5 YEARS TO 2030: CHALLENGES, OPPORTUNITIES & SOLUTIONS

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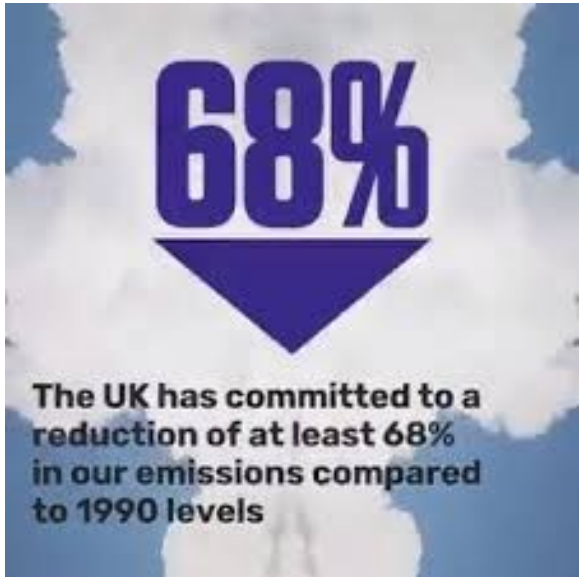
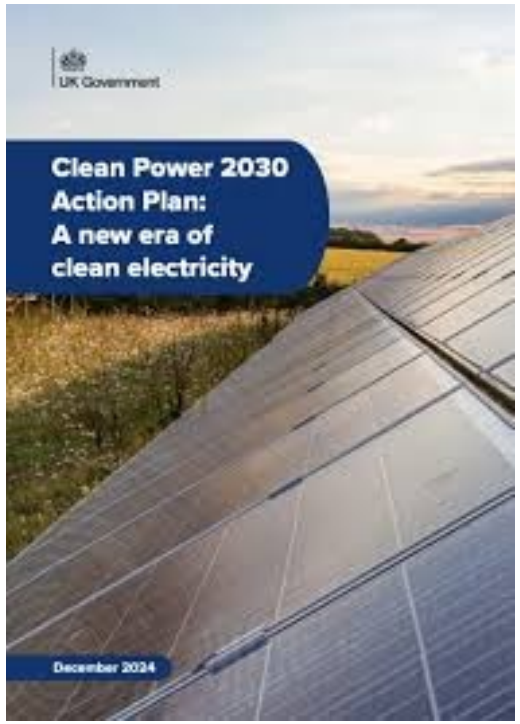
CHANGE IS IN *OUR POWER*

UK HAS A NUMBER OF 2030 SUSTAINABILITY GOALS





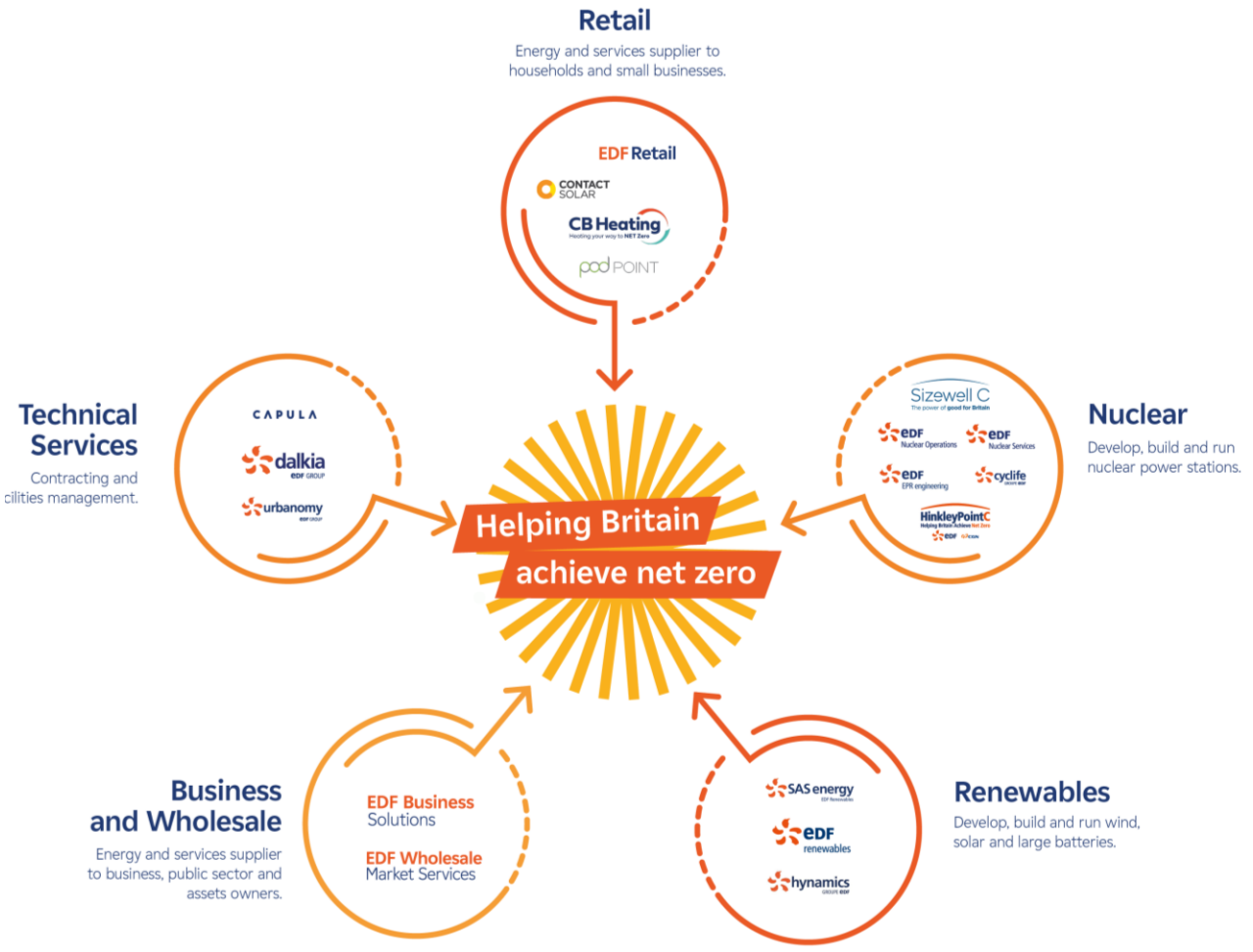
EDF ENERGY: HELPING BRITAIN ACHIEVE NET ZERO

BRITAIN'S BIGGEST GENERATOR OF ZERO CARBON ELECTRICITY

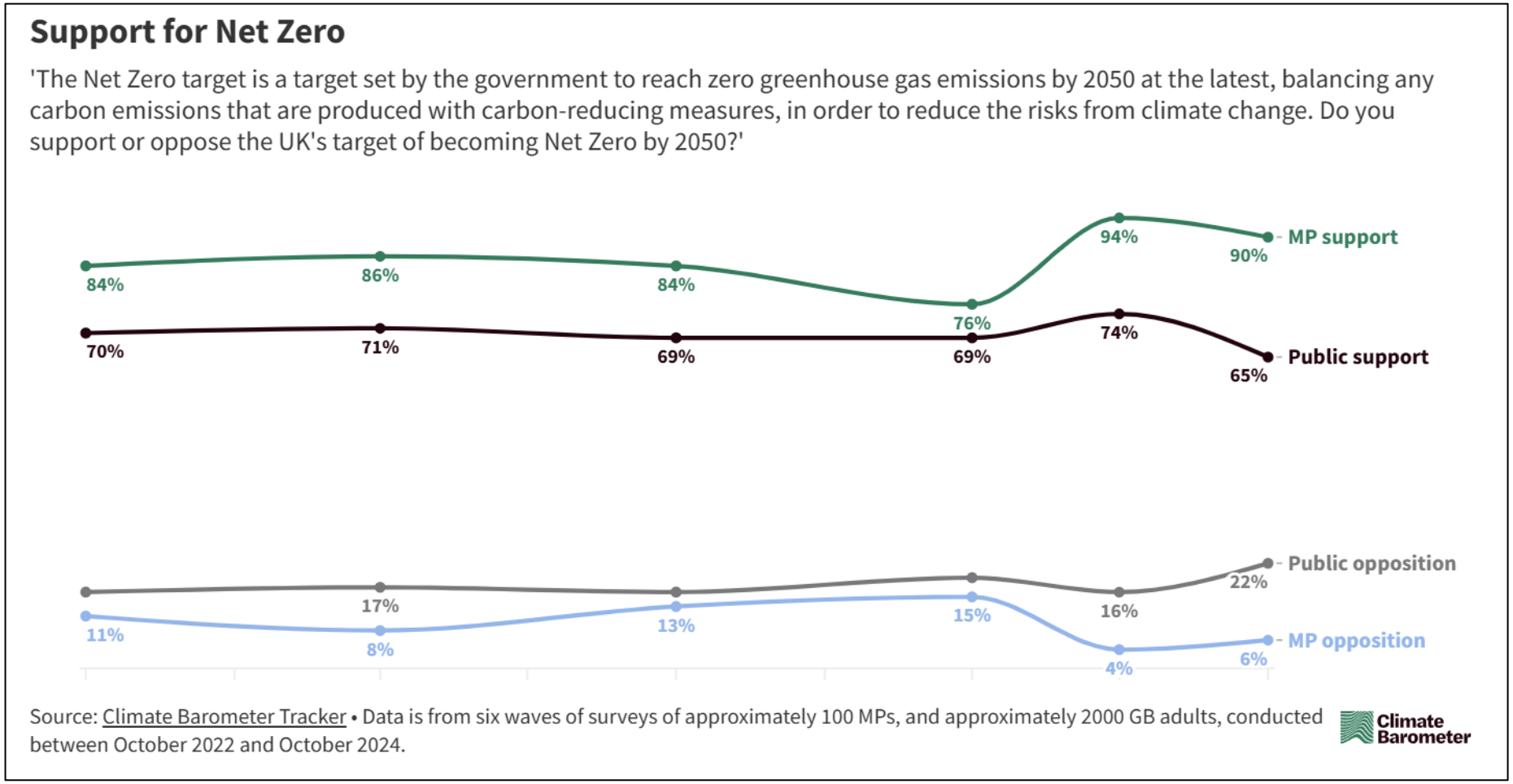
- Building Britain's own wind, nuclear and solar energy supply with 1.5 GW of renewable in operation and 14 GW in development, 5 nuclear power stations generating and 2 (HPC & SZC) in construction.
  - 12% of UK power demand.
  - Since 2018 EDF has invested £2 in the UK for every £1 made in EBITDA.

A UK LEADER HELPING CUSTOMERS DECARBONISE

- One of the largest suppliers, with around 6 million electricity and gas customer accounts.
  - No.1 electricity supplier to businesses by volume.
    - Through Dalkia, provide engineering and technical services to business and public sector clients.



PUBLIC SUPPORT FOR NET ZERO REMAINS STRONG



REGULATORY CERTAINTY AND TIMELY DECISIONS ARE PREREQUISITE

1.

Keeping the momentum and not allowing timelines slip

2.

Delivering promised reforms

3.

Setting the direction for the long term.

MITIGATING SUPPLY CHAIN BOTTLENECKS

- Investment is set to double across key capital-intensive sectors (including energy) over the next five years
- The National Infrastructure Commission warns that a ‘constrained supply chain’ and flatlining productivity in construction are key factors driving up costs for UK infrastructure
- There are acute skills shortages impacting the efficient delivery of projects. E.g. the number of welders and related traders employed in the UK has fallen by 40% in the last 20 years
- Establishing a visible pipeline of projects, identifying major projects that are likely to be competing for similar skills or resources, enabling and supporting the creation of national skills programmes and adapting the immigration system to plug gaps are key solutions.

ELECTRICITY CONSUMPTION* HAS DECREASED AND FORECASTED TIMELINES FOR INCREASING DEMAND HAVE BEEN PUSHED BACK

- Electricity demand has been declining since its peak in 2005, falling in 2023 to levels last seen in the 1980s [Figure 1]. Q2'24 data shows a continuing fall in industrial demand YoY, but a slight uptick in services and domestic consumption.
- The recent increase in the cost of electricity in the UK and the wider cost of living challenges have been an additional barrier to electrification [Figure 2].
- Past predictions for electrification have proved over-optimistic [Figure 3], a trend that has been mirrored across the G4 countries.

Figure 1

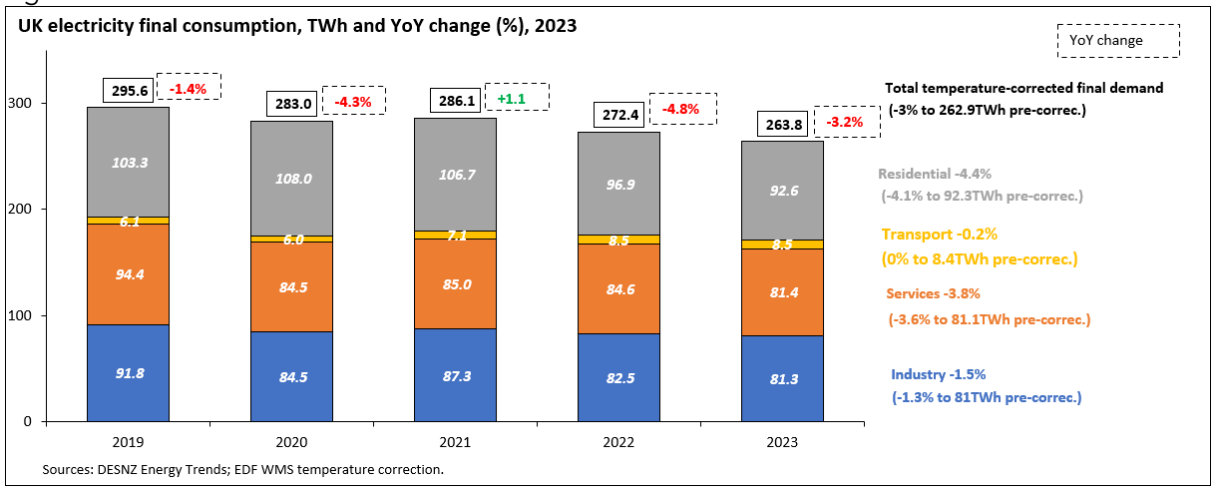


Figure 2

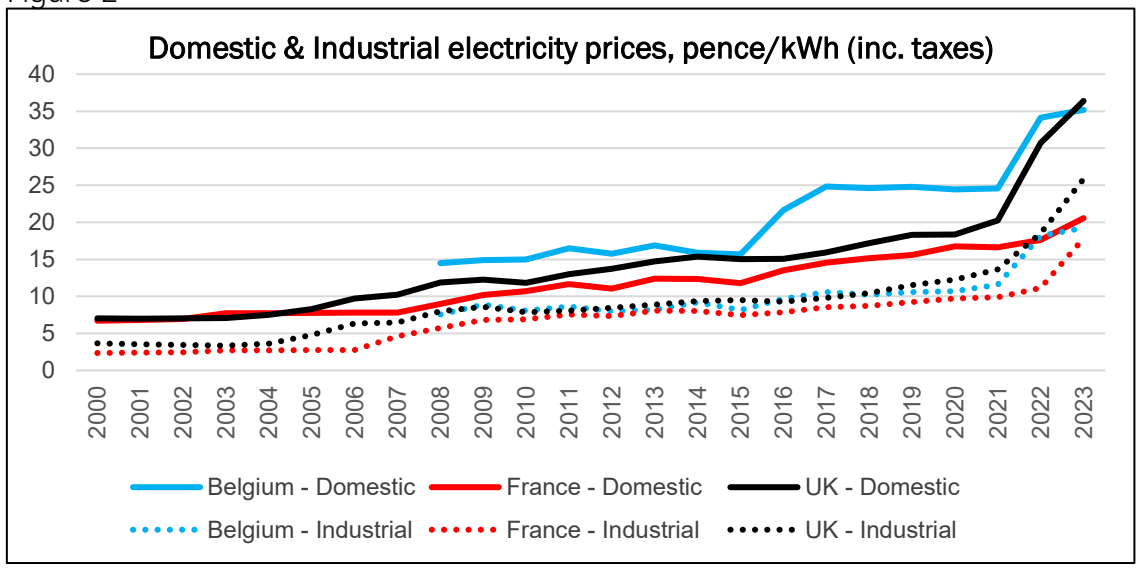
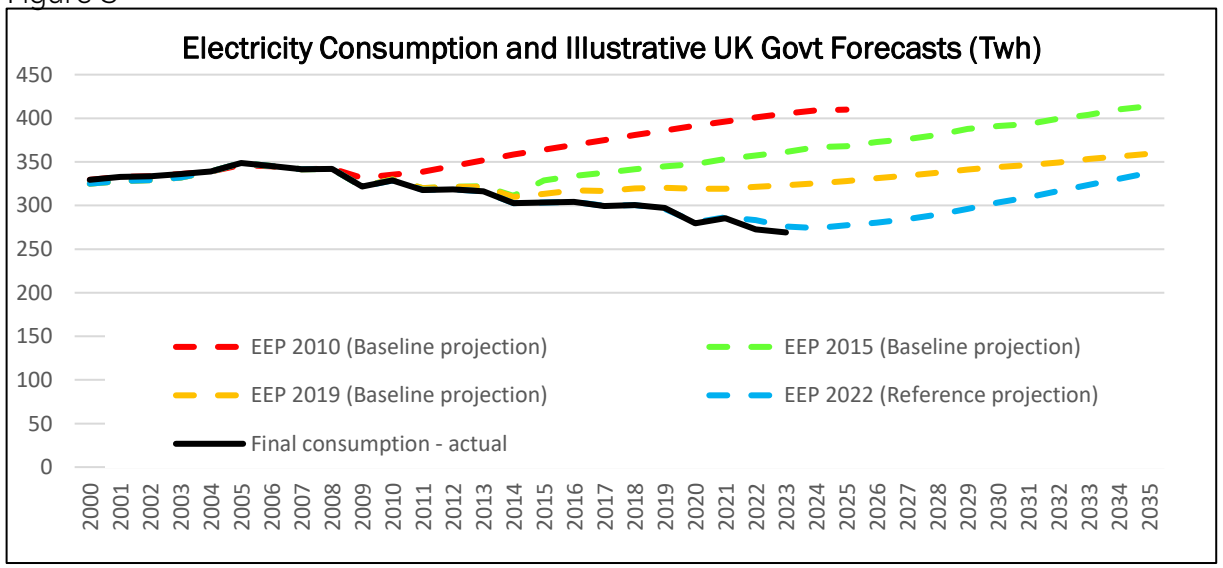


Figure 3



*this includes consumption that is met by self generation (e.g. rooftop solar)