

EDF Energy – United Nations Global - Active Level Communication on Progress



Period covered by our Communication on Progress (COP) June 2014 – June 2015

To our stakeholders

EDF Energy is committed to fulfilling the Ten Principles of the United Nations Global Compact. We are embedding the Global Compact and its principles into our core business strategy through our Better Energy Ambitions.

We are promoting and encouraging a culture of openness, integrity and accountability. This promotes good business practice and positive employee behaviour. It benefits the company, our customers, our employees and our shareholders. We expect all of our employees to behave in a way that protects the interests of the company, their colleagues, the environment and the communities which we serve.

In this, our first Communication on Progress, we set out our approach to embedding the Global Compact. We also report the actions we are taking to improve how we are implementing the principles.

We will communicate this information to our stakeholders via our website, footnotes to our news releases, and through our Better Energy Ambitions report.

Yours sincerely

A handwritten signature in blue ink, appearing to read 'V. De Rivaz'.

Vincent De Rivaz, CBE
Chief Executive
EDF Energy

About EDF Energy

EDF Energy is an integrated energy company with around 15,000 employees, which generates electricity for the UK from a nuclear, coal, gas and renewable energy portfolio. We also supply electricity and gas to our residential and business customers.

We are a wholly owned subsidiary of the EDF Group, a leading global electricity company which began investing in the UK in 1998.

At EDF Energy we are committed to our part in limiting global emissions by producing low-carbon electricity. We are the UK's largest producer of low-carbon electricity.

Within EDF Energy there are two separate businesses: one that produces electricity, called a generation business, and one that buys gas and electricity from the wholesale market to sell onto our customers. This is our customer supply business.

The generation business operates the power stations that produce electricity. This goes directly into the National Grid to be transmitted throughout the UK.

The gas infrastructure works in a similar way using pipelines. However, EDF Energy doesn't actually produce gas; we buy it from the wholesale market to supply to our customers.

We have published plans to build four new nuclear plants, subject to the right investment framework.

As well as helping our customers to have safe, secure and low-carbon electricity, our Blue products supply low-carbon, nuclear backed electricity. We consistently meet Government targets on energy efficiency, most recently delivering Energy Company Obligation (ECO) targets ahead of the deadline.

Further information on how we operate please visit: <http://www.edfenergy.com/about/how-we-operate>

Our Mission

Achieving our mission means driving progress for people; being a successful and responsible long-term energy business, trusted by customers and powering a thriving society and a healthy environment.

We are committed to being open and transparent and to having high standards of integrity, behaviour and business practice. These objectives are reflected in our Better Energy Ambitions at:

<http://www.edfenergy.com/about/ambitions>

Our Commitment to the United Nations Global Compact

We support the international commitments for the protection and defence of human rights of the United Nations and the International Labour Organization and reaffirm our adherence to the 10 principles of the Global Compact.

Our Ethics and Business Conduct Policy sets out the standards for upholding ethical business practices and demonstrates our commitment to working with integrity, by being honest and transparent about our operations and performance. This policy is available at: <http://www.edfenergy.com/about/governance>

Reconfirming our Commitments to Corporate Social Responsibility (CSR)

It is our aim to ensure that we conduct our business in a way that is ethical. This means taking account of our social, economic and environmental impacts. Since 2005 EDF Group has implemented a CSR Agreement in conjunction with the national and international trades unions. This outlines key employment, social and environmental principles and guidelines which all companies within the EDF Group with more than 50 employees should seek to achieve.

Within the UK, the trades unions who are signatories to the agreement are GMB, Prospect, Unison and Unite. Representatives from the national and international trades unions meet annually with management representatives from across EDF Group to review how each company within the Group has worked to achieve the principals and guidelines within the 22 Articles within the CSR Agreement. The Articles cover areas such as Human Rights, Health and Safety, Discrimination, Training and Mobility, Vulnerable Customers and Access to Energy to name a few.

Working with our suppliers

We recognise the importance of suppliers as stakeholders to our business and understand that our responsibilities extend beyond our own direct activities through our supply chain associations. We therefore expect our suppliers to share our ambitions and emulate our values to ensure safe, sustainable business partnerships.

Since 2008 we have been working to ensure that 100% of our strategic and critical suppliers comply with the ten principles of the UN Global Compact.

Our supplier registration process includes a risk assessment of the supplier according to human rights (including labour standards); environmental and anti-corruption risk dimensions based upon the risks attributed to the product/service categories which they will supply.

All parts of EDF Energy work together on our sustainable supply chain strategy. We measure ourselves against the Chartered Institute of Purchasing and Supply (CIPS) Sustainable Procurement Review, which builds upon the Department of Environment, Food and Rural Affairs (Defra) flexible framework. We're hoping to achieve Silver accreditation in the CIPS Sustainability Procurement Review.

We are also working with our top 200 suppliers to complete the CIPS Sustainability Index in 2015. The index asks companies about their environmental, social and economic activities.

We recognise that for many of our suppliers, particularly the smaller organisations with whom we partner, developing management arrangements that encompass the Compact's four issue areas of human rights; labour standards; environment and anti-corruption remains a challenge. To help our suppliers overcome this challenge we have produced a United Nations Global Compact Guide offering practical guidance on how to develop management arrangements based on the values and principles of the Compact.

The Guide assists our suppliers in demonstrating compliance as well as setting priorities for action in pursuit of continuous performance improvement. This guide is available on our website at:

http://www.edfenergy.com/sites/default/files/supplier_guide-un_global_compact.pdf.

We also expect our suppliers to respect and emulate our commitment to diversity and inclusion by applying our [seven Diversity and Inclusion Principles](#) within their business.

Human Rights Principles

Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights; and

Principle 2: make sure that they are not complicit in human rights abuses

Assessment, Policy and Goals

- EDF Energy endorses the international commitments of the United Nations for the protection and defence of human rights and reaffirms its adherence to the Ten Principles of the United Nations Global Compact of July 2000 (10th principle adopted in June 2004). It undertakes, with the signatory parties, to promote them to its suppliers.
- To ensure a consistent and comprehensive approach to legal and regulatory compliance, ethical standards and business conduct, company-wide documents set out the required standards of behaviour from employees which are appropriately communicated and deployed in all organisational areas. Some of these are available on our website at: <http://www.edfenergy.com/about/governance>
- EDF Energy fully supports the rights of all individuals to be treated with dignity and respect at work. Practices, procedures and guidance defining EDF Energy's commitment to prevent, discourage and deal with bullying and/or harassment are established and applied.
- EDF Energy's approach is aligned with the EDF Group Code of Ethics which mandates respectful treatment of employees and stakeholders, including protecting their human rights.
- Alleged breaches of company policy and practices are investigated. Employees found to be in breach of the Company's policies and procedures are liable to action under the relevant Disciplinary Procedure.
- As an inclusive company, EDF Energy aims to capture the value that difference brings. Principles and commitments are established in respect of diversity and inclusion with an Inclusion Strategy driving activity and regular external benchmarking taking place to ensure best practice is being achieved.

Implementation

EDF Energy has implemented the following policies to ensure consistent and ethical practices are applied:

- **Confidential Reporting of Serious Concerns** - our procedure encourages workers to disclose serious concerns they have about activities within the Company. This can be done internally or through an external confidential reporting line which is available for all employees, agency supplied workers and managed service workers to report serious concerns.
- **Ethics and Business Conduct Policy** - the Ethics and Business Conduct Policy sets out the standards for upholding ethical business practices and demonstrates our commitment to working with integrity, by being honest and transparent about our operations and performance. It establishes how appropriate and expected standards of behaviour will be set and communicated to enable EDF Energy to live its values, and is consistent with the EDF Group Code of Ethics.
- **Employee Code of Conduct** - sets out what is expected of all employees in terms of behaviour. Employees are required to comply with the Code of Conduct in order to promote good business practice and positive employee behaviour which will benefit the Company, its employees and its shareholders.
- **Equal Opportunities** - EDF Energy welcomes the breadth of perspective that employment of diverse individuals can bring and wants to be recognised as an inclusive company. It is fully committed to a policy of fairness and equality for all job applicants, employees and others who work for it, irrespective of their age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, sex, sexual orientation, religion or belief. This approach to fairness and equality

also applies to employees who are members or non-members of a trade union, part time workers and those on a fixed term contract. EDF Energy's HR Policy: Equal Opportunities sets out the Company's approach.

- **Harassment and Bullying** - EDF Energy fully supports the rights of all individuals to be treated with dignity and respect at work. EDF Energy's policy is that harassment and/or bullying of an individual is unacceptable behaviour which will not be tolerated.
- **EDF Group** - EDF Energy ensures the implementation of its ethics approach via the Board of Directors Ethics Committee and through the Group's Ethics and Ethical Conduct Commission for the management of monitoring alerts. An ethics correspondent has also been appointed by the CEO of each of the companies within the Group.
- **Biomass Standard and Group Biomass Policy** - the procurement of biomass for use in our power station is seen as an area of high risk where human rights could be subject to abuse. Both the EDF Energy Biomass Standard and the EDF Group Biomass Policy outline the minimum standards that must be implemented across the supply chain to ensure that fuel is obtained safely and ethically.
- **Supply Chain Policy** - sets out the strategic objectives and outlines the minimum standards that must be implemented across Supply Chain activities, ensuring they are carried out safely and ethically in a controlled and sustainable manner. Our supply chain policy is available at: <http://www.edfenergy.com/about/governance>

Outcomes

- EDF Energy conducts systematic risk assessments of potential breaches to ethical standards and has appropriate controls to mitigate the identified risks.
- EDF Energy has not been involved in any investigations, legal cases or incidents involving human rights. All formal employment complaints are reviewed to determine if there are any lessons learnt and/or changes required to our policies, procedures and processes.
- By the end of 2014, 97.2% of our strategic and critical suppliers were compliant with the UN Global Compact.
- In the 2014 employee engagement survey 78% of employees said they were satisfied with the respect in which they were treated at work and 84% value the EDF Energy culture and values. Our Inclusion Index, which measures our employees' satisfaction with our Inclusion Strategy stands at 80%
- EDF Energy has been awarded the UK's National Equality Standard, with 21 out of 70 competency areas deemed as outstanding. We are the only energy supplier to be awarded this standard.
- Audits of our biomass supply chain have not identified any breaches with our Standard or the Group Policy.

Plans in 2016

- Implementation of new EDF Energy HR Policy: Physical and Verbal Abuse.
- Review of HR policies and procedures of HR policies and update to the Inclusion Strategy designed and started to be delivered using National Equality Standard recommendations.
- Communicate further to our employees our commitment to the UNGC ten principles through the company intranet and our employee magazine Connect.
- Reinforce and communicate our approach to ethics and business conduct Policy through proactive communication via the company intranet.
- We will launch, an environmental behaviour programme that aims to improve decision making, behaviour and reduce costs by creating a strong sustainability culture.
- Launch an Operational Forum to review a proposal to adopt a process for independently assessing our Top 200 suppliers (representing 80% of our expenditure) against People, Planet and Profit dimensions and the next 800 suppliers (representing an additional 16% of our expenditure) via an annual Supplier Charter.

Labour Principles

Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;

Principle 4: the elimination of all forms of forced and compulsory labour;

Principle 5: the effective abolition of child labour; and

Principle 6: the elimination of discrimination in respect of employment and occupation

Assessment, Policy and Goals

- As a UK based company we comply with the relevant UK legislation including Agency Worker Regulations, Data Protection Act, Equality Act and Health and Safety.
- EDF Energy fully respects the right of our employees to freedom of association and representation either through four trade unions, works councils or any other appropriate forums.
- EDF Energy has a well-established consultation and negotiation framework supporting employees on collective agreements. This includes the Company Council chaired by the CEO which meets four times a year, as well as forums at a Business Unit and local level. Minutes from these meetings are communicated to employees through the company intranet.
- As an inclusive company, we aim to capture the value that difference brings and we are fully committed to providing and promoting equality and inclusion.
- We are fully committed to a policy of fairness and equality for all job applicants, employees and others who work for us irrespective of their age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, sex, sexual orientation, religion or belief. This approach to fairness and equality also applies to employees who are members or non-members of a trade union, part time workers and those on a fixed term contract.

Implementation

- **Contract of employment** - all employees have a contract clearly stating their terms and conditions of employment which comply with the relevant employment laws and include details of the benefits, grievance and disciplinary procedures.
- **Corporate Responsibility Commitments and the Group Ethics Policy** - in line with our parent company's commitments we agree to fully comply with all principles within the UNGC.
- **Diversity and Inclusion** - EDF Energy recruits from the widest possible talent pool and assesses potential employee's against every potential employee against our four key behaviours: integrity, inclusion, inspiration and impact. Our approach to diversity and inclusion is reinforced by our employee networks. These provide a platform for employees to connect as a community.
- **Diversity and Inclusion Partnerships** - we are members of Business in the Community's (BITC) Race for Opportunity and Opportunity Now campaigns, helping to improve opportunities for ethnic minorities and drive gender balance in the workplace respectively. We are committed to building on our position as a Diversity Champion with Stonewall, the UK's leading Lesbian, Gay and Bisexual charity and members of several other organisations that support Diversity and Inclusion in the workplace.
- **Diversity Works for London** - in 2012, we were proud to be one of only four companies to achieve the Diversity Works for London Gold Standard for our approach to Diversity and Inclusion – a nationwide assessment that supports businesses in realising the benefits of diversity in the workplace.
- **National Equality Standard** - in 2015, building on the success of the Gold Standard, we were the first UK Utility to achieve this new standard, which is a deep review of 70 competency areas on good practice in D&I.
- **Employee Code of Conduct** - sets out what is expected of all employees in terms of behaviour. Employees are required to comply with the Code of Conduct in order to promote good business practice and positive employee behaviour which will benefit the Company, its employees and its shareholders.

- **Health and Safety Policy** - a healthy workforce is fundamental to our ambition of zero harm and aligns with the Government's Responsibility Deal to improve public health, which we have signed up to. Our health and safety policy outlines our approach to Zero Harm and how we manage this.
- **Our Better Energy Ambitions** - we have a People Ambition "We will inspire and enable our people to perform as a 'force for good'; driving progress at work and across the communities we serve. This means creating a truly inclusive company where everyone at work can be themselves and achieve their best.
- **Recruitment policy** - outlines the process for the recruitment, selection and appointment of all internal and external applicants. This outlines our commitment of fairness and equality for all job applicants, employees and others who work for us.

Outcomes

- EDF Energy has not been involved in any investigations, legal cases or other events related to the violation of the Global Compact labour principles, or any health and safety prosecutions.
- Our safety performance has continued to be industry leading. Though we were slightly behind our target of 0.84 incidents per million hours work, 0.95 is still an industry-leading Total Recordable Incident Rate (TRIR) and we're still on track with our longer-term targets.
- 2014 also saw our best ever employee TRIR (0.67) and company-wide Lost Time Incident Rate (0.44) – both marking a 7% improvement from 2013.
- Our overall work-related and work-aggravated ill health cases improved by 8% from 2013 levels and our Primary Work Related Ill Health Rate was down from 4.86 incidents/per million hours worked in 2013 to 1.73 in 2014.
- Our Health and Safety Management systems are externally assured through OHSAS 18001, an internationally accepted method of assessing and auditing occupational health and safety management systems
- In the annual employee engagement survey 94% of employees agree that safety is a priority for everyone.
- The Royal Society for the Prevention of Accidents (ROSPA) recognised our strong health and safety performance and Zero Harm programme with their prestigious industry sector award
- 83% of employees agreed that management supports diversity in the workplace.

Plans in 2016

- We will roll out Life-Saving which outline our vital Group-wide safety precautions aimed at preserving life. They support EDF Energy's overall objective of achieving its Zero Harm ambition.
- We will prioritise key business projects such as Hinkley Point C and Smart Metering, to set them up for success.
- Work on the development and implementation of action plans for continual improvement from the National Equality Standard findings.
- Complete the Business in the Community Race for Opportunity, Opportunity Now and Stonewall Benchmarks and develop action plans for areas of improvement.
- We will continue to roll our Diversity and Inclusion training to employees and develop our Unconscious Bias training further.
- We have made a commitment to continue to consult and work jointly with TUs on any significant change programmes.
- Review the requirements of the Modern Slavery Act and develop a communication plan for this.
- We'll be complying with new legislation on Gender Pay Gap reporting in 2016.

Environmental Principles

Principle 7: Businesses should support a precautionary approach to environmental challenges;

Principle 8: undertake initiatives to promote greater environmental responsibility; and

Principle 9: encourage the development and diffusion of environmentally friendly technologies

Assessment, Policy and Goals

- We are part of EDF Group and we are the UK's largest generator and supplier of low-carbon electricity.
- To minimise the carbon intensity of our generation, we are investing to improve the reliability and efficiency of our generation fleet, this includes plant life extensions to our nuclear stations.
- We plan to build two new reactors at Hinkley Point on the northern Somerset coast next to the existing Hinkley Point A station, which is being decommissioned, and Hinkley Point B station, which is operational.
- As part of our Better Energy Ambitions – Our plan for a sustainable business we have introduced an ambition to EDF Energy - 'To power society without costing the Earth'. This captures our plans to reduce the carbon intensity of electricity generation and to have an increasingly positive environmental impact.
- We will ensure every job will be done safely to protect the environment, employees, contractors and the communities that could be impacted by our operations. We will as a minimum comply with all relevant environmental regulations, standards and other codes of practice.
- We will operate and maintain our assets within the bounds of permits, consents, licenses and the approved plant designs and safety margins in order to protect environmental safety, while striving to achieve best performance in our sector.
- We will ensure we identify our significant environmental impacts and we will take action to manage these and to prevent pollution or environmental damage which may occur as a result of our business operations.
- We will focus our improvements in areas where we can make a material difference, setting challenging objectives and targets for ourselves, our contractors and supply chain. We are committed to continuous improvement of our activities, products and services.
- We will engage stakeholders with an interest in environmental issues to ensure their concerns and expectations are fully considered, and we will place environmental considerations at the heart of robust and transparent decision-making processes.
- We will openly report our performance against our Environmental Improvement Plan.
- We will continue to develop a culture of environmental responsibility among employees; contractors and suppliers who will apply due care for the environment no matter how urgent or important the task. This includes working with our suppliers, contractors and partners to improve the environmental performance of our supply chain.
- Each Business Unit and Corporate Steering Function operates and maintains its information systems to record environmental incident information in accordance with internal standards, company reporting requirements and applicable UK environment laws and regulations.
- We will ensure all of our employees are given appropriate environmental training and integrate environmental safety into their activities and decisions.
- The Executive Team will ensure that EDF Energy operates an effective certified environmental management system.
- Biomass Standard and Group Biomass Policy – The procurement of biomass for use in our power station is seen as an area of high risk where damage to the environment through water or soil pollution, release of additional greenhouse gases or loss of biodiversity. Both the EDF Energy Biomass Standard and the EDF Group Biomass Policy outline the minimum standards that must be implemented across the supply chain to ensure that fuel is obtained to ensure that it is both environmentally and sustainably sourced.

Implementation

- **Assurance and Integrity Management System** - to ensure we continually monitor, manage and improve our environmental performance we maintain a Company-wide Health, Safety and Environment Assurance and Integrity Management System (A&IMS). This provides a management framework to assess and control environmental risks from our activities and ensure compliance with the requirements of EDF Group.
- **Better Energy Ambitions** – includes an ambition ‘To power society without costing the Earth’. This means as well as managing and reporting on our carbon data we also manage and measure other material environmental issues for our business. This includes our water footprint, biodiversity plans and our operational footprint. Further information on our performance please visit: <http://www.edfenergy.com/about/ambitions>
- **Carbon Disclosure Project** - we also disclose our environmental performance in the Carbon Disclosure Project and the Carbon Reduction Commitment (CRC).
- **Environmental Incident reporting** - each Business Unit and Corporate Steering Function operates and maintains its information systems to record environmental incident information in accordance with internal standards, company reporting requirements and applicable UK environment laws and regulations.
- **Environmental Policy** - outlines our approach to environmental management and is available on our website at: <http://www.edfenergy.com/about/governance>
- **ISO14001** - each Business Unit and Corporate Steering Function operates its environment management system and arrangements in accordance with applicable legislation and regulations and meets the expectations set out in the A&IMS framework, including when acting as a licensee or permit holder. Management systems are independently certified against external standards where determined as necessary by Business Units and Corporate Steering Functions. Our environmental managements systems are accredited to ISO14001.
- **Research and Development** - the R&D UK Centre is an integral part of the Group R&D network and is responsible for leading research and development activities in the UK. Our 50-strong fully international team is engaged in projects of various sizes in support of EDF Energy and EDF Group and works across all types of energy including nuclear collaboration with Generation R&D, renewable technologies, energy management, energy efficiency, smart meters and digital innovation. Innovation and research are needed to deliver the flexible electricity system that will make the most of all existing and future low-carbon technologies. EDF Energy has had no reportable environmental incidents and has not been subject to any statutory notices or prosecutions.

Outcomes

- Our environmental performance is available at our website at: <http://www.edfenergy.com/about/ambitions/environment>
- Audits of our biomass supply chain have not identified any breaches with our Standard or the Group Policy.
- We increased the capacity of the renewable electricity generation that we operate from 529MW to over 550MW by bringing new wind farms online.
- The approval to extend the expected life of Dungeness B in 2014 will avoid around an additional 12 million tonnes of CO2 equivalent (mtCO2e) that would otherwise have been emitted by fossil fuels. By achieving all the expected life extensions of our nuclear fleet we would avoid around an additional 65 mtCO2e.
- 88% of our employees believe EDF Energy is an environmentally responsible company.

Plans in 2016

- We are working hard to complete all the necessary steps to enable the final investment decision for Hinkley Point C at the earliest opportunity.

- We will review our biodiversity strategy looking at future options for the management of both our stations and land around our other sites.
- Analyse water usage at individual powers stations to help us identify efficiency improvements and provide transparency of water use across our different sites.
- We will also be launching our environmental behaviours programme, which aims to improve decision-making, behaviours and reduce cost through a strong sustainability culture.
- We will support EDF Group in COP21 negotiations.
- We will reinforce and communicate our Environment Policy to all employees.

Anti-Corruption Principles

Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery.

Assessment, Policy and Goals

- We are committed to sustainable long-term growth and conducting business in accordance with our stakeholders' requirements and the highest ethical standards: protecting our revenue, property, reputation and other assets.
- EDF Energy operates a policy of zero tolerance to bribery and fraud and this culture is promoted and adopted across all organisational areas. Our employees are required at all times to act honestly and with integrity to safeguard the revenue, property and reputation of the Company and other Company assets for which they are responsible.
- We are committed to ensuring the integrity and accuracy of our financial and non-financial information and to zero tolerance of fraud. We aim to achieve this by complying with all applicable companies act, finance, tax, fraud, bribery and insider trading laws and regulations, International Financial Reporting Standards (IFRS) and EDF SA finance, treasury and tax standards; in each area of our business.
- We support fair and open securities (equities or stock) markets by complying with insider trading legislation and the rules and regulations and recommendations issued by the securities markets authority pertaining to managing risks relating to the handling, disclosure and possible use of material non-public information.
- We encourage employees to disclose information on serious concerns they have about activities within the Company. This approach is aligned with EDF Group's commitments on ethical reporting.
- If an employee suspects illegal activities or unethical conduct or anything that might prejudice the business (bribery, fraud, a failure to comply with legal obligations, a miscarriage of justice, a health, safety or environmental risk, including nuclear safety, or any other improper activities), they can promptly report the situation to their manager, their Senior Leadership Team member or to the external reporting line explained in the Company's procedure regarding the reporting of serious concerns.
- Each Business Unit and Corporate function has a clearly defined fraud and bribery control strategy, supported by processes, procedures and control measures to prevent, detect and respond to instances of fraud and potential instances of fraud and bribery (including insider trading, corruption and general misconduct) in compliance with relevant legislation and the EDF Energy anti-fraud and anti-bribery framework.

Implementation

- **Anti-Fraud and Anti-Bribery** - all employees are expected to complete anti-fraud and corruption awareness training via our online training portal My Campus. For those employees who cannot access the on-line training this is delivered through training sessions and through team briefings.
- **Employee Code of Conduct** - which applies to all EDF Energy employees, outlines explicitly our policy of zero tolerance to bribery and fraud and, as part of our continuous improvement of standards of ethical behaviour; employees are asked to raise any suggestions for improvement with their manager, their Senior Leadership Team member or their Human Resources Director.
- **Bribery Act 2010** - employees are expected to familiarise themselves with, and comply with, the guidelines provided to them.
- **Company-wide Fraud investigation protocol** - held under the Finance Policy, which has been defined and communicated to all business areas. Any concerns an employee may have with regard to a potential bribery issue should be reported promptly to their manager, their Senior Leadership Team member or to the external reporting line explained in the EDF Energy Confidential Reporting of Serious Concerns Procedure.
- **Gifts & Hospitality Procedure** - explains the principles to be followed when rewards, benefits, gifts or hospitality are offered to or accepted by EDF Energy employee. This includes completion of the gifts and hospitality register.

- **Systematic risk assessments** - of potential breaches to ethical standards and in place are appropriate controls to mitigate the identified risks. On an annual basis we provide information to EDF Group on the number of cases received and these are shared with the Group Ethics and Deontology Committee.

Outcomes

- Over 75% of employees have undertaken the Anti-Fraud and Anti-bribery training, with on-going plans to complete the training across high risk areas to 100% by quarter 3 2015.
- EDF Energy has not been involved in any legal cases, rulings or other events relating to corruption or bribery.

Plans in 2016

- Development and implementation of a centralised reporting mechanism for collation of ethics performance data for EDF Group.
- Review and develop reporting requirements which raises awareness of the risk and further promotes a culture of fraud and bribery prevention across the business.
- The only requirement currently in place for central reporting is to communicate any suspected frauds. There are plans to review management information as part of on-going improvements in this area. These will be communicated at the appropriate time.

Contact Information

EDF Energy

40 Grosvenor Place

Victoria

London

SW1X 7EN

www.EDFenergy.com

If you have any comments or suggestions please email sustainability@edfenergy.com