



OUR BETTER ENERGY
AMBITIONS REPORT
2015



OUR BETTER ENERGY AMBITIONS



“People are at the heart of everything we do.”

2015 was a landmark year for action on climate change with the historic agreement reached by the world's governments in Paris during the United Nations climate conference, COP21. The agreement was a vindication and an encouragement of all those who have fought the battle against climate change for many years. I am pleased to say that we have played our part over many years and EDF Group was an Official Partner of COP21.

In the run-up to COP21, EDF Energy took another crucial step in its plans to build a new nuclear power station at Hinkley Point C in Somerset, with the signing of the Strategic Investment Agreement between EDF and China General Nuclear Power Corporation. Hinkley Point C will serve as an important source of secure, affordable, low-carbon electricity. As well as powering more than 5 million homes, it will avoid 9 million tonnes of CO₂ emissions during each year of its operation, which represents 7% of all the CO₂ produced by electricity generation in the UK in 2015.

2015 was also a year in which we achieved our strongest ever safety performance, with zero reportable nuclear events and a total recordable incident rate (TRIR) of 0.68 incidents per million hours worked: a 30% year-on-year improvement.

Around 45% of our residential energy supply customers are now on competitive fixed tariffs with no exit fees – a higher proportion than that achieved by our large competitors. As for business supply, in 2015 we maintained our position as the largest electricity supplier for business and were awarded the UK's largest annual electricity supply contract (10TWh) by the Crown Commercial Service¹.

We launched Blue Lab, an innovation platform and incubator to develop new products, business models and services for customers – and to continue to develop the ways in which our customers can take control of their energy through digital.

We finished the year with an overall output for nuclear of more than 60.6TWh, the best in 10 years. This excellent level of output is driven by our long-term commitment to continuous improvement by implementing best international practices and investment in the fleet. It has also helped to mitigate some of the impact of low and falling wholesale prices, which continue to be a challenge to our business. In February 2016, we were pleased to announce the life extension of four of our nuclear power stations. This will enable the continued supply of secure, reliable, low-carbon electricity to around a quarter of the UK's homes.

Our renewables portfolio saw a 9% increase in output due to the strong availability of our assets in 2015. Through our joint venture with EDF Energies Nouvelles, the fleet is continuing to expand, with three wind farms under construction.

People are at the heart of everything we do and, in 2015, we opened our state-of-the-art learning and development centre, Cannington Court, in Somerset. It uses the latest digital training tools and is the heart of our connected Campus network, complementing our MyCampus digital platform – now used for learning by employees across the country.

We continued to push hard on diversity and inclusion, achieving the National Equality Standard and continuing to inspire and prepare the next generation through award-winning, inspirational programmes such as our Pretty Curious campaign.

In 2016 and beyond, we will balance the need to deliver our long-term vision while addressing the short-term opportunities and challenges. I believe the ability and commitment to do this is one of the greatest strengths of EDF Energy. Remaining true to our values of Trust, Transparency and Teamwork, I am confident we will deliver a successful 2016.

**VINCENT DE RIVAZ, CBE,
CHIEF EXECUTIVE**



This report sets out the ways in which EDF Energy is fulfilling its long-term commitments on safety, sustainability, environmental impact and supporting customers. The story is one of progress on most fronts over the past 12 months and of big challenges and opportunities in the future.

The next 12 months will provide challenges and opportunities as EDF Energy moves forward on its long-term path. The Stakeholder Panel will be taking a particular interest in the final investment decision on Hinkley Point C and the development of the first products from the company's Blue Lab customer innovation platform. It is also looking forward to discussion on major events, including the final report from the Competition and Markets Authority (CMA) as it concludes its investigation into the nation's energy supply, and the implications for the energy industry of the forthcoming referendum on the UK's membership of the European Union.

Richard Lambert

**SIR RICHARD LAMBERT,
CHAIR, EDF ENERGY
STAKEHOLDER ADVISORY PANEL**

“The next 12 months will provide challenges and opportunities as EDF Energy moves forward on its long-term path.”

OUR BETTER ENERGY AMBITIONS

These are our plans for a sustainable business – and, ultimately, a better energy industry.



ZERO HARM

We believe all harm is preventable, so our number one priority is Zero Harm – to our people and the communities we serve. In other words, everybody.

More on page 6



CUSTOMERS

We support our most vulnerable customers and help everyone use energy efficiently – on top of doing our utmost to keep energy affordable.

More on page 12



ENVIRONMENT

Climate change affects everyone. We're helping tackle it by providing nearly 40% of the UK's low-carbon electricity. We want to set a good example for the whole energy industry to follow.

More on page 18



FINANCE AND ETHICS

We will be a better kind of energy company – one that works transparently and thinks long-term. After all, energy is an essential service; we must provide it in a responsible way.

More on page 24



NUCLEAR

We design and operate our existing and new nuclear power stations to the highest safety standards. This includes dealing responsibly with the waste they produce.

More on page 30



PEOPLE

Our people underpin all our other ambitions. We will inspire our people to be a force for good, both at work and in their communities.

More on page 36

1. Cornwall Energy Associates Business Sector – Electricity as at 31 October 2015. Data excludes Northern Ireland.

GLOBAL AGREEMENT ON CLIMATE CHANGE

Last year saw a moment of real global significance: the adoption of the Paris Agreement on climate change at COP21, the 21st United Nations climate change conference.

It is the first global agreement on climate change that requires action by all signatories. It sets a commitment to limit global temperature rise to 2°C, with further efforts to limit the rise to 1.5°C. The countries also aim to reach peak emissions as soon as possible and global net zero emissions in the second half of the century. That means fossil fuel use must be either eliminated in this century or fully balanced by natural absorption and carbon capture.

Individual commitments made by 189 countries show significant ambition. Still, the Agreement is a first step; a beginning, not an end.

The current UK Government has been very engaged in COP21 and successive Governments' ongoing commitment has been set out in carbon budgets.

EDF ENERGY'S ROLE

There is recognition that business will have to deliver much of the transition, having provided a powerful and constructive voice in support of a strong agreement. EDF Group played its part as Official Partner of COP21 and, here in the UK, we also have our part to play.

This is not a new theme for us. We have been addressing this issue for many years.

In 2007, we published Our Climate Commitments. In 2008, in our Sustainability Commitments, we further developed our vision and plan and, in 2013, we launched our Better Energy Ambitions. These ambitions combine the latest evolutions of our climate and sustainability commitments, embedding sustainability into the core of the business.

We have long been part of the solution, working with our customers to help them understand and manage their energy consumption.

We are the largest generator of low-carbon electricity in the UK and have consistently invested to improve our performance. Since acquiring our fleet of UK nuclear power stations in 2009, we have improved their output and extended their lives. Our nuclear journey continues with the next generation; our proposed new nuclear power station at Hinkley Point C will run for 60 years, if not more, and we are further planning new nuclear stations at Sizewell and Bradwell.

We have a sizeable portfolio of renewable assets, including the first off-shore windfarm in the EDF Group, and will continue to invest in renewables.

We have invested in our coal plants to make them more efficient and to ensure they operate as cleanly as possible until end of life. Our combined cycle gas turbine (CCGT) power station also contributes to the big switch away from coal, helping to safeguard UK energy supplies.

Importantly, we have also found a way to connect our low-carbon nuclear generation to our customers through Blue. Our Blue tariffs enable our customers to sign up in person to a low-carbon future through fixed-price contracts backed by nuclear electricity.

Increasingly, we need to demonstrate to all customers and stakeholders that choosing low-carbon nuclear electricity is choosing to support the fight against climate change.

The Paris Agreement starts us all on a path towards full decarbonisation by the end of this century. This long-term approach is aligned with the one we take to our business. Our new nuclear assets will run until the end of the century and therefore are a perfect match. We approach the challenge of climate change as people who will pass this planet on to our children and our grandchildren.

THE ENERGY CHALLENGE

Sustainability is at the heart of the way we do business. For us, that means running our business safely and in ways that deliver improved environmental, social, financial, ethical and operational performance.

Being a sustainable business is about taking a very long-term view. One of our great strengths is our ability to balance a long-term vision with a short-term focus. For example, we are investing in assets that will operate until the end of the century, while in other areas – such as our Customers business – we are responding to rapid developments in our industry, in particular with digital.

For us, sustainability leadership is about collaboration to drive change across the industry and beyond – not just about doing better than our competitors. We engage with our stakeholders to understand the significant issues affecting them, our business and our customers. This helps us focus our resources, stakeholder engagement and reporting activities on the most significant issues for our business and the world around us.

As outlined in our **Sustainable Business Policy**, we are committed to working with our stakeholders to review our Better Energy Ambitions every three to five years to ensure they remain relevant and address both existing and emerging sustainability challenges. This is why we are undertaking a further review in 2016, to demonstrate leadership in sustainability and drive continuous performance improvements in our business.



OUR MISSION

'Driving progress for people' – a successful and responsible long-term energy business, trusted by customers and powering a thriving society and a healthy environment.

OUR AMBITIONS

We will deliver our mission by achieving key objectives aligned to our Better Energy Ambitions. These are our plan for a sustainable business. They focus on the most important issues for our customers, our people, our business and the communities and environment we are part of. They directly address how we will tackle the key challenges facing the energy sector.

Delivering against our ambitions requires determination and consistency in action.

- To achieve Zero Harm to people
- To be the best and most trusted for customers
- To power society without costing the earth
- To deliver safe, secure and responsible nuclear electricity
- To achieve strong financial and ethical performance
- To empower our people to be a force for good.

FURTHER READING

- For details on how we are addressing the energy challenge, visit edfenergy.com/energy
- The process we use to identify and prioritise our sustainability issues can be found at edfenergy.com/stakeholder-engagement
- We set targets for each of our Better Energy Ambitions so we can track and report our progress. Find out more at edfenergy.com



LIFE-SAVING RULES

We believe all harm is preventable, so our aim is Zero Harm. That means providing healthy workplaces that are safe for all, focusing strongly on wellbeing, and taking action to make sure the public is not harmed by our operations.

In 2015, we launched the Life-Saving Rules: Group-wide safety precautions aimed at preserving life. The rules formalise the steps we already take every day, setting them out in a simple, consistent way to give our policies more impact.

SIMON'S VIEW

"My role involves keeping Health, Safety and Environmental (HS&E) documentation updated, site visits, toolbox talks and site inspections. These activities support the objectives of the wider HS&E team, which are to provide people with the tools and environment to stay safe and healthy. We have a moral duty of care towards all employees."

"Perhaps the most enjoyable part of my role is the job satisfaction I get at the end of each day in the knowledge all my endeavours contribute to our collective aim of Zero Harm."

Simon Warrilow, Health and Safety Adviser



ZERO HARM

Our aim is Zero Harm to our people and the communities we serve.

Health, safety and wellbeing are our top priorities. Our progress toward Zero Harm, and our related improvements in performance, have been achieved through a company-wide approach to risk management. This is supported by robust health and safety procedures, wellbeing management systems and a clear governance framework to manage wellbeing, personal safety and process safety.

OUR SAFETY

What we measure	Status	2015 target	2015	2014	2013
Total Recordable Incident Rate (TRIR) in incidents per million hours worked (employees and contractors)	Beyond target	0.83	0.68	0.95	0.84

We recorded our best ever TRIR and Lost-Time Incident Rate (LTIR) in 2015. Our rolling 12-month TRIR for December 2015 was a 28% improvement on our performance in 2014. And our overall rolling 12-month Lost Time Incident Rate (LTIR) was 0.42 incidents per million hours, a 5% improvement on 2014 (0.44).

While our TRIR and LTIR remain best in class compared to our peers in the energy sector, we are in no way complacent. To improve our safety performance further, we continue to learn from near-miss safety incidents classified as High Potential Events (HPEs). We identified more than 50 HPEs in 2015 which could have resulted in very serious harm and implemented action groups to respond to key trends, including working at height, driving and working with electricity.

We successfully launched our 10 Life-Saving Rules, building on our Five Health and Safety Simple Actions. These outline our vital Group-wide safety precautions aimed at preserving life. We also partnered with the Health and Safety Laboratory in 2015 and are piloting their culture model in our field services business unit and at Hinkley Point C.

We continued to implement our health and safety assurance programme, which includes external assurance through OHSAS 18001 certification. Our network of health and safety committees ran a series of campaigns throughout the year, including a company-wide Health and Safety Week in October.

2016 PLANS

As set out in our 2014-17 Strategic Plan, we will:

- deploy the health and safety culture assessment model across the company
- fully embed our new HPE process across the business and continue to drive improvements in response to key risk themes – in particular, road risk and working at height
- facilitate collaborative working among our supply chain partners so we can share best practices in key risk areas, such as working at height and occupational health
- ensure key business projects, such as Hinkley Point C and Smart Metering, are set up for success in safety terms.

OUR WELLBEING

What we measure	Status	2015 target	2015	2014	2013
Primarily Work-Related Ill Health (PWRIH) rate in cases per million hours worked (employees only)	Beyond target	1.73	0.76	1.73	4.86

Our total number of work-related ill health cases decreased by 25% compared to 2014, while sickness absence improved by 6%. The significant improvement since 2013 stems from a five-year health and wellbeing strategic plan, initiated in 2012, which has increased our focus on health and wellbeing across the business.

Our total employee work-related ill health rate (which includes Primarily Work-Related and Work-Aggravated ill health cases) stands at 32.62 cases per million hours worked: a 25% improvement since December 2014.

The majority of ill health cases are musculoskeletal and/or stress-related; our sustained focus on stress management saw a 52% reduction in the number of mental health cases in the year. Our PWRIH performance continues to improve, with the number of cases per million hours worked in 2015 decreasing by 56% since December 2014.

Our sickness absence performance was 3.65%, a 6% improvement compared with 2014. The sustained focus on absence management in Customer Services, focusing on early referral into Occupational Health and a programme of Manager Briefings are some of the key drivers behind this reduction.

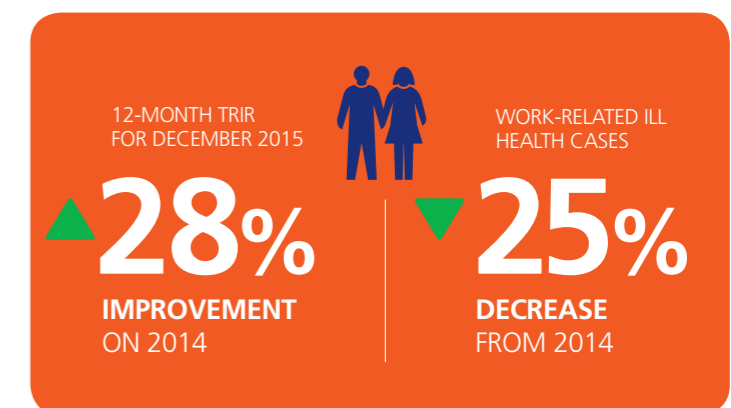
Additionally, we delivered a suite of wellbeing interventions such as our flu vaccination

programme, a cross-company Fit Club and Ergoblitzes promoting healthy posture in our offices.

2016 PLANS

Our focus will remain on the goals in our five-year health and wellbeing strategic plan. We will refresh the plan to a 2020 horizon, using what we have learned in recent years. Our focus will be twofold:

- supporting managers, who hold the key to delivering a 'Health Like Safety' approach
- continuing our education and awareness campaigns, engaging with our people and encouraging them to make positive changes to improve their health and wellbeing.





ZERO HARM

Our aim is Zero Harm to our people and the communities we serve.

PUBLIC SAFETY

With safety as our highest priority, Zero Harm to our people and the communities we are part of has always been central to how we operate. This is why our Zero Harm ambition specifically references “the communities we serve” and we have a target to have zero reportable incidents involving the public.

We had zero reportable incidents involving members of the public in 2015. We also formed a partnership with RoSPA.

2016 PLANS

Ensuring Zero Harm is at the heart of our Smart Metering project is a key priority in 2016. Additionally, we will build on our relationship with RoSPA to:

- deliver interventions that support their mission to save lives and reduce injuries
- provide more information and advice to our workforce to strengthen safety outside of work, ensuring we keep our colleagues safe at all times.

We will review and deliver ways to promote safety at home, during leisure time and on the move through a variety of channels – for example, our visitor centres and The Pod.

WE HAD
ZERO
REPORTABLE
INCIDENTS
INVOLVING
MEMBERS
OF THE PUBLIC
IN 2015.




AWARDS

■ RoSPA: commendation for excellence in health and safety at work.

■ Business in the Community: Responsible Business Award reaccreditation (Workwell category)

ZERO HARM GLOSSARY

- **Ergoblitzes:** A web-based application that provides employees with personalised ergonomic workstation solutions. This is supported by proactive floor walking and road shows for our employees. It empowers individuals to recognise risks, make a change and manage their workstation health individually.
- **Lost Time Incident Rate (LTIR):** The number of lost-time incidents – workplace accidents that lead to a day or more off work – per million hours worked. Covers all staff – employees, agency and contractors.
- **Primarily Work-Related Ill Health (PWRIH) rate:** The number of PWRIH cases per million hours worked. PWRIH cases are those that occur following evidenced exposure to aspects of work, either physical or psychological.
- **Public Safety incident:** Incident that results in a death or injury requiring removal to a hospital for treatment of a person who is not at work, but is directly affected by EDF Energy undertaking its operations – such as a member of the public or a customer. This definition is in line with the requirements set out in RIDDOR.
- **Reporting of Injuries, Diseases and Dangerous Occurrences Regulations 2013 (RIDDOR) rate:** Measures the frequency of incidents that have to be reported to the Health and Safety Executive.
- **Total Recordable Injury Rate (TRIR):** The number of lost-time injuries plus the number of restricted work injuries plus the number of medical treatment injuries to our employees and contractors per million hours worked.



ENERGY COMPANY OBLIGATION

In May 2015, as part of our Energy Company Obligation (ECO) responsibilities, we approved £1 million of funding for biomass district heating systems for three redeveloped central Manchester tower blocks.

The refurbished Tribe apartments have regenerated the area. The once-derelict towers now house 192 flats within reach of the city centre. Their ECO-funded biomass boilers could save tenants up to £880 a year on bills compared with electric heating, according to the Energy Savings Trust – as well as saving 27,000 tonnes of carbon a year.

MARK'S VIEW

"Our team looks to identify and develop ECO funding opportunities with local authorities, councils and housing associations.

"We then manage the commercial development of each project to ensure EDF Energy's obligated funding is spent appropriately and cost-effectively, typically reducing energy costs for householders, creating warmer and more comfortable energy-efficient homes and reducing household carbon emissions."

Mark Dallen, Business Development Account Manager

CUSTOMERS

We aim to be the best and most trusted energy company, known for helping customers.

Being the best and most trusted goes beyond safely and securely supplying electricity to our customers' homes and businesses – it's also about how we help customers use and save energy, and how we support vulnerable customers. We also need customers to trust we will help them make the most of the opportunities a low-carbon future will bring.

CUSTOMER SERVICE AND TRUST

What we measure	Status
Improvement in Best for Customer Index	On target
Publication of Customer Commitments	On target

Our Customer Commitments, which we publish on our [website](#), provide regular performance updates along with details on how we are delivering fair value, better service and simplicity for our residential and business customers.

Following a concerted effort by our Customer Service teams, in the last 12 months we were rated top of the major energy suppliers in the Institute of Customer Service's Customer Satisfaction Index¹.

Complaints per 100,000 customers decreased from a quarterly average of 1766 at the start of January to 793 at year-end thanks to a number of system process and customer service improvements. Written complaints exceeded our minimum target, with issues related to the new industrial and commercial billing system taking longer to resolve than originally anticipated. However, our complaints handling process has helped customers retain confidence – this is currently scoring 8/10 in terms of customer feedback.

1. Utilities Sector results of the UK Customer Satisfaction Index.



Our Complaint Improvement Programme continues to focus on the root causes of complaints and on keeping our customers informed about how we're resolving them. In Q3 2015, we ranked second out of 19 suppliers in the Citizens Advice Complaint League Table for our handling of complaints for our residential customers. Between Q3 2014 and Q3 2015, we achieved the highest rate of improvement in the Citizens Advice Complaint League Table out of the six major suppliers.

Through our Standards of Conduct (SoC) Forum, we organised a SoC External Panel of independent experts to advise us on how to put customers even more at the heart of everything we do. And in July we launched Blue Lab, an innovation platform with a dedicated team to explore potential new partners, products, services and business models. The new Blue Lab team has set out their priorities: connected homes, energy services and new business models.

RESIDENTIAL AND SMALL BUSINESS CUSTOMERS

For our residential customers, we launched a new Blue+Price Promise tariff and a personalised support service online tool to help those most in need. The tool gives customers advice on finding the best tariff, keeping energy use and costs down and managing debt. It also provides help for customers with special requirements (such as partially-sighted and disabled people).

Around 45% of our residential customers are now on fixed tariffs with no exit fees – a higher proportion than among most of our large competitors.

Since its launch in January 2015, the EDF Energy app has been accessed more than 3.2 million times. Residential and small business customers can now manage their Direct Debits, see the progress of their switch to EDF Energy and get help via live webchat, all through the app. Prepayment customers can find their nearest outlets and request a new card or key. Small businesses can also manage multiple sites with one login.

We reviewed the email alerts we send to our residential and small business customers to make them clearer and easier to follow. We successfully launched the first Quote and Buy digital platform, which enables our small and medium-sized enterprise (SME) customers to get a quote in less than a minute. We also teamed up with UK charity Business Debt Line to launch our Recovery for Small Businesses product, which helps small businesses get back on track with their energy bills.

LARGE BUSINESS CUSTOMERS

We were awarded the UK's largest annual electricity supply contract (10TWh a year) by the Crown Commercial Service.

The market-leading online portal we launched last year provides our large business customers

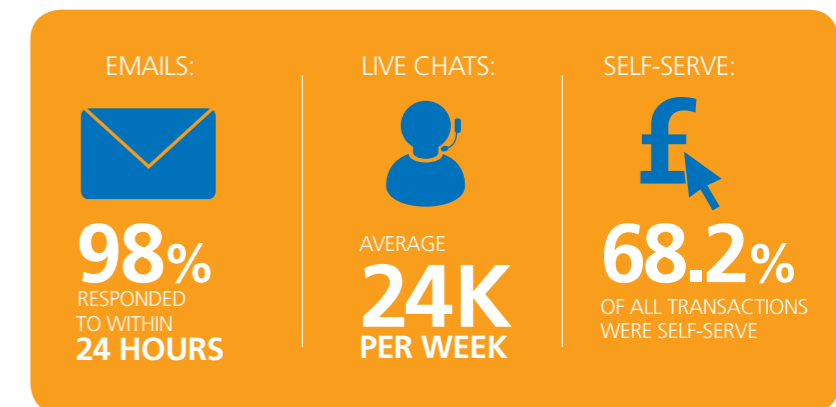
with relevant market prices and information in a few clicks. Along with our new 24/7 Live Chat service, our efforts to highlight transactions that can be carried out online means more business customers have the information they need at their fingertips.

We upgraded our Market Insight service for half-hourly large business customers affected by the Triad. We've given them the ability to set alerts and thresholds that will help them stay up to date with the latest market trends and avoid any unexpected costs. And our Talk Power programme continues to keep our large business customers informed about changes in the energy landscape.

2016 PLANS

We will change our industrial and commercial complaint handling and categorisation to enable us to identify the root causes of complaints and address issues more efficiently. We are also setting up an operational excellence team to review SME complaints and ensure timely improvements.

We plan to continue the SoC External Panel and to launch the first Blue Lab products in 2016.





CUSTOMERS

We aim to be the best and most trusted energy company, known for helping customers.

ENERGY EFFICIENCY

We're committed to delivering a compliant yet cost-effective Energy Company Obligation (ECO) scheme. This is why we set a target to be the most cost-effective energy company in delivering the ECO programme, as reported by the Department of Energy and Climate Change by March 2017.

At the end of December 2015, the data we would need to determine our cost-effectiveness compared to the other large suppliers was not available. However, our own analysis shows that prices paid in 2015 were cheaper than the industry average and achieved a good balance between programme compliance, quality and value for money.

We have fitted more than 39,000 homes with replacement boilers through the ECO scheme. These will reduce bills for some of our most vulnerable customers, saving more than £663 million in total over the boilers' lifetimes.

We also continued to work with Bristol City Council and the Association of Greater Manchester Authorities, funding energy efficiency improvement works worth £4 million, with more than 3,300 homes benefitting from the two schemes. Other consortia schemes were also running in London and Glasgow.

2016 PLANS

We expect our ECO scheme obligation to be achieved ahead of the Government deadline. In 2016, our teams will be preparing for Energy Company Obligation 3 (ECO3) to help ensure it is simple and affordable while supporting the most vulnerable customers.

2. Assumes Home Heating Cost Reduction Obligation, Carbon Saving Community Obligation (CSCO) and CSCO Rural customers are low-income and vulnerable.

VULNERABLE CUSTOMERS

87% of our customer service employees received vulnerability training in 2015. We are currently developing equivalent training for Energy Field Services and Smart Metering employees.

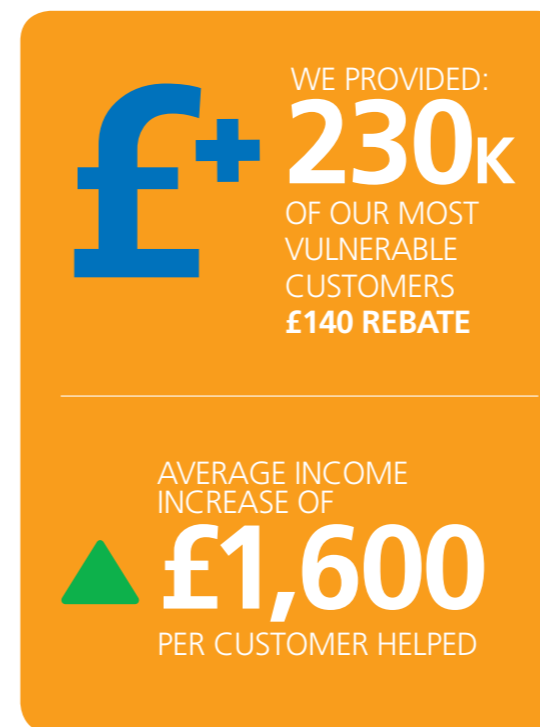
At the end of March 2016, we had provided a £140 rebate to more than 230,000 of our most vulnerable customers, totalling £33 million, as part of the Warm Home Discount scheme (April 2015-March 2016 year). Our Benefit Entitlement Check and Support helpline (delivered through community interest company IncomeMAX) also met its Warm Home Discount targets at the end of March 2016, having completed 4,483 benefit entitlement checks with an average income increase of £1,600 per customer helped.

We installed a total of 23,000 energy efficiency improvements through the ECO scheme, helping to reduce the energy use of low-income and vulnerable households².

Since its launch in January 2015, our **Personalised Support Service Tool** has received 10,300 unique visits with 1,752 completing the service and receiving their list of recommendations.

The number of vulnerable customers on our Priority Services Register (PSR) increased by 22% compared to 2014, bringing the total to 478,568.

The EDF Energy Trust Fund made 3,260 awards to vulnerable customers and our dedicated independent Debt Advice Helpline,



delivered through Plymouth Citizens Advice Bureau, helped 6,483 customers with debt.

2016 PLANS

We will roll out a new vulnerable customers policy in line with Ofgem's Consumer Vulnerability strategy. We will also ready our plans for coming industry changes that will affect our Priority Services Register. This includes helping our most at-risk vulnerable customers ensure they are on the right tariff.



CUSTOMERS GLOSSARY

- EDF Energy Trust:** An independent Charitable Trust established in 2003, charity number 1099446. The first utility trust of its kind, it contributes to the relief of poverty with a particular focus on fuel poverty and helping families and individuals who are struggling to pay for their domestic supply of gas and electricity.
- Energy Company Obligation (ECO):** A Government scheme that obligates larger suppliers to deliver energy efficiency measures to domestic premises in Britain. Suppliers are allocated a proportion of the overall ECO targets, depending on their relative share of the domestic gas and electricity market.
- Ofgem:** The Office of Gas and Electricity Markets. A non-ministerial Government department and independent National Regulatory Authority that protects the interests of electricity and gas consumers.
- Priority Services Register:** A range of free services energy suppliers are obliged to offer their most vulnerable customers – those who:
 - are of pensionable age
 - have a disability
 - have a hearing and/or visual impairment
 - have long-term ill-health.
- Triad:** The four-month winter period National Grid looks back at to find the three half-hour periods when electricity demand was highest – known as the Triad demand periods.
- Warm Home Discount Scheme:** Helps households in England, Scotland and Wales who need it most to get a rebate on their electricity bill.



CANNINGTON COURT

EDF Energy has transformed Cannington Court, a former twelfth-century priory in Bridgwater, Somerset, into a state-of-the-art residential training campus.

The transformation includes an on-site energy centre that draws on in-house expertise. Cannington Court is also a demonstration test bed for retrofitting low-carbon technologies to older buildings – supporting EDF Energy’s ambition to lead the transition to a low-carbon energy future.

SARAH’S VIEW

“Opening the doors to Cannington Court last year was an exciting time and the result of a lot of hard work from many people. The physical changes to what was a very old, unused building are truly remarkable. I am extremely proud that I have been able to witness this historic transformation.”

“Generating our own energy through the innovative energy centre is great and we are looking at how we can integrate the building management and booking systems to ensure we don’t heat rooms that are not being used.”

“Leading the team through this first year has provided learning opportunities that will stay with me forever.”

Sarah Hazeldine, Campus Business Manager



ENVIRONMENT

We will lead the decarbonisation of the UK electricity sector while achieving an increasingly positive environmental impact across our operations.

The scientific evidence on climate change is clear. The latest science points to multiple changes in the Earth's climate, including longer and more frequent heat waves, increased extreme rainfall events and flooding, and rising sea levels. This will have real and significant impacts on economies and societies. Governments have agreed that, in order to minimise the risks of the worst impacts of climate change, global average warming should be stabilised below 2°C.

CARBON EMISSIONS

What we measure	Status	2030 target	2015	2014	2013
Emissions from electricity generation in grams of CO ₂ per kilowatt-hour (gCO ₂ /kWh)	On target	100	203	245	256

As the largest producer of low-carbon electricity in the UK, EDF Energy is uniquely positioned to play a key ongoing role in tackling climate change. We already produce around a third of the UK's low-carbon energy and continue to invest to safely and securely meet the UK's energy demands while bringing emissions down.

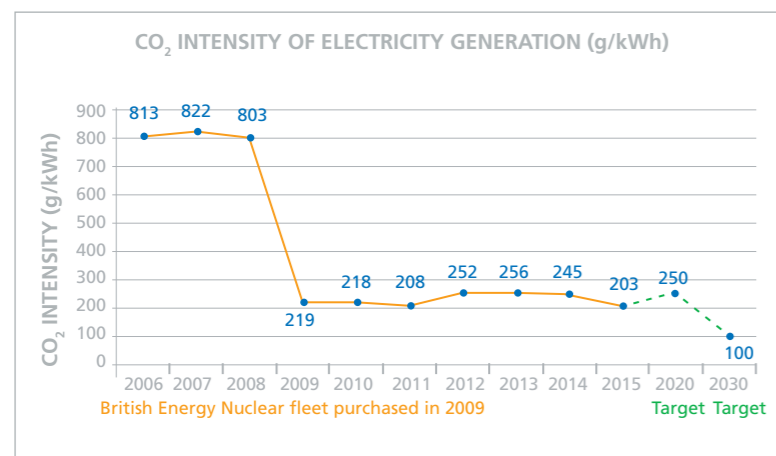
Our CO₂e emissions for 2015 totalled 16.88 million tonnes, compared with 19.97 million tonnes in 2014, largely because of an outage at Cottam power station. Emissions are predicted to fall from summer 2016 as the Industrial

Emissions Directive (IED) limits generation from our coal stations.

Our nuclear power stations generated more than 60.6TWh of electricity, the highest level for 10 years and 50% higher than in 2008, when EDF Energy acquired the stations. We invested £600 million in our nuclear plants this year, which is helping to improve our generation performance alongside the adoption of international best practice through continuous improvement.

We secured life extensions for four of our advanced gas-cooled reactor (AGR) nuclear power stations: Heysham 1 and Heysham 2 in Lancashire, Hartlepool in Teesside and Torness in East Lothian. Since acquisition, EDF Energy has extended the lives of the AGR stations by an average of 8.3 years. This equates to 409TWh of additional generation, which is estimated to avoid around 95 million tonnes of CO₂.

We successfully completed large planned outages, many interim outages and opportunity maintenance at weekends at our coal plants Cottam and West Burton A. This meant some units generated less electricity in 2015, which resulted in reduced emissions. In 2016, when



the IED introduces new emissions limits, our coal plants will experience greater operational and financial challenges.

While we have invested to make our coal stations cleaner, they produce nearly three times as much CO₂ per kWh as our new combined cycle gas turbine (CCGT) at West Burton.

The CCGT increased its output and emissions by 25% during 2015 to meet our customers' demand for energy. It is a new and highly efficient power station, so opportunities to improve its efficiency further are more limited than at our older stations. External auditors recertified the station under:

- ISO50001 standard, which confirms energy use is efficient and managed effectively to meet environmental targets
- ISO14001 standard, which reaffirms the station's commitment to reducing environmental impact and addressing our stakeholders' expectations as a good neighbour and sustainable operator.

We generated 9% more electricity from renewables than in 2014 thanks to the excellent availability of our assets. The three

new wind farms we are building through our joint venture with EDF Energies Nouvelles – Park Spring in Yorkshire, Burnhead and Rhodders in Scotland – were commissioned this year, adding around 50MW capacity to our existing 31 wind farms' 599MW.

We are also monitoring carbon arising from our commercial buildings and transport.

2016 PLANS

Our CCGT team achieved zero waste to landfill in 2015. Under a new contract, silt removed from river water after being abstracted from the River Trent is now being taken off site and returned to the natural environment. The team is also looking at composting, land reclamation and soil conditioning as potential ways to dispose of silt sustainably.

The CCGT team plans to continue working on producing less conventional waste during 2016 to improve the sustainability of the power station further.

We have been looking at construction projects, which should add another 67MW to our onshore wind fleet.

BIODIVERSITY

What we measure	Status	2015 target	2015	2014	2013
Power Stations with the Wildlife Trusts' Biodiversity Benchmark	On target	70%	73%	70%	50%

The land surrounding all eight of our nuclear power stations is certified to the Wildlife Trusts' Biodiversity Benchmark¹.

We aim to achieve the Biodiversity Benchmark at the sites where we have the greatest potential to protect and enhance wildlife.

1. The Biodiversity Benchmark is currently held by Heysham A & B (which share a single nature reserve), Hinkley Point B, Dungeness B, Sizewell B, Hartlepool, Torness, and Hunterston power stations. The current commitment had planned for Cottam, West Burton A and B, and our renewables business as a whole to hold the Biodiversity Benchmark. Potentially we have 11 operational businesses that can apply to obtain certification. Therefore our calculation methodology has changed.

ENVIRONMENT

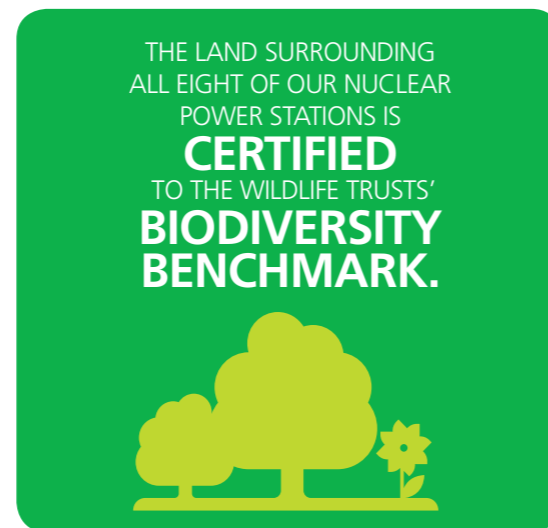
We will lead the decarbonisation of the UK electricity sector while achieving an increasingly positive environmental impact across our operations.

This includes a variety of Special Areas of Conservation, Special Protection Areas and other important protected habitats.

There are no plans to extend the Biodiversity Benchmark to our coal and CCGT power Stations during 2016, because market conditions are limiting our options for further development of the benchmark.

2016 PLANS

In 2016 we will update the biodiversity plans for the rest of our estate (excluding our thermal power stations) and review our longer term plans for the benchmark across all of our operations.



WATER

What we measure	Status	2015 target	2015	2014	2013
Operational water footprint in cubic metres per annum (m3 pa)	On target	Publish footprint	8.6 billion	Baseline established: 8.2 billion	Not measured

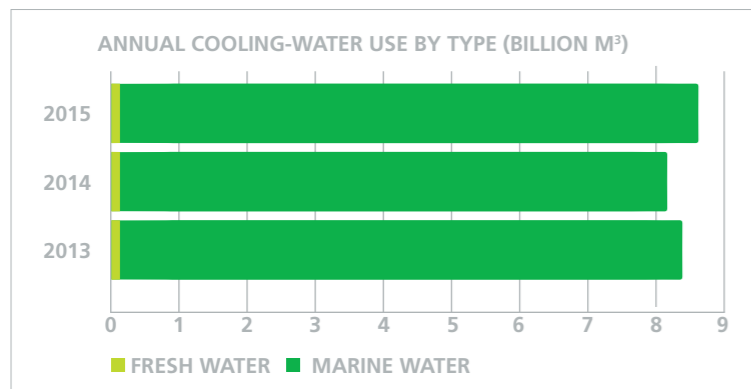
We have taken positive steps to manage the use of water within our business. With water resources coming under increasing pressure from population growth and environmental change, we are setting a water target.

We use water to cool various components of our power stations, as well as for cleaning, drinking and other support processes.

The amount of cooling water we use depends on the amount of electricity we generate. In 2015, the amount of electricity we generated increased compared to 2014 and as a result so did our use of water for cooling.

99% of our total water footprint in 2015 was seawater, used at our coastal nuclear power stations before being returned to the sea.

Freshwater from the nearby River Trent is used at our inland coal and gas stations.



Approximately 67% of the water abstracted from the River Trent in 2015 was returned to the river. The majority of the water not returned is lost into the atmosphere by evaporation from the cooling towers.

We have strict controls in place to make sure water returns to the River Trent are at a temperature and quality that meets the Environment Agency's licence conditions. We also monitor for any potential pollutants in the discharged water, to meet the Environment Agency's conditions.

We analyse our water footprint to understand our power stations' use of water, the impact on the surrounding environment and how we can use less. We also monitor the fresh water use of our commercial activities such as our offices. In 2015, our fresh mains water use decreased to 68,800m³ compared with 72,500m³ in 2014. Our fresh mains water use has declined overall since 2010 because we have made efforts to reduce leaks and closed some of our data centres, which used water to cool the servers.

2016 PLANS

We will explore opportunities to track water use in individual station processes and identify potential efficiency improvements. We will investigate how our water use affects our local environment, taking into account climate and flood risks. We will publish our key findings in our 2016 report.



ENVIRONMENT GLOSSARY

- Biodiversity Benchmark:** The Wildlife Trusts' standard for assessing and certifying an organisation's systems for protecting biodiversity.
- CO₂:** Carbon dioxide, the most common greenhouse gas emitted by human activities, in terms of the quantity released and its total impact on global warming. Sometimes used as shorthand for all greenhouse gases, though 'carbon dioxide equivalent' or 'CO₂e' is more accurate.
- CO₂e:** Carbon dioxide equivalent, a way of describing the collective effects of different greenhouse gases in a single unit. CO₂e signifies the amount of CO₂ that would have an equivalent global warming impact to the emissions in question.
- CO₂ intensity:** The level of emissions produced by an activity. The CO₂ intensity of electricity generation is measured in grams of CO₂ emitted per kilowatt-hour of electricity generated (gCO₂/kWh).
- Combined Cycle Gas Turbine (CCGT):** A type of gas-fired electricity generation plant which uses waste heat to run a steam turbine.
- Greenhouse gases (GHGs):** Gases that trap heat in the atmosphere. The main greenhouse gases are carbon dioxide (CO₂), methane (CH₄), nitrous oxide (N₂O) – released by burning fossil fuels and through other industrial processes – and fluorinated gases (synthetic greenhouse gases typically used in refrigerant systems).

OFFICE DEPOT

Office Depot provides office supplies to more than 95% of EDF Energy office sites. Together, EDF Energy and Office Depot are working on ways to make the contract more sustainable.

A switch to online ordering means Office Depot needs to print fewer paper catalogues, while new equipment is cutting down packaging waste. EDF Energy is also ordering more products from Office Depot's sustainable range. The range of partnership initiatives aims to reduce the contract's carbon and waste footprints and other energy-related indicators.

SAM'S VIEW

"Every action I take on a daily basis is to ensure we achieve value from our suppliers. Getting the best value from suppliers either saves the company money, achieves higher quality products and services or both."

"I ensure we are only buying from suppliers that support our sustainability ambitions. I have pushed through a change to our stationery catalogue that ensures we only have the most environmentally friendly products available, reduced the number of stationery deliveries – reducing our CO₂ emissions greatly – and completed smaller changes, such as using paper instead of card for work order cards."

Sam Willcox, Supply Chain Specialist





FINANCE AND ETHICS

We will make strong and trusted financial and ethical performance central to how we do business, providing an essential service in a responsible way.

We are bearing down on costs across our operations, investing our profits wisely and taking a responsible and honest approach to our tax management. This puts our customers first, ensuring fair value and making an important contribution to the UK as a whole through tax, employment and investment in the country's low-carbon energy supply and infrastructure.

FINANCIAL PERFORMANCE

What we measure	Status
Free cash flow in earnings before interest and tax (EBIT)	Beyond target
Return on capital	On target

Our underlying operating profit (EBIT) in 2015 was £664m. This was 15% lower than in 2014 (£783m) as a result of the ongoing cost of our investment programme. Excluded from the EBIT figure is a one-off charge of £796 million related to gas and coal generation and storage equipment falling in value – a reflection of the year's challenging market conditions.

We invest £600 million a year in our nuclear plants and this investment is paying off. In 2015, they generated 60.6TWh, the highest level for 10 years and 50% higher than in 2008, the year EDF Energy acquired the stations.

In the face of challenging market conditions, our belief that the Government will maintain and strengthen its Carbon Price Floor and Capacity Market policies gave us the confidence to extend the operational life of four of our nuclear power stations. The Carbon Price Floor encourages generation from low-



WE REINVESTED ALL OF OUR OPERATING PROFIT AND MORE BACK INTO THE BUSINESS, SPENDING MORE THAN **£1.3 BILLION** ON OUR NUCLEAR, COAL AND RENEWABLE PLANTS

OUR BELIEF THAT THE GOVERNMENT WILL MAINTAIN AND STRENGTHEN ITS CARBON PRICE FLOOR AND CAPACITY MARKET POLICIES GAVE US THE CONFIDENCE TO **EXTEND THE OPERATIONAL LIFE** OF FOUR OF OUR NUCLEAR POWER STATIONS



carbon sources like nuclear, while the Capacity Market ensures the UK has the power it needs.

COMPLIANCE WITH TAX POLICY

EDF Group will continue to demonstrate a responsible and honest approach to its tax management. It has adopted a tax policy aligned with its stated ambitions and values. It includes, for example:

- acting with integrity
- only undertaking tax planning to ensure legitimate business activities are implemented efficiently and not undertaking artificial schemes or arrangements
- maintaining an open, honest and positive working relationship with HMRC
- where differences of view arise with regard to the interpretation and application of tax law, committing to addressing the matter in real time and resolving the matter with HMRC in a constructive manner.

EDF Energy is a UK company and all EDF Group profits and losses are appropriately taxed or relieved in the UK, regardless of where individual entities were originally incorporated. In addition, the Group seeks to pay the right amount of tax at the right time according to both the letter and spirit of UK tax laws. The Group chooses to discuss significant transactions with HMRC in advance of their completion, where it feels the tax treatment is uncertain. Based on our 2015 profits, we expect to pay around £120 million in corporation tax.

We reinvested all of our operating profit and more back into the business, spending more than £1.3 billion on our nuclear, coal and renewable plants and on our new nuclear project, Hinkley Point C.

2016 PLANS

We will review our processes and resources to find efficiencies and eliminate tax risk.

FINANCE AND ETHICS

We will make strong and trusted financial and ethical performance central to how we do business, providing an essential service in a responsible way.

ETHICAL PERFORMANCE

What we measure	Status	2015 target	2015	2014	2013
Suppliers compliant with UN Global Compact	Behind target	100%	98.5%	97.2%	91.5%

How we conduct our business, and the impact and influence we have through our wider supply chain, is just as important as our financial performance. We publish our performance against the 10 principles of the United Nations Global Compact (UNGC) to help us focus and improve our performance.

We spent £2.2 billion with more than 4,000 suppliers, broadly consistent with 2014. We calculate this supported more than 89,000 indirect jobs in our supply chain.

We continued our journey of continuous improvement against the Chartered Institute of Procurement and Supply (CIPS) Sustainable Procurement Review by:

- adopting the CIPS Sustainability Index (SI) for supplier assessment
- inviting our Top 200 suppliers (84% of corporate spend) to undertake a CIPS SI assessment (42 have completed and published scores so far)
- establishing a Health, Safety and Environmental (HSE) and Wellbeing forum where we can collaborate with our strategic supply chain partners across six work streams
- supporting our company-wide accreditation against the National Equality Standard
- collaborating with our supply partner EY to hold a joint women's network event

- continuing the rollout of sustainability training to our supply chain practitioners.

We decided not to seek silver accreditation in the CIPS Sustainable Procurement Review, allowing us to focus on establishing the foundations required for future sustained success.

We continued to promote and assure UNGC compliance among our suppliers, but fell slightly short of our 100% target.

Early in 2016, with the support of our Trades Unions, we gained the Voluntary Living Wage accreditation. This means we will continue paying our employees a Living Wage and will work with our supply chain partners to make



WE SUPPORTED MORE THAN **89,000** JOBS OUR SUPPLY IN CHAIN

sure everybody who works in our supply chain is also paid a Living Wage.

We published our first **Communication on Progress** of our compliance against the 10 principles of the UNGC. We have committed to achieving advanced level compliance by 2017.

WE PAY OUR EMPLOYEES A **LIVING WAGE** AND WANT TO MAKE SURE OUR SUPPLY CHAIN PARTNERS DO TOO

2016 PLANS

We will continue to engage our top suppliers on sustainability. Our target is for 100% of our prioritised suppliers to have completed the CIPS SI assessment by the end of 2016, with improvement plans agreed for any suppliers falling short of the average.

We will revise our UNGC compliance target to 95% of suppliers to allow for process timescales and churn within our vendor master database.

Upon request, we will provide our suppliers with an interim statement of our compliance with the Modern Slavery Act 2015, ahead of publishing a full statement on our website in 2017.

ACHIEVEMENTS

We were awarded the UK's largest annual electricity supply contract by the Crown Commercial Service following a competitive tender process.

FINANCE AND ETHICS GLOSSARY

- **CIPS Sustainability Index:** An independent, cross-sector audit of suppliers' environmental, economic and social sustainability.
- **CIPS Sustainability Procurement Review:** Helps companies measure their environmental, social and economic impact through sustainable procurement.
- **Corporation Tax:** A tax levied in the UK on the taxable profits of UK companies, most unincorporated associations and overseas companies who have a UK branch or office.
- **EBIT:** Earnings before interest and tax. An indicator of a company's profitability, calculated as revenue minus expenses, excluding interest and tax.
- **Free Cash Flow:** Operating cash flow minus capital expenditures. Represents the cash a company can generate after laying out the money required to maintain or expand its asset base.
- **Return On Capital:** A return from an investment that is not considered income. Occurs when some or all of the investment is paid back to the investor, decreasing the value of the investment.
- **UN Global Compact:** A framework for businesses stating 10 principles in the areas of human rights, labour, the environment and anti-corruption.



GRADUATE SCHEMES

EDF Energy is the UK's largest producer of low-carbon electricity. We produce about a fifth of all the country's electricity – and alongside wind, coal, gas, and combined heat and power, our nuclear fleet supplies a significant portion of that power.

We own and operate 15 nuclear plants at eight nuclear power stations in the UK. Every year, to support our nuclear fleet, we hire approximately 50 graduates through nine different science and engineering schemes.

ANIK'S VIEW

"The EDF Energy graduate scheme has offered me and others a chance to experience the company's activities and the many roles it has to offer.

"My current role as a nuclear graduate plays a direct part in ensuring that we continue to operate our nuclear power stations with the highest levels of responsibility and nuclear safety.

"I enjoy the fact that I am able to use the skills I have learned at university to make a valuable contribution to the business."

Anik Abdullah, Nuclear Graduate



NUCLEAR

We will continue to deliver the highest standards of nuclear safety in existing and new build activity, and help shape the long-term solutions to radioactive waste.

NUCLEAR SAFETY

What we measure	Status	2015 target	2015	2014	2013
Nuclear Reportable Events (NRE)	Beyond target	1	0	1	0
Collective Radiation Exposure (CRE) in man millisieverts (mSv)	Beyond target	1,032	982	1,406	862

EXISTING POWER STATIONS

Nuclear safety is our over-riding priority. Across our fleet, we implement processes and standards prescribed by internationally recognised bodies such as the World Association of Nuclear Operators (WANO), Institute of Nuclear Power Operations (INPO) and the International Atomic Energy Agency (IAEA). They are based on thousands of years of operating experience from the world's 400+ nuclear reactors. They also include learning from major events in the nuclear and similar industries, such as Fukushima, Chernobyl, Three Mile Island, Deepwater Horizon, Texas City and the loss of the Challenger space shuttle.

By applying these processes and standards rigorously, we:

- maximise nuclear safety and other safety margins
- make sure we remove deficiencies known to have contributed to problems elsewhere from our operations and business before they can affect us.

We use a defence-in-depth model to make sure the standards and processes are applied in full.

A Nuclear Reportable Event (NRE) is one we have to report formally in writing to the Office for Nuclear Regulation (ONR), under the terms of our nuclear site licence. In the interest of transparency, since February 2016 we have been publishing information about NREs on our website.

We had no NREs in 2015 and only one in the last three years. This was associated with a legacy defect in a boiler component at Heysham A, which was detected by a routine safety inspection before it could affect the safe operation of the station.

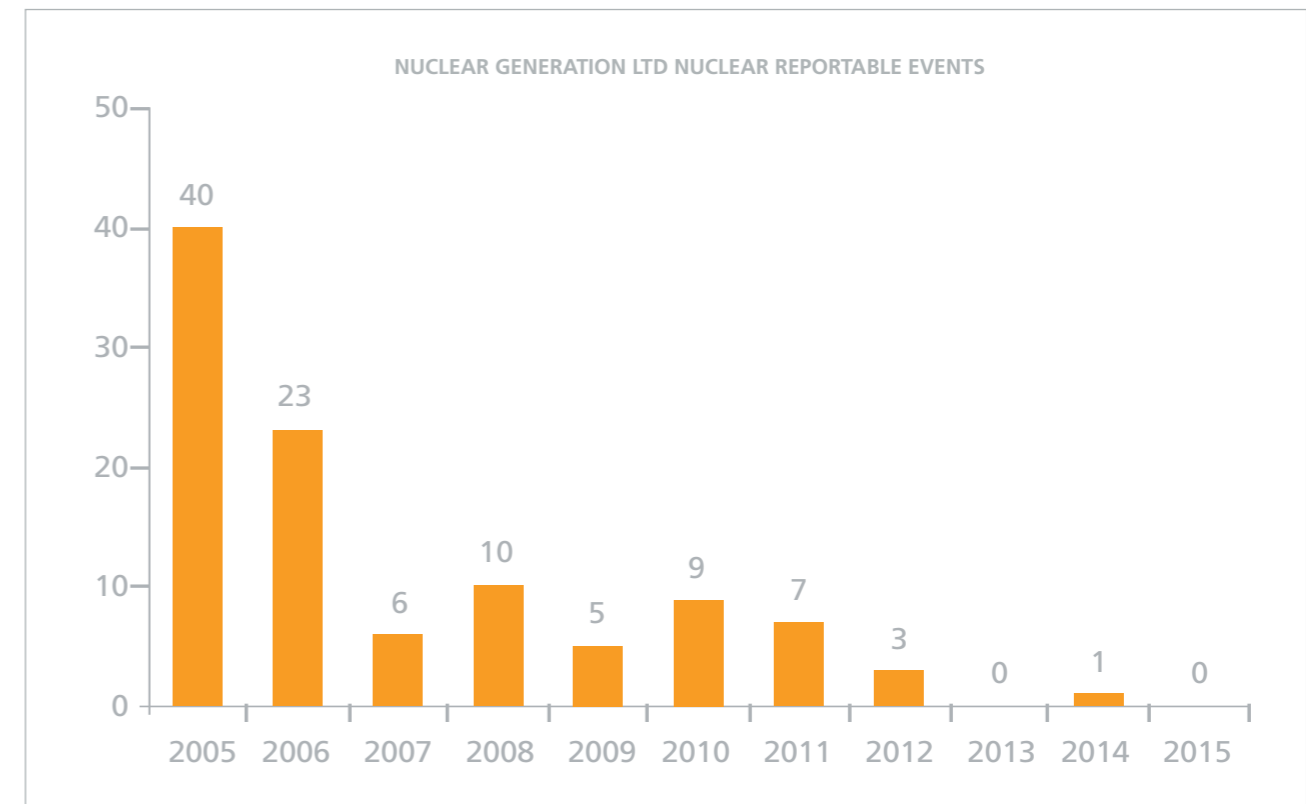
Because we encourage an open reporting culture, a large number of minor deviations and 'conditions adverse to quality' are reported each year. Each of these reports is prioritised either for immediate action, longer-term action, further investigation or data trending.

RADIATION PROTECTION OF WORKERS

We have strict procedures to minimise employees' and contractors' exposure to radiation at our nuclear power stations. Anyone entering a radiation-controlled area is issued with an electronic personal dosimeter (EPD), which warns them if a pre-determined limit is exceeded.

Our annual target for collective radiation exposure (CRE) fluctuates according to the work and the number of outages taking place at our nuclear power stations. For this reason, we use a three-year average to reveal trends – which are showing an overall improvement.

Compared to the rest of the nuclear industry, our CRE performance is very good. Our advanced gas-cooled reactor (AGR) units routinely report among the lowest CRE of all the world's operating nuclear units. The figure for our pressurised water reactor



(PWR) at Sizewell B is also low – and very low compared to the worldwide average for PWRs. This performance is a result of both the AGR and PWR designs, which are radiologically cleaner than most other reactor types, and our high standards of radiological control and protection. Most of our units outperform the WANO upper decile for CRE.

In 2015, teams completed work inside the reactor vessels during statutory outages at Hinkley Point B and Hunterston B as planned.

An IAEA Operational Safety Review Team spent three weeks at Sizewell B in October. The team commented on the openness and transparency of both our people and our processes, saying they had seen many good things to take back to their own organisations.

NUCLEAR NEW BUILD

We made major progress toward our plan to build a new nuclear power station at Hinkley Point C in Somerset – most notably with the signing of a Strategic Investment Agreement between EDF and China General Nuclear Power Corporation in October.

We have demonstrated our ability to manage nuclear safety and delivered the safety case that will underpin the project's first reference configuration. We have controlled workforce numbers while we wait for the final investment decision; with preparation works continuing on site, we remain mobilised.

NUCLEAR

We will continue to deliver the highest standards of nuclear safety in existing and new build activity, and help shape the long-term solutions to radioactive waste.

2016 PLANS

We launched the sixth Nuclear Safety Culture Survey (NSCS) in May 2016 to promote and improve nuclear safety. The survey will invite responses from both staff and contractors. We will analyse the results to identify areas in need of improvement and create action plans to improve future results.

We will also drive radiological safety to even higher levels by improving contamination control, workers' practices and control measures for all high-radiation dose work.

LONG-TERM SOLUTIONS TO RADIOACTIVE WASTE

As the UK's lead generator of electricity from nuclear power, we have a responsibility to secure a long-term solution for the radioactive waste we produce.

While spent nuclear fuel and other highly radioactive waste can be safely stored on our sites for many years, it is important for the UK to build a long-term solution soon. This is not something we should leave to future generations.

We believe that successful delivery depends on collaboration between Government and industry and we take our responsibility in this task very seriously.

The UK Government's preferred solution – and ours – is to construct a single underground site known as a Geological Disposal Facility (GDF). As a producer of radioactive waste and spent fuel, we contributed to the consultation on the GDF, emphasising its importance to our existing and future operations.

The Scottish Government's policy is to store waste near the surface, near the nuclear site that produced it. With our two nuclear stations in Scotland, we will adhere to this policy.

Our Nuclear New Build teams work with Radioactive Waste Management Limited to demonstrate how we will safely and securely dispose of spent fuel and radioactive wastes from our new build sites, such as Hinkley Point C. The Government approved our Funded Decommissioning Programme for Hinkley Point C in 2015.

2016 PLANS

UK spent fuel policy has been identified as a key area for review by the Nuclear Owners Group, which includes EDF Energy. We will work with the Government to review these policies, including the development of the GDF.



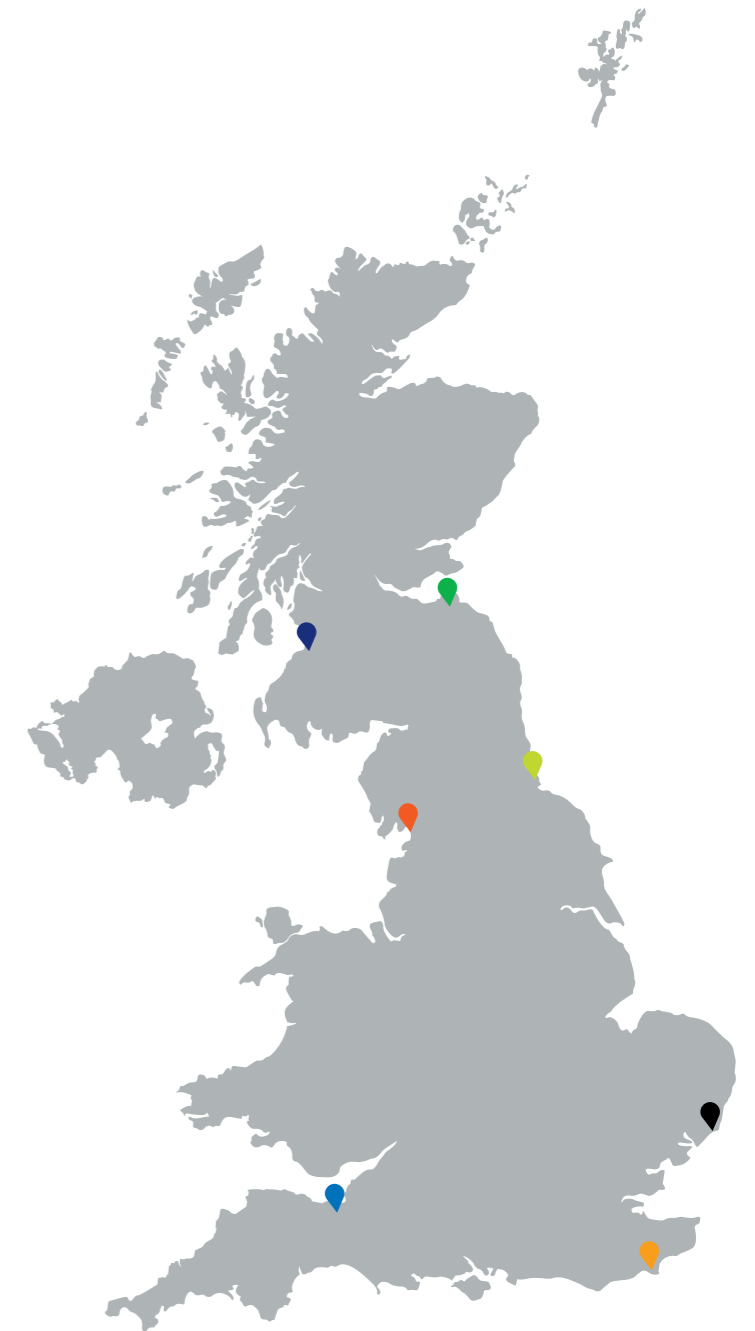
WE HAD NO NUCLEAR REPORTABLE EVENTS IN 2015 AND ONLY ONE IN THE LAST THREE YEARS.

NUCLEAR GLOSSARY

- **Collective Radiation Exposure (CRE):**
Measures how effectively an organisation protects workers from radiation by aggregating all doses to all individuals at all stations.
- **Geological Disposal Facility (GDF):**
A highly-engineered underground structure for storing radioactive waste over millennia. Multiple natural and artificial safety barriers prevent radioactivity from reaching the surface in harmful quantities.
- **Nuclear Reportable Event (NRE):**
One we have to report formally in writing to the Office for Nuclear Regulation (ONR), under the terms of our nuclear site licence.

EDF ENERGY'S NUCLEAR POWER STATIONS

- Dungeness B (AGR)
- Hartlepool (AGR)
- Heysham 1 (AGR)
- Heysham 2 (AGR)
- Hinkley Point B (AGR)
- Hunterston B (AGR)
- Torness (AGR)
- Sizewell B (PWR)





STEPS INTO WORK

As part of our commitment to diversity and inclusion, we support Steps Into Work: a programme developed by National Star College as a route into employment for adults with disabilities.

Steps Into Work lets students improve their work and social skills by trying out various roles in an organisation, with the hope they can achieve paid employment afterwards.

This and programmes like it helped us become the first energy company to achieve the National Equality Standard.

DEBRA'S VIEW

"By bringing Steps Into Work into the organisation we are opening up a recruitment pipeline of young people, who will introduce us to innovative ways of working and problem solving. As our business diversifies over the coming years, our organisation will need to respond to a more diverse range of needs, allowing us to become a more inclusive employer."

"I have met some unique young people through National Star College who have impressed me with how positively they deal with some of life's challenges."

Debra Page, Internal Communications Consultant

PEOPLE

We will inspire and enable our people to perform as a force for good, driving progress at work and across the communities we serve.

INCLUSION

What we measure	Status	2015 target	2015	2014	2013
Inclusion Engagement Index	Behind target	80%	79%	80%	80%
Achieve National Equality Standard (NES) by 2015	On target	Achieve standard	Standard achieved	On target	Not measured

Following a comprehensive independent review of our policies and practices, we were awarded the National Equality Standard in 2015. This success builds on the Gold Standard accreditation awarded in 2012 and is a key step towards creating a culture of inclusion.

Our Forces Support Network was also established and is now open to all supporters of the Armed Forces. It provides a mutually supportive network of former Armed Forces personnel who now work for, or are about to join, EDF Energy. Our other networks are Black, Asian and Minority Ethnic, Disability and Carers, LGBT, Women's and Working Parents.

The Inclusion Engagement Index has fallen 1% compared with 2014, driven by decreased scores in three of the six relevant questions in our annual employee engagement survey, which was completed by 83% of employees.

2016 PLANS

We will focus on increasing diversity and building on our strong inclusion position, with emphasis on developing the inclusion agenda among our suppliers.

We will also review how to provide more holistic line manager support at our operational stations and call centres.

QUESTION	2014		2015
How would you rate your quality of life at work?	76%	▲	77%
How satisfied are you with the respect with which you are treated?	78%	▲	79%
My line manager listens to my ideas and suggestions	85%	●	85%
How satisfied are you with the workplace atmosphere?	75%	▼	74%
The management of EDF Energy supports diversity in the workplace	83%	▼	82%
I would recommend EDF Energy as a good place to work	80%	▼	79%

SKILLS AND CAMPUS

What we measure	Status	2015 target	2015	2014	2013
Apprentices/graduates joining from early careers programme	On target	42%	42%	36%	Not measured

We continued to invest in training and development. CEO Vincent de Rivaz and Energy Minister Andrea Leadsom opened our state-of-the-art training facility at Cannington Court, the physical hub of our Campus training network. Cannington Court received bookings for 3,754 residential nights in 2015, exceeding our target of 3,500.

On the digital side of Campus, 11,751 employees and 1,216 contractors logged on to the MyCampus e-learning platform last year – 71% of employees, against a target of 75%.

We are embedding a Business Line Academy model and a Systematic Approach to Training throughout our business. So far we have mobilised eight Business Line Academies; and early analysis of the Systematic Approach to Training shows strong operational savings and returns on investment.

We expect to recruit thousands of talented employees and have developed a skills pipeline to ensure we have the right people in the right place at the right time. We want to make sure the high-calibre people we take on as interns and industrial placement students return to us for their career, either straight from university or through our graduate programmes. Our strategy to achieve this includes sponsored

student pipelines, offers of mentorship for students in their final year at university and initial recruitment through the Social Mobility Foundation into the Work Insight Programme.

In 2015, we made 146 offers of employment to our interns and graduates, achieving our target.

We launched:

- a development event with the Social Mobility Foundation to give final-year degree students insight into our graduate assessment selection process
- a process for keeping in touch with former industrial placement students when they are back at university, to encourage them to return to EDF Energy.

Our Hinkley Point C education programme, 'Inspire', has run events to engage more than 100,000 school children in Somerset – helping them understand the world of science, technology, engineering and mathematics, and related careers.

2016 PLANS

Diversity in our skills pipeline is a challenge. We will review our targets and consider implementing a diversity sub-target in 2016.

We are developing an Early Careers brochure to share in colleges, universities and our visitor centres.

PEOPLE

We will inspire and enable our people to perform as a force for good, driving progress at work and across the communities we serve.

COMMUNITIES

What we measure	Status	2015 target	2015	2014	2013
Employee volunteering levels	Behind target	10%	8.3%	9%	3%
Schools registered on The Pod	On target	Over 50%	63%	60%	58%

VOLUNTEERING

Offering our employees two days of company time a year to take part in our volunteering initiatives helps make a positive difference to the communities in which we operate.

Our main programmes are Helping Hands and STEM volunteering.

In 2015, we moved our volunteering activities into Campus so all employees can follow the same volunteering process. We are committed to achieving our short and longer-term volunteering targets, so we are looking at other ways to promote our programmes.

THE POD

Sustainable business is not just about the kind of planet we leave our children, but also the kind of children we leave our planet. Our award-winning schools programme, The Pod, is helping the next generation develop the STEM skills they will need for the future and improve their employability by encouraging youth social action. There are now 20,800 schools and groups registered on The Pod.

The Pod's regular national campaigns – which include Waste Week in March, Energy Month in November and Science Into Schools all year round – continued with:

- What's Under Your Feet?: A citizen science campaign developed with the British Trust for Ornithology to raise awareness of climate change, profile female science role models and give hands-on science experience to school children. More than 1,500 schools signed up to take part
- #PrettyCurious: A campaign encouraging girls into STEM careers
- The Pod's Helping Hands: Free resources for schools to encourage and enable social action by young people, in support of HRH The Prince of Wales' #iwill campaign.



20,800 SCHOOLS AND GROUPS REGISTERED ON THE POD

We work with many partners on our education programmes, including EcoSchools England, the Met Office, Wastebusters, Keep Scotland Beautiful, Step Up To Serve and others.

2016 PLANS

We will raise awareness of our volunteering programmes to increase engagement from employees.

We will develop new Pod campaigns and materials after reviewing key performance measures, such as impact on teachers and students and favourability to EDF Energy.



1,500 SCHOOLS
SIGNED UP TO TAKE PART IN WHAT'S UNDER YOUR FEET?



AWARDS
In-house Recruitment Awards 2015: Best On-boarding Strategy

PEOPLE GLOSSARY

- **Company Makers:** EDF Energy employee champions who carry out tasks that support our Better Energy Ambitions.
- **EcoSchools England:** An international award programme that helps schools embed sustainable principles at the heart of school life.
- **Inclusion Engagement Index:** EDF Energy's internal measure of inclusion, based on six relevant questions in the Employee Engagement Survey.
- **Keep Scotland Beautiful (KSB):** An independent charity committed to making Scotland clean and green, today and tomorrow.
- **Met Office:** The UK's national weather service. An executive agency and trading fund of the Department for Business, Innovation and Skills and a member of the Public Data Group.
- **National Equality Standard:** A UK-wide competency-based benchmark, developed by business for business and administered by EY, which measures an organisation's performance in equality, diversity and inclusion. It is supported by the Home Office and the Confederation of British Industry. The Equality and Human Rights Commission was involved in its development and launch.
- **STEM:** Science, Technology, Engineering and Maths.
- **Wastebusters:** A not-for-profit social enterprise that supports schools to become sustainable, empower children to change their environment and enable children to believe they can make a difference to their world.

EDF ENERGY

EDF ENERGY is one of the UK's largest energy companies and its largest producer of low-carbon electricity. A wholly-owned subsidiary of the EDF Group, one of Europe's largest energy groups, we generate around one fifth of the UK's electricity and employ almost 14,000 people. We supply electricity and gas to 5.6 million residential and business customer accounts.

The company is organised into the following business units:

- Generation encompasses all of our generation activities – Nuclear, Coal, Gas and Renewables.
- Nuclear New Build is tasked with the delivery of the new generation of nuclear plants in line with EDF's global programme of producing safe, affordable, reliable, low-carbon electricity.
- Customers is responsible for supplying energy to our business and residential customers in the UK.

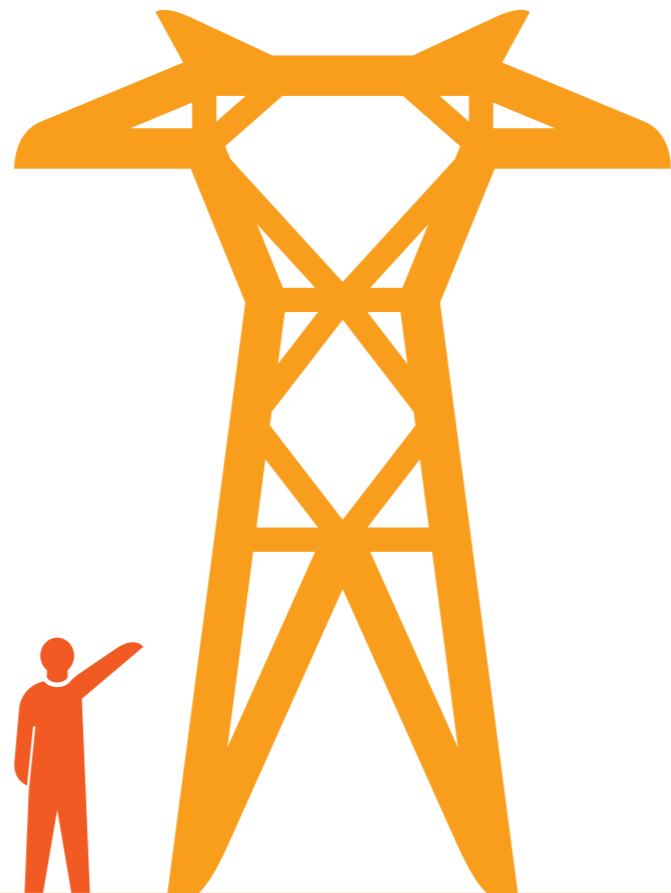
Our mission is 'Driving progress for people' – a successful and responsible long-term energy business, trusted by customers and powering a thriving society and a healthy environment.

We'll deliver our mission through our company ambitions – the Better Energy Ambitions. These form our plan for a sustainable business.

If you have any comments or suggestions about this report please contact sustainability@edfenergy.com

ASSURANCE

Corporate Citizenship has undertaken a limited verification of the data and assertions contained in this report. On the basis of the work performed, nothing came to our attention that causes us to believe that the selected performance data and assertions in the report are materially mis-stated. A full assurance statement for this report is available for download on our website at www.edfenergy.com/download-centre



USEFUL LINKS

ENGAGING WITH OUR STAKEHOLDERS

We work with various organisations in order to understand our stakeholders' views on sustainability, climate change, security of supply, energy affordability and other key issues.

GOVERNANCE

We want to be held accountable for the commitments and targets we're making. This is central to ensuring we keep our promises and why we report annually with an independent audit of progress.

HOW WE REPORT

Our Better Energy Ambitions Report 2015 outlines the progress we have made so far in delivering a low-carbon future.

POLICY POSITIONS

We are committed to making a long-term difference to Britain, not just in providing power, but also in investing in education, skills and research and development.

RISK MANAGEMENT

We maintain and deploy a consistent and comprehensive approach to risk management and internal controls through centrally approved policies applied in all organisational areas.





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