedule. The deliverables selected for this measure are the key/ critical deliverables to ensure that NNB meets its critical deadline to deliver an EPR by 2018
Networks Satisfaction	This research is undertaken by an independent company on our behalf and covers:  Customers in Connections  Customers with planned and unplanned supply interruptions  Customers who have general enquiries
	The survey identifies behavioural, process and product improvements and is fed back directly to employees and managers in an effort to improve the efficiency and productivity of our networks business









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