

# EDF ENERGY'S MODERN SLAVERY STATEMENT



## Introduction

EDF Energy is one of the UK's largest energy companies and the largest producer of low-carbon electricity producing around one fifth of the nation's electricity from its nuclear power stations, wind farms, coal and gas power stations and combined heat and power plants. The company provides gas and electricity to around 4.9 million residential customers and installed more than 500 000 smart meters in 2018.

The [Better Plan](#) is our framework for being a sustainable and responsible energy business and is an integral part of [EDF SA's 2030 vision](#) – to be the efficient, responsible electricity company and champion of low-carbon growth.

Doing business in an ethical way is one of our most important values. Through the "Better Plan" we are working to ensure sustainable, ethical practice across our supply chain and we will not tolerate any abuse of human rights. At EDF Energy, we recognise that Modern Slavery is a growing global concern, and we are working to ensure that our own operations, and those of our supply chain, are appropriately evaluating the risks of Modern Slavery.

We are working to mitigate these risks where possible by

putting plans in place to demonstrate our commitment to ethical business. We report our sustainability performance annually through our Better Energy Ambitions and are signatories to the [United Nations Global Compact](#) (UNGC). We strive to continuously improve our standard of ethical behaviours. Our commitment to ethical business practice is outlined in our [Ethics & Business Conduct Policy](#). Our commitment to sustainable and responsible business, including steps we plan to take to further address social issues, including modern slavery, are outlined in more detail in "The Better Plan".



## Our People

Around 25,000 people work for EDF Energy both directly employed and through external contractors, alongside a supply chain consisting of around 5,000 suppliers. We also have around 3,600 people now working on the construction site at Hinkley Point C

All of our people are expected to work to our guiding principles for ethical behaviours and our business values are communicated through a variety of channels. We have supporting documents in place to guide our employees to work in an honest and ethical manner, as well as giving them the confidence and tools to report any suspected unethical conduct in the organisation.

Our Codes of Conduct remind our people of the need to demonstrate that we are a company that acts honestly

and ethically. Employees are reminded that they should report any concerns of possible illegal activities, unethical conduct or anything that might prejudice the business, using EDF Energy's Confidential Reporting of Serious Concerns procedure.

EDF Energy is committed to fair employment practices and to ensuring legal and regulatory compliance. This commitment in addition to the policies and procedures described above collectively helps to demonstrate our on-going commitment for the elimination of any risk of modern slavery practices. Included in this commitment is our accreditation by the [Living Wage Foundation](#) as a Living Wage Employer. The terms of our accreditation include the employees of our suppliers who work on our sites and, we also encourage our suppliers to pay the Real Living Wage.

## Our Supply Chain

We contract with suppliers to ensure that we have the goods and services needed to generate and supply electricity, gas and energy services to our customers.

Our supply chain due diligence processes include elements that identify any potential risks relating to slavery and human trafficking and we carry out thorough risk assessments to identify areas of focus in relation to Modern Slavery concerns.

## Supplier Standards

At EDF Energy we have a set of [Minimum Standards](#) that suppliers are required to abide by. These include a requirement for suppliers to complete a risk-based self-assessment aligned to the 10 Principles of the UNGC. This provides us with our first opportunity to assess and mitigate the risks associated with Modern Slavery.

We ask our key suppliers to obtain [Chartered Institute of Procurement and Supply's Sustainability Index](#) accreditation.

This covers economic, environmental and social aspects of their supply chains. This includes evidence to support payment of legal wages, entitlement to work, freedom of association and protection of workers' rights and compliance with regard to Modern Slavery Act statement publication.

Our key suppliers are subject to additional reviews which include topics designed to identify the risks of Modern Slavery. Supplier Relationship Management activities and Supplier Compliance Reviews allow in depth assurance and on-going checks throughout contract delivery to ensure ethical behaviours and industry codes of practice are followed.

## Risk Assessment

We adopt tender specification requirements to set expectations of how goods and services should be delivered.

## Highest Areas of Risk

### Power Station Maintenance and Development

Nuclear generation and nuclear new build activities are subject to oversight from the [Office for Nuclear Regulation](#) and part of this oversight requires a high level of transparency from our suppliers. This includes ensuring that only duly authorised and suitably qualified and experienced persons take part of these activities. This requirement and the quality standard required in relation to manufactured parts provide mitigation in relation to Modern Slavery risks. Our parent company EDF SA also oversees our ethical performance including alignment to the UNGC.

### Smart Meter Production and Installation

The known risks around sourcing and installing smart meters are understood and are addressed throughout the tendering and contract management processes, including site-visits to smart meter suppliers. Those involved with installing meters are employed through UK registered companies and have the relevant security and recruitment checks required by English

Tender evaluation processes are also designed to establish whether suppliers can meet these expectations. A large number of our suppliers are companies registered in the UK who match EDF Energy's levels of transparency in relation to UK employment law and the Modern Slavery Act.

## Due Diligence

The UK Nuclear Industry is developing capacity and capability within its supply chain and to maintain a rigorous and clear approach to ensure the quality of products and services received. In 2018 a new process of Supply Chain Mapping was introduced with a completion date of Q1 2019 which will assist existing contractors, new entrants and potential new entrants to the industry to improve efficiency and transparency.

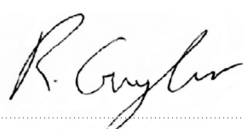
and / or Scottish law (as appropriate). In addition, we also carry out site-visits to the companies fitting the smart meters to ensure they continue to meet our high standards for the protection of the meter installers and our customers' safety.

## Fuel Supply

Obligations contained within our contracts for the purchase of nuclear fuel are aligned to the [UN Declaration of Human Rights](#), the [EU Charter of Fundamental Rights](#) and the [International Labour Organisation](#) conventions. EDF Energy also engages, where possible, with suppliers who adhere to the [Better coal Initiative](#) and the EDF Group Biomass Document Policy. Whilst we recognise that the supply chain for commodity market-tracked coal lacks the same transparency, we limit the use of this source of supply as much as possible.

Most of the gas we buy, both for sale to our customers and for use in our power stations is purchased via our affiliate company. Our gas is received via the National Balancing Point (which is a gas trading facility run independently of EDF Energy) or via gas interconnectors, which connect the gas transmission system from other countries to the UK's National Transmission System (NTS) via a UK gas terminal. As it is a fungible product, it is not possible for us to track the supply chain backwards.

This statement is made pursuant to section 54(1) of the Modern Slavery Act 2015 and constitutes EDF Energy's slavery and human trafficking statement for the financial year ending 31st December 2018.

Signed: 

Signed by Rob Guyler

Director, EDF Energy Holdings Limited

<sup>1</sup> Are those companies, directly contracted to EDF Energy, that are seen as central to our business activities. As such, the inclusion of suppliers in this category is not based solely on our expenditure with them. There are approximately 200 suppliers in this category.

<sup>2</sup> Suppliers that are a sub-set of our key suppliers. It is those whose contract delivery to EDF Energy is seen as most critical to our business activities. There are approximately 30 suppliers in this sub-set.



## **Modern Slavery Statement Appendix to Statement 2018**

Subsidiary organisations covered within the published Group Statement dated 26<sup>th</sup> April 2019

EDF Energy (UK) Limited  
EDF Energy Customers Limited  
EDF Energy Holdings Limited  
EDF Energy Limited  
EDF Energy (Thermal Generation) Limited  
British Energy Limited  
EDF Energy Nuclear Generation Limited  
EDF Energy Renewables Limited  
EDF Energy Renewables Holdings Limited  
NNG Windfarm Holdings Limited

