



JUST TRANSITION

From strategy to actions

October 2021



1 *raison d'être*, 4 pillars, 16 CSR Commitments

TO BUILD A NET ZERO ENERGY FUTURE ELECTRICITY AND INNOVATIVE SOLUTIONS AND SERVICES,
TO HELP SAVE THE PLANET AND DRIVE WELLBEING AND ECONOMIC DEVELOPMENT

CARBON NEUTRALITY AND CLIMATE

- Ambitious carbon trajectory
- Carbon offset solutions
- Adapting to climate change
- Development of electricity and energy services



Carbon
neutrality
and climate

Wellbeing
and
solidarity

CSR

WELLBEING AND SOLIDARITY

- Health and safety for all
- Equality, diversity and inclusion
- Ethics, conformity and human rights
- Energy precariousness and social innovation

PRESERVATION OF THE PLANET'S RESOURCES

- Biodiversity
- Responsible land management
- Integrated and sustainable water management
- Waste and circular economy

Preservation of the
planet's resources

Responsible
development



RESPONSIBLE DEVELOPMENT

- Dialogue and consultation
- Responsible regional development
- Development of industrial sectors
- Sustainable and inclusive digitalization

Our net-zero pathway



AN AMBITIOUS CARBON INTENSITY TRAJECTORY



275⁽³⁾

(European average in 2019)



(1) VS. 2017 (2) VS. 2019 (3) Average 2019 carbon intensity of power producers in Europe according to EEA

The just transition is inherent to our *raison d'être*

EDF's raison d'être is based on four pillars whose interconnections ensure that our net-zero pathway is for and with the people.

Success in the energy transition will be measured by how we have dealt with the risk of both stranded assets and stranded workers.

Our definition of the just transition is about placing people at the center stage and focusing on the wellbeing of all our stakeholders.

In 2015, the Paris Agreement recognized the impact of ending carbon-based activities on jobs and stated that stakeholders should "take into account the imperatives of a just transition of the workforce and the creation of decent work and quality jobs compliant with nationally defined development priorities". Thanks to its nuclear and renewables capacity, EDF, as the largest producer of zero direct CO₂ emissions, will be an enabler to decarbonize the rest of the economy, but this massive transformation will need to be fair and inclusive. EDF will continue an intense dialogue with all stakeholders (e.g. employees, partners, service providers, host communities and representatives) to assess and anticipate social impacts.

Furthermore, EDF believes that low carbon energy must be accessible to everyone in all regions, therefore will always invest to support the most fragile customers whether in developed or emerging countries.

Jean-Bernard Levy, Chairman and Chief Executive Officer of EDF

Jean - Bernard Levy

To implement the structural change required for a just transition, we need to consider environmental, social and governance factors as inherently connected.



Key figures of the Just Transition

23 million
residential customers benefit from EDF's clean energy in France ⁽¹⁾


CUSTOMERS

250
solidarity experts in France support the most vulnerable customers through financial aid, debt repayment, energy efficiency, etc.

2 200
employees have been redeployed since 2018 to support the transformation of the Group, thanks to the "My Job" project


EMPLOYEES

87.2%
of employees covered by a collective bargaining agreement in 2020 ⁽³⁾

€40 million
invested since 2017 foster energy accessibility through rural electrification in emerging countries


COMMUNITIES AND TERRITORIES

4.1
indirect jobs with each direct job at EDF ⁽²⁾

€1.25 billion
Hybrid social bonds issued in 2021, to support SMEs which are key parts of the industrial fabric, providing employment opportunities in the EU and the UK


SUPPLIERS

23.4%
EDF and Enedis annual procurements carried out with SMEs

(1) In France, 97% of EDF's energy generation is decarbonised (2) In France, related to generation activities (3) the remaining 12.8% are in subsidiaries with their own collective bargaining agreement, which are not part of French jurisdiction

EDF's Just Transition scope of action

Our commitment to ethics in compliance with UN guiding principles on business and human rights

Ensure safe and fair working conditions for everyone

Undertaking Just Transition towards our key affected stakeholders
ENGAGEMENT, PLANNING, ENACTMENT



CUSTOMERS

1. Provide low carbon electricity at an affordable cost
2. Achieve energy savings and offer financial solutions
3. Develop social innovations



EMPLOYEES

1. Bolster all kinds of inclusivity and combat discrimination
2. Ensure job quality with just and competitive wages
3. Boost redeployment, individual support and job creation



COMMUNITIES AND TERRITORIES

1. Share value with the territory
2. Mitigate social impacts
3. Encourage development in vulnerable areas



SUPPLIERS

1. Increase empowerment within the supply chain
2. Support local and small suppliers



PLANET'S RESOURCES

1. Preserve biodiversity
2. Manage waste and promote circular economy
3. Work towards an integrated and sustainable water management

DIALOGUE AND ADVOCACY



JUST TRANSITION ESSENTIALS



Our commitment to ethics in compliance with UN guiding principles on business and human rights

Ethical conduct in accordance with the law is the absolute rule for all group employees.

The group is committed to respecting and ensuring respect for human rights and fundamental freedoms in all its activities and wherever it operates.

For **employees' rights** :

- To fight against discrimination, harassment and violence, forced labour and child labour
- To respect freedom of association and the right to collective bargaining
- To ensure fair and favourable working conditions.

In terms of **rights of local communities**, this implies :

- Open and transparent stakeholder engagement
- Respect for the rights of indigenous populations and cultural heritage
- Restoration of livelihoods.

These commitments also constitute requirements for our suppliers.

Supporting a just transition is mainly about connecting and incorporating environmental and social ambitions - as established by social and labor standards – into our net-zero strategy.

EDF is therefore committed and complies, as a minimum, with the international standards protecting and defending human rights and fundamental freedoms:

- the United Nations International Bill of Human Rights
- OECD Guidelines for Multinational Enterprises.

EDF also strives to comply with the standards published by the International Labour Organization (ILO) related to working hours based on the following principles:

- Regular working weeks do not exceed 48 hours
- Working weeks do not exceed 60 hours including overtime
- Workers have at least 1 day off every 7 working days, except in the event of emergencies or other uncommon circumstances
- Workers have at least 3 weeks of paid leave each working year
- Maternity leave lasts at least 14 weeks.

INDICATOR

100% of the employees and the suppliers are subject to EDF's Code of Conduct.
An internal audit or an ethics risk assessment has been carried out in 100% of our operational sites.

Ensure safe and fair working conditions for everyone



In an environment that is undergoing rapid, far-reaching changes, the human aspect is more than ever a core component of the Group's strategy



To succeed in its net zero ambition, EDF is committed to remain a socially responsible and committed employer and a benchmark in terms of health and safety



EDF is committed to protecting the health and safety of all individuals.



The Group develops the highest safety standards on all its generation facilities.



The Group's Health and Safety policy was enhanced in 2021, thus defining a common framework applying to all the companies in the EDF group, in all countries in which it operates, for its own employees and those of its subcontractors.



The Group strives to set an example in the area of Health and Safety by eradicating fatal accidents, reducing the number of accidents, preventing psychosocial risks, adapting work organization methods to ensure well-being and comfort, guaranteeing a high level of social welfare, improving air quality and reducing noise, visual and light pollution.

INDICATOR

100% of our employees on all sites are represented in a joint health and safety committee.



CUSTOMERS

EDF supports its consumers by providing affordable access to low-carbon electricity and enables them to participate actively in the reduction of energy consumption



Achieve energy savings and offer financial solutions

Provide low carbon electricity at an affordable cost

In France, 23 million homes and 1.5 million business sites have chosen regulated sales tariffs, administered by the government, which sets the amount based on proposals from an independent government body, the French Energy Regulatory Commission (CRE). A household that pays regulated tariffs consumes an average bill of €922 including VAT/year, i.e. 20% less than what households pay in the Eurozone.

In France, EDF has designed a scheme covering areas of action against energy poverty : payment assistance and support of our clients.

- EDF's customer advisors provide energy support service to any customer experiencing difficulty by offering the most appropriate solutions, such as advice on pricing to better adapt their contract or on eco-friendly behavior.
- More than 250 EDF experts in our « solidarity teams » work directly with social workers to provide the most vulnerable customers with the best possible support through financial aid, debt repayment but also training and awareness-raising initiatives on energy saving as well as bill explanation.

EDF is also involved in prevention.

- Since 2011, the Group has also been involved in the “Habiter mieux” program coordinated by Anah, the French national housing agency. This program has enabled the renovation of more than 503,000 homes occupied by precarious households.
- The EDF energy bonus provides financial support for the “Coup de pouce” (Helping Hand) scheme to encourage households and social landlords to carry out energy-saving work.
- EDF also offers “My sustainable heating”, a new service to help households, particularly those of modest means, to reduce their energy bills and CO2 emissions by replacing their oil, gas or coal-fired boiler with a heat pump.
- EDF also participates in numerous social mediation structures in France, including some forty PIMMS (Points d'information et de médiation multi-services).

Develop social innovations

EDF is developing initiatives to encourage the emergence of innovative solutions for the most vulnerable consumers and to mitigate energy poverty : energy donations from our customers and employees to benefit customers in a situation of energy precarity in partnership with the Abbé Pierre Foundation, digital tools to help individuals use less energy, mobile learning spaces in regions, etc.

In October 2021, “EDF Pulse Incubation” (EDF’s entrepreneurship entity) launched a call for projects based on social innovation. The initiative encourages all EDF employees’ innovative ideas supporting residential consumer sufficiency (consuming less and better) and also creating appropriate solutions for the customers in all the important moments of their life (birth, relocations, moves,...).

Impact of actions – EDF helps customers navigate their choices in the transition to a net-zero living. “**Mes Ecos et Moi**”, for instance, is a digital solution available via the customer area and the “EDF&Moi” application to help customers track, understand and therefore better control their energy use. Customers with Linky smart meters can also access their energy consumption calculated in euros. An internal study shows that customers who check their energy monitoring tools two to three times a month and who change their consumption behaviors, save up to 12% on their energy bills.

Impact of actions – From consumer to prosumer

EDF in the UK is leading a community energy trading project. In 2019, the R&D UK Centre launched Project ‘CommUNITY’, an innovation trial with UK Power Networks (UKPN) and Repowering London. It gave the residents of Elmore House in Brixton access to electricity generated from a solar PV system installed on the roof of their flats. During the trial 42%, on average, of household electricity was provided by solar energy, whilst also providing flexibility services to UKPN.

Each resident is allocated a portion of the energy generated. They can then sell or share any unused energy with their local community using a blockchain platform which increases transparency and control to individuals in a scalable way at a low-cost. With no upfront cost, the participants reduced their energy bills by more than 20%.

In 2021, 2 years on, CommUNITY+ is generating even more savings for customers, and community self-consumption was increased. EDF in the UK has installed a battery to store energy and thus given the residents greater reliability and flexibility.



EMPLOYEES

EDF strives to mitigate the social impact of the low carbon transition on workers

We commit to provide access to low-carbon and decent jobs, while embedding gender balance and inclusion of vulnerable groups



Bolster all kinds of inclusivity and combat discrimination

The fight against climate change needs all the talents, which is a challenge in our industry where women are under-represented. EDF is committed to reflect the society it exists to serve.

For EDF, achieving gender equality is the sine qua non condition to completing a Just Transition. The group has set a new target of 36% to 40% of women in the Group (employees, managers, management committees and executives) by 2030.

Furthermore, EDF is committed to guaranteeing equal treatment and combating discrimination ⁽¹⁾. In the event of conflicting standards with applicable laws in countries in which it operates, the group undertakes to apply the most protective human rights provisions while complying with the national laws. All controlled subsidiaries of the group have now been informed of the agreement and are developing a social progress action plan.

Impact of actions – EDF puts forward female empowerment through several key moments such as the **“Women Energy in Transition”** Award (created in 2019 by Dalkia, EDF’s affiliate), which promotes the role of women in energy transition and aims at encouraging young women to choose both scientific and technical jobs.

INDICATOR

In 2020, EDF obtained 95/100 for gender equality index ⁽²⁾

⁽¹⁾Discrimination is defined to be any distinction, exclusion or preference based, amongst others, on presumed race, color, sex, age, religion, political opinion, national extraction or social origin, disability, family situation, sexual orientation or gender identity that nullifies or impairs equality of opportunity or treatment in terms of employment or occupation.

⁽²⁾ It concerns all the Group’s entities in France with more than 50 employees. It measures the male/female differences in compensation, individual salary increases, promotions, etc. For more information, please see EDF’s 2020 URD p. 162 – 3.3.1.3.5 Wellbeing and social welfare; p. 170 – 3.3.3.1 Workplace equality; p 172 – 3.3.3.4 Disability plan & 3.3.3.5 A clear framework preventing discrimination. See also our Half-year results 2021, Slide 6 and our 2020 ESG Pack – Sheet « S-Remuneration ».

Ensure job quality with just and competitive wages

Our global remuneration policy is guided by four principles that are reviewed by the Group’s Human Resources Division: competitiveness with the external market, consistency and internal equity, financial sustainability, transparency.

It is based on fixed and individual and/or collective variable remuneration which serves to recognize the achievement of objectives, connected to the companies’ financial and non - financial results. There is a direct and visible link between the employee’s contribution and the related remuneration.

The Group’s companies ensure that the minimum legal or professional requirements in each country are met and that there is no discrimination in pay or salary.

Boost redeployment and individual support

EDF advocates a transition to a fair and inclusive low-carbon business model and initiates a dialogue with its employees to assess and anticipate social impacts. The Group accompanies plant closures with measures to redeploy and re-employ people within the Group. These programs are in place throughout the process of plant closure. They enable each employee to build their career plan and bring it to fruition, to offer mobility or end-of-career options, while looking at each personal situation, in particular the spouse's employment, with objectivity, sincerity and transparency. In addition, actions to promote training and the acquisition of new skills aim to ensure the employability of people throughout their career at the Group.

INDICATOR

In 2020, thanks to the "My Job" project (designed to enhance the visibility of pools of qualified employees and solidarity between departments within EDF), more than 500 employees found a job in line with the Group's needs and more than 2,200 employees have been redeployed since 2018 to support the transformation of the Group.

Impact of actions – Between 1995 and 2020, EDF shuts down more than 30 coal-fired units and 42 oil-fired units in Europe, respectively accounting for 6.3 and 7.2GWe in withdrawn capacities. This coal and oil phase-out policy resulted in the reduction of the European electrical sector's annual greenhouse gas emissions by more than 30MtCO₂e. **These closures were all backed up with measures to reassign employees within the Group and actions to develop new local economic activities.**

In the UK, EDF has an agreement with its trade unions on the approach taken when its assets reach the end of their generating life. The approach considers the aspirations of employees and focuses on reskilling, training and enabling relocation to other assets and areas of the organization. In this context, the collective agreement with the National Joint Council signed in May 2021 for defueling EDF's advanced gas-cooled reactor nuclear power stations sets out the principles for the transition and improves clarity and certainty for employees.



COMMUNITIES & TERRITORIES

EDF engages with local communities to address the risks of energy transition regarding regional economies

EDF partners with communities to share value in net-zero investments that improve their social, economic and environmental well-being



Share value with the territory

A 2020 Goodwill study based on 2019 figures shows that 339,857 jobs (of which 66,487 direct jobs) were supported by the EDF group, 10,000 more jobs than in 2018. This implies that 1 direct job creates 4.1 other jobs in the region, meaning that EDF supports 1.2% of jobs in France.

In terms of transition, in France, each area can design its Ecological Transition Contract around its own specific priorities. This initiative aims to define strategic priority for the transition, with numerical targets and a list of actions to be implemented for achieving those objectives, with a performance obligation. Thanks to its territorial anchoring, EDF can support the different stakeholders impacted by the closure of high-emission assets.

Furthermore, the EDF Group contributes to the development of the French regions through an annual payment of more than €1.8 billion in local taxes to local authorities.

Mitigate social impacts

We closely monitor social impacts for each project. First, an early environmental and social (E&S) due diligence is carried out, all stakeholders are identified. Dialogue and consultation are established as far upstream as possible along with E&S impact assessments, including human rights. Special attention is paid to traditionally marginalized groups (e.g. indigenous peoples, religious minorities, people with disabilities or LGBTQIA+). A public grievance mechanism is set at an early stage to provide fair access to remedy along the project value chain. This allows the deployment of an efficient social “avoid, mitigate, offset” approach to optimize the management of both positive and negative social impacts.

Impact of actions - Through an Ecological Transition Contract, the closure of the **Aramon** thermal power plant in the Gard department, shut down in 2016, led to the creation of a 5MWp **photovoltaic plant** and the implementation of a program to step up the development of start-ups for the local energy transition, called CleanTechBooster. Likewise, the plans for the decommissioning of the plant, scheduled to take ten years, involved a consideration of how best to involve small local companies in the calls for tenders process and achieve a recovery and recycling rate for the plant's materials of more than 95%.

Impact of actions - During the development of the **EDEN Solar Plant in Bap Tehsil** (Rajasthan, India), dialogue with local communities has been well established and taken into account on several topics:

- Avoidance of impacts: a bypass road was built to avoid traffic disturbances in the village
- Mitigation of impacts: the design of the plant has been revised to save trees, as it was important for the local communities to avoid cutting them
- Offset of impacts: when trees needed to be removed (tree cutting limited to those directly affecting the solar panels), three trees were planted instead
- Offset of impacts: community investments have been implemented, such as the creation of a water pond in the village.

During the O&M phase, dialogue and CSR investments have continued:

- A social budget is dedicated every year to programs such as construction of toilets in schools, provision of fans, bags or sport materials to students, provisions of bicycles to the poorest villagers, etc.

The development of the project created several job opportunities for people living in the surrounding area, with priority given to directly affected households.

Encourage development in vulnerable areas

EDF is helping to make energy accessible through rural electrification, off-grid and micro-grid projects and other innovative technologies. In partnership with local entrepreneurs, EDF offers decentralized electricity generation and services that prioritize clean energy. The off-grid projects provide electricity services to individuals or very small businesses, mainly in rural areas in six African countries (ZECI in Ivory Coast, ZEGHA in Ghana, BBETO in Togo, KES in South Africa, and since 2020 with SunCulture in Kenya and SMG in Zambia).

Impact of actions – EDF designed and built the largest hydropower project at the time in South-East Asia: **Nam Theun 2** located in Laos. This project was supported by the World Bank for its environmental and social ambition and standards. EDF Group owns 40% of the Nam Theun Power Company (NTPC) that has been operating the facility since 2010. Between 2010 and 2020, Nam Theun 2 has honoured the engagement it made at the beginning of the project: contributing over 750 million USD to the Lao Government for poverty reduction and environmental management across Lao PDR and by instigating a wide range of all-inclusive programmes in the fields of health, education, gender equality, infrastructures, UXO clearance, and employment for the local population, thus contributing to the United Nations Sustainable Development Goals.

As part of the program implemented during the project construction and focusing in particular on the people who had to be resettled, Nam Theun 2 has supported the construction of houses for all of the households concerned, 2 clinics and 32 schools, 120 km of roads, as well as the implementation of a program to support economic activities (forestry, agriculture, fishing, etc.). In 2013, the Lao Government declared the Nakai District as out of poverty as a result of Nam Theun 2 social programs.

Indeed, all households are now above the poverty line, compared to a poverty rate of 50% before the project. Since the start of the project, household revenues in Nakai have even doubled.

The health improvement program has had many positive impacts, with 97% of children vaccinated for common diseases by the age of 2. Child mortality has fallen over 50% and maternal mortality has been virtually eliminated. Nam Theun 2 has given priority to education with nearly 40% of aid revenues going to this sector. The Nakai Plateau region now hosts 7 primary and 16 nursery schools, with 94% of children attending primary school compared to only 31% previously. Adult literacy has climbed from 51% to 86%.

The environment surrounding Nam Theun 2 has been integrated in the project since its early stages of the project: the Nakai-Nam Theun National Park (formerly WMPA – Watershed Management Protection Authority), receives from the hydropower revenues 1,4 MUSD annually, dedicated to biodiversity conservation. Since 2018, Nam Theun 2 has gone beyond this initial contractual obligation and contributed to new irrigation projects, as well as creating the conditions for the official application of the National Park on the IUCN Green List of Protected and Conserved Areas, in order for the park to reach international conservation standards.



SUPPLIERS

EDF believes that its suppliers must be fully integrated in the Just Transition

The company takes on its duty of care to analyze its business relationships with suppliers and build sustainable partnerships



Increase empowerment within the supply chain

Reciprocal commitments between EDF and its suppliers is a principle of the group's purchasing policy, which implies the following guidelines:

- The "Sustainable Development Charter between EDF and Its Suppliers"
- Environmental, social and human rights clauses
- Requirements on human rights, Health and safety, Environment and Business ethic
- A compliance undertaking, related to bribery and corruption, money laundering, terrorist financing and conflicts of interest
- The International Labour Organization's (ILO) conventions as well as the United Nations Global Compact, including application to sub-contractors.

To monitor suppliers and sub-contractors, assessments are carried out (eg. audited supplier questionnaires, audits for the environment, hygiene and security, work time, forced labor, child labor, etc.). In 2020, 2,200 suppliers were questioned using the Acesia platform, and nearly 900 have been controlled. The suppliers to be assessed or audited are mainly selected based on EDF's supplier risk mapping.

Support local and small suppliers

EDF endeavors to strengthen its supply chains locally. The group is making significant investments to maintain and develop its low-carbon energy production and distribution assets, including by sub-contracting with a wide array of SMEs in its local areas.

In line with this objective, EDF issued in May 2021 its first **social bond**, a €1.25 billion issuance targeted at supporting **SMEs in areas with high unemployment challenges**.

- **Eligible Projects** include any capital expenditure contracted with a SME which contributes to the development or maintenance of EDF Group's power generation and/or distribution assets in Europe (defined as the European Union and the United Kingdom).
- **The social objective** of such projects is to support the SMEs that make up a key part of EDF's industrial fabric and which provide employment opportunities in the territories where EDF is active.
- **100% of the funds raised will support capital expenditures in employment zones (zones d'emploi) in France with high unemployment challenges**, defined as zones with unemployment rates
 - that are higher than the average national unemployment rate or
 - that decreased less rapidly (or increases more rapidly) than the average national unemployment rate over the last five years
- **This represents a €1.25 billion investment by the group to fight unemployment.**

Impact of actions

EDF has set up a national program to support SMEs in the renewable energy sector. This program helps making energy projects territorial assets for employment, training and integration. This strategy was applied to the **Dunkirk offshore wind project (EMD)** by :



Developing the required skills

Training is a key factor of the success to anticipate competency needs and to encourage local recruitments.

- The local training offer was mapped to assess the gap with the upcoming needs for the project
- Local partners offering a wide range of training courses (universities, vocational training institutes, training structures) were identified
- Partnerships were engaged to develop new academic content related to offshore wind
- Financing of training for job seekers was planned

EMD commits to entrust 5% of the total number of hours worked to people alienated from the workplace or in apprenticeship.



Undertaking the local industrial approach and maximizing local orders by :

- Raising awareness of the local fabric by providing : visibility on the sector, the timetable of the project (e.g. tenders starting by 2023), the upcoming subcontracting needs or referencing procedures
- Identifying (through meetings, directories, databases) potential suppliers and contractors
- Capacity building to upgrade the skills of identified companies: workshops, training, pre-referencing, search for partners...
- Final referencing (qualification) via audits.

By 2019, this approach had identified about 250 local companies (mostly SMEs) likely to join the sector thanks to the Project. They were integrated in the database of pre-referenced French companies in the sector, which included about 1,700+ companies.

EDF Renewables' anticipative approach aims to allow people and companies to prepare enough in advance to meet the upcoming demand of the project, on technical, skills and volume aspects. It has been developed in coordination with public actors and policies for economic development and employment.



**WHY MUST PLANET'S
RESOURCES BE PART
OF THE JUST
TRANSITION ?**



Preserve biodiversity

EDF seeks the right balance between the climate benefits of the net-zero transition and the possible additional pressures on biodiversity it may bring. In 2020, the Group is renewing its commitment to biodiversity through two state-supported voluntary schemes:

- “Entreprises engagées pour la nature - act4nature France” (Companies committed to nature - act4nature France) – this aims at encouraging the emergence, recognition and promotion of action plans in favour of biodiversity led by French companies
- “Act4nature International”, an initiative launched by the French association “Entreprises pour l’environnement” (Epe) (Companies for the Environment). This aims at mobilizing companies on an international scale to address the issue of how they directly and indirectly impact the environment, how they rely on the environment and how they can help nature.

The Group’s commitment, which goes beyond regulatory requirements, is structured along the following lines :

- Reducing its activities’ contribution to major pressure factors (as identified by IPBES)
- Recreating spaces and conditions that promote biodiversity
- Improving and sharing knowledge
- Strengthening the governance of biodiversity issues and raising employee awareness

Impact of actions - In Belgium, Luminus and its partners (Universities of Liege and Namur, Profish, EDF R&D) have launched a program to model the behavior of migrating fish and reduce their mortality during the passage of hydroelectric facilities. The Life4Fish program (2017-2023) is supported by the European Commission thanks to €2 million in funding as part of the European Life Program and with an overall budget of €5 million. In 2019, two new very low impact turbines for migrating fish were installed at the Monsin hydroelectric site, as well as a behavioral barrier (eel deterrent) at the Grands-Malades site. A second electric barrier was installed in 2020 on the Grands-Malades site to guide young salmon to a new crossing structure that was successfully tested in 2021.



Strategies to mitigate climate change should acknowledge and consider impacts on natural resources in order to avoid unintended negative consequences

Manage waste and promote circular economy

The Group is committed to a process of continuous improvement according to the principle that the “best waste” is the one that is not produced. The mission of the “Waste and Circular Economy” task force attached to EDF’s Environmental Management System (EMS) is to avoid waste production by carrying out prevention, optimization and recycling actions. EDF promotes a circular economy approach (reuse, recycle, recover products and materials throughout the value chain) by using eco-design for instance : the wind turbines installed by EDF are 95% recyclable. The Group is committed to eliminate or substitute substances that pose a risk to people and the environment and assumes its responsibilities with regard to radioactive waste.

Work towards an integrated and sustainable water management

At the Group level, around 45 billion cubic meters of water are used for cooling thermal power facilities, of which 99% is reusable and returned to the natural environment. EDF is therefore a significant user but negligible consumer of water.

EDF works towards an integrated and responsible water management. Each energy-generating site will provide for, evaluate and report on the sustainability of its water use. EDF commits to share water within the territories in which it operates by considering the local water situation.



Climate and natural resources are two sides of the same challenge therefore EDF considers that planet preservation is fully part of the process of Just Transition

EDF participates in several international initiatives on water like the IHA Board of Directors and the Partenariat Français de l’Eau (French Water Partnership) Board of Directors. EDF is also directly involved, as UFE (French Electricity Union) representative to Eurelectric, in the European Commission working groups on the Water framework Directive.



DIALOGUE AND ADVOCACY

EDF considers dialogue and advocacy as catalysts to Just Transition, getting all stakeholders on board



Sustain social dialogue with unions

The Group's actions go beyond merely integrating environmental issues into its strategy, as EDF remains a socially-responsible, committed employer and a leader in terms of involvement of its employees. **The Global Framework Agreement On The EDF Group's Corporate Social Responsibility was signed in 2018 and prolonged in 2021** with two international **trade union federations** (IndustriAll and ISP) and all of the group's **own trade unions**. All Group employees and subcontractors worldwide are covered by the provisions of this agreement, which the Group's subsidiaries apply by including it in their strategic action plans.

It sets out the major principles to be followed on several topics: respect and integrity, development of people, dialogue and consultation, support for local residents and the impact of the Company's policies on local regions.

This agreement also includes a "Supporting a Just Transition" clause : *"[The signatories] actively support the principle of a "Just Transition" for a meaningful transition towards economies and companies that are environmentally sustainable for all, in accordance with the ILO's guidelines. As such, the Group undertakes to provide adequate training for its employees, endeavouring to protect their rights, interests and to develop their skills in cooperation with workers' representatives."*

Impact of actions - In 2019, EDF won 3rd place at the 7th edition of the « Nuit de la RSE » ("Night of CSR"), in the « Best collaborative and stakeholder-oriented approach » category, thanks to its Global Framework Agreement on CSR. "Nuit de la RSE" gathers up to 1000 CSR professionals and advocates new models of sustainable development

Engage in dialogue with communities

The Group is striving to organize a global initiative of dialogue and consultation which is transparent and open for each new project and which involves local communities throughout the lifecycle of the projects.

Impact of actions - In addition to EDF's public whistleblowing mechanism, projects also develop local complaint mechanisms in order to ensure that communities directly and indirectly impacted by its projects can dialogue and address their concerns.

In accordance with environmental and social international standards, the **Nachtigal Hydro Project** in Cameroon has set up since April 2015 a Request and Complaints Management Mechanism.

Disclosed publicly, anyone can address a complaint in writing, orally or by proxy, in all the local languages of the project intervention area, as well as in the official languages of the country. They are entered on a form, recorded in the project complaints register societal database.

Once registered, the complaint is assessed, and an investigation is launched if it is admissible (i.e. if it relates to the commitments, activities, impacts, responsibility or mandate of the project) to determine whether the complaint is founded. A treatment is then proposed by the Project to the complainant. A Mediation Committee may then intervene if the complainants not satisfied with the treatment provided. At last, a Board of Appeal is available if the complainant is not satisfied with the solution proposed by the Mediation Committee.

Advocacy for policies and regulation supporting a just transition

EDF's EU lobbying refers to the promotion or the defense of the company's interests by its representatives towards the European institutions with the aim of directly or indirectly influencing proposals or decisions which are likely to have an effect on the EU's climate and energy framework and more specifically on the company's *raison d'être*.

EDF is convinced that there is no Green Deal without a just transition and, as a member of WG Social Sustainability, supports Eurelectric's position paper : "Shaping a Just Transition Fund Fit For Purpose" (March 2020).

EDF believes that Emission Trading Scheme (ETS) revenues should facilitate a Just Transition, by mitigating the social impacts of climate change and addressing distributional impacts related to the review of the ETS. In this perspective, EDF fully welcomes the Commission's initiative to revise the EU ETS as one of the main tools to achieve enhanced climate targets for 2030 and 2050.

Alexandre Perra, Senior Executive Vice President of EDF Group, responsible for innovation, corporate social responsibility and strategy, affirms in an Euractiv article, that for EDF, **ensuring a fair transition is key to achieve the new climate objectives**.

"How an ambitious and rapid reform of the EU-ETS is essential to achieve the new climate objectives"
by Alexandre Perra, Euractiv, June 27th, 2021

For more information, please see [Eurelectric's Position Paper "Shaping a Just Transition Fund Fit For Purpose"](#)

The impact of higher carbon prices on consumers and industries in the different Member States must be taken very seriously. Future reform will need to address the difficult issue of redistribution of ETS revenues and implement adequate measures to ensure a fair transition, particularly in countries with high carbon economies. This transition could be supported by strengthening the tools already provided for in the ETS Directive, in particular the Modernization Fund and the Innovation Fund.

Alexandre Perra, Senior Executive Vice President of EDF Group, responsible for innovation, corporate social responsibility and strategy



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