

3.8 Vigilance plan

3.8.1 The EDF group's CSR commitment and duty of vigilance framework

EDF has a long track record of running a responsible business, based on the values of respect, solidarity and responsibility, promoting sustainable solutions for individuals and the environment.

EDF's *raison d'être* has been modified to read "To build a net zero energy future with electricity and innovative solutions and services, to help save the planet and drive well-being and economic development" and this statement was added to its articles of association at the General Shareholders' Meeting held on 7 May 2020. The Group's *raison d'être* is broken down into 16 CSR commitments⁽¹⁾, which are ranked and grouped into four key issues: carbon and climate neutrality, preserving the planet's resources, well-being and solidarity, and responsible development of the EDF group's activities (see chapter 3 "Corporate social responsibility issues and commitments").

Legal Framework

French law no. 2017-399 of 27 March 2017 on the duty of vigilance of parent companies and ordering companies introduced the obligation, in Article L. 225-102-4 of the French Commercial Code, to draw up and implement a vigilance plan.

This plan must include "reasonable vigilance measures to identify risks and prevent serious violations of human rights and fundamental freedoms, the health and safety of individuals, and the environment" that may result from the activities of the company and its controlled subsidiaries, as well as those of suppliers or subcontractors with whom it has an established business relationship, when these activities are tied to that relationship.

It must also include a description of five measures:

1. risk mapping to identify, analyse and prioritise risks;
2. procedures for regular evaluation of the situation of controlled subsidiaries, subcontractors and suppliers based on risk mapping;
3. appropriate risk mitigation or serious harm prevention actions;
4. a mechanism for reporting and collecting information on the existence or realisation of risks;
5. a system for monitoring the measures implemented and evaluating their effectiveness.

The Group's vigilance plan sets out these five measures as follows:

- 3.8.1 The EDF group's CSR commitment and duty of vigilance framework
- 3.8.2 Governance, steering and stakeholder involvement
- 3.8.3 Main characteristics of EDF as regards the duty of vigilance law
- 3.8.4 Methodology regarding Group risk mapping
- 3.8.5 Main improvements in the EDF group's vigilance plan in 2023
- 3.8.6 Salient risks and risk prevention and mitigation measures
 - > 3.8.6.1 Human rights and fundamental freedoms
 - > 3.8.6.2 Environment
 - > 3.8.6.3 Health & Safety
 - > 3.8.6.4 Suppliers and subcontractors
- 3.8.7 Group whistleblowing system
- 3.8.8 Monitoring procedure

The Group's framework relating to its commitments and requirements with respect to the environment, human rights, and health and safety

EDF's vigilance plan was determined in the framework of the UN Guiding Principles on Business and Human Rights (UNGPR), the OECD Guiding Principles, the fundamental conventions of the International Labour Organization (ILO) and the UN Universal Declaration of Human Rights.

In this context, the Group has published on its website its duty of vigilance standards in a document entitled "Human rights and fundamental freedoms, Health and safety, Environment, and Business ethics: the EDF group's commitments and requirements"⁽²⁾. This framework brings together the EDF group's commitments and requirements (EDF and the companies it controls, see section 3.8.3 "Main characteristics of EDF as regards the duty of vigilance law") and the fundamental requirements with regard to its business relationships in terms of respecting human rights and fundamental freedoms, the protection of the environment, guaranteeing the health and safety of people, and business ethics.

This set of standards refers to all the Group's public documents and internal policies, including:

- mandatory Group procedures binding on all controlled entities: risk management and internal control, governance of subsidiaries and holdings, project management, ethics and compliance, CSR, health and safety, procurement;
- internal documents made public: ethics charter, ethics and compliance code of conduct, sustainable development charter for EDF and its suppliers, global framework agreement on the Group's social responsibility;
- external sources: UN Global Compact, UN Guiding Principles on Business and Human Rights, OECD Guidelines for Multinational Enterprises, WBCSD CEO Guide to Human Rights, Conventions of the International Labour Organization (ILO) guaranteeing fundamental principles and rights at work and combating for the elimination of discrimination, Declaration on the Rights of the Child, Declaration on the Elimination of All Forms of Discrimination against Women, Global Reporting Initiative (GRI), Supplier Relations and Responsible Purchasing Label (RF&AR).

(1) Corporate Social Responsibility.

(2) Published in French and English on the edf.fr website (www.edf.fr/sites/groupe/files/2023-02/edfgroup_rse_referentiel-ddv-2021_en.pdf).

EDF's vigilance plan reports on the various steps taken for each of the Group's CSR issues and commitments throughout chapter 3 of this document as follows:

Salient risks related to the duty of vigilance			Stakes and commitments of the EDF group	
Area	Type of risk	Risk	Descriptions of the 2023 mitigations and actions in the different sections of the SNFP	
Human rights and fundamental freedoms	Cross-functional	Risks related to harassment and discrimination	Sections 3.3.3 "Equality, diversity and inclusion" and 3.3.2 "Ethics, compliance and human rights"	
	Activities and projects	Risk of infringement of the rights of communities, indigenous peoples and vulnerable groups: these risks are linked in particular to land issues and population displacements or to consultations with indigenous populations that may prove insufficient given the complexity of the consultation process with indigenous populations (or ethnic minorities) or the management of this process in whole or in part carried out by an administration thus limiting EDF's control over this risk	Section 3.3.2.3 "Human Rights"	
	Activities and projects	Risk of infringement of workers' rights including risks related to decent working conditions at the Group's construction sites	Section 3.3.2.3 "Human Rights"	
	Activities and projects	Risks related to the use of security forces for projects near conflict zones or security regimes	Section 3.3.2.3 "Human Rights"	
Environment	Cross-functional	Impact on the climate: climate change and GHG emissions	Section 3.1 "Carbon neutrality and the climate"	
	Cross-functional	EDF impact on air, water, soils, biodiversity and waster production	Section 3.2 "Preserving the planet's resources"	
Health-Safety	Employees and subcontractors	Work-related accidents, work-related diseases (asbestos, chemicals, ionising radiation and noise)	Section 3.3.1 "Security, health and safety for all"	
	Employees and subcontractors	Musculoskeletal disorders, anxiety-depressive disorders, including stress	Section 3.3.1 "Security, health and safety for all"	
	Consumers and local residents	The safety of nuclear and hydraulic facilities	Sections 3.3.1.1 "Nuclear safety" and 3.3.1.2 "Hydropower safety"	
	Consumers and local residents	Air quality, noise and acoustic nuisance	Sections 3.3.1.6 "Air quality" and 3.3.1.4 "Consumer health and safety"	
Suppliers and subcontractors	Purchase category	Electricity Control Command	Sections 3.4.2.3 "Contribution to development through purchasing" and 3.3.2.3.4 "Implementation of human rights commitments"	
	Purchase category	Civil engineering, deconstruction and decontamination		
	Purchase category	Heavy lifting systems		
	Purchase category	Non-destructive controls/testing and maintenance in an industrial environment		
	Purchase category	Protective equipment and clothing		
	Purchase category	IT and telecom equipment		
	Purchase category	IT solutions, publishing, hosting and support		
	Purchase category	Production line for solar panels and batteries		

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3.8.2 Governance, steering and stakeholder involvement

EDF strengthened its oversight of the vigilance plan with the appointment, in December 2020, of a Group Duty of Vigilance Compliance Manager by two members of the Executive Committee⁽¹⁾. It is responsible for drawing up, rolling out and coordinating the vigilance plan and its implementation throughout the Group, in partnership with the Impact Department.

The vigilance plan and the resulting actions are validated by the CSR Strategy Committee chaired by the Group's Chairman, and submitted to the Corporate Responsibility Committee, a Committee of the Board of Directors dedicated to social and environmental responsibility issues.

The vigilance plan is designed and managed in collaboration with the Legal Department and the Impact Department within a Steering Committee and a Strategic Committee that also includes the Human Resources Department, the Purchasing Department, the Risk Department, the International Department, the Ethics and Compliance Department, the Export Control and International Sanctions Department, and representatives of subsidiaries with particularly exposed activities. The Strategic Committee defines the orientations and objectives of the vigilance plan in a collegial manner, based on proposals from the Steering Committee. It ensures that these objectives are achieved and may redefine them according to the operational progress reported by the Steering Committee that meet on a quarterly basis.

The implementation and coordination of the vigilance plan is supported by a network of Duty of Vigilance Managers appointed at each Group entity concerned in view of their missions in the fields of CSR, ethics and compliance, or internal control (see section 3.8.5 "Main improvements in the EDF group's vigilance plan in 2023").

Stakeholder association

Dialogue with stakeholders is a major part of EDF's culture. It forms the basis of EDF's cooperation with its stakeholders.

The global framework agreement on the Group's social responsibility⁽²⁾ signed by EDF, the Group's trade union organisations and two international trade union federations (IndustriAll and PSI) stipulates that its vigilance plan is "drawn up and implemented in association with the company's stakeholders, including the

organisations representing employees" (see section 3.5.3.1.1 "The Global Social Responsibility Agreement"). Since 2018, the Committee for Dialogue on Social Responsibility (CDRS), made up of representatives of all the signatories of the agreement, has been working on numerous topics related to the duty of vigilance (health and safety, exercise of the Group's responsibility in the context of international projects, etc.) and on the actions to be implemented to roll out and improve the Group's vigilance plan. Thus, in 2023, the meetings of the CDRS enabled its members to learn about the publication of the 2022 vigilance plan and to discuss the 2023 vigilance actions, including the reinforced implementation of EDF's Human Rights policy, the Group's 2022 health and safety assessment and 2023 outlook, as well as EDF Renewables' responsible sourcing policy. The comments and suggestions of the Group's Stakeholder Council (see section 3.4.1.1.1 "EDF: a pioneer in the implementation of stakeholder panels"), in relation to the vigilance plan, were also shared and discussed. In terms of the legislative framework, the changes to the draft European directive on the duty of vigilance of companies with regard to sustainability (CS3D) were also presented to its members, as well as an assessment of the implementation of the French law on the duty of vigilance. These meetings of the CDRS are an opportunity to debate issues with a view to answering questions from its members on subjects related to the Group's duty of vigilance or on local issues of which members may be aware.

Externally, EDF participated in discussions with other companies, lawyers, NGOs, and trade union federations within the framework of the "Entreprises pour les droits de l'homme" (Businesses for Human Rights) (EDH⁽³⁾) non-profit organisation, in order to openly exchange on the expectations of all stakeholders, practices and improve vigilance plan preparation processes.

In 2022 a specialist in businesses and human rights was appointed to the Group Stakeholder Council (see section 3.4.1.1.1 "EDF: a pioneer in the implementation of stakeholder panels") to boost the Council's expertise in this field.

At the same time, the Group continuously pursues open discussions with various civil society actors (associations, public figures) who wish to maintain this dialogue, in order to feed and advance its vigilance plan.

(1) The Group General Secretary and the Group Senior Executive Vice-President in charge of innovation, corporate responsibility and strategy.

(2) Agreement signed in 2018 and extended for two years on 29 November 2021, remaining in force until 13 July 2024.

(3) e-dh.org.

3.8.3 Main characteristics of EDF as regards the duty of vigilance law

The EDF group is an integrated energy player, present in all areas of the electricity industry and some areas of the gas industry: power generation using nuclear, renewable and thermal energies; electricity transmission and distribution; sales; energy services; energy trading (see section 1.4 “Description of the Group’s activities”).

Main countries of activity

The Group’s activities are mainly located in OECD countries (see section 1.4.5 “International activities”). Countries considered to be “higher-risk countries” receive special care, including in terms of relations with partners.

The EDF group is a major energy provider on four key European markets: France, the UK, Italy and Belgium. The Group is seeking to move into new geographical areas, developing low-carbon solutions in growing countries and strengthening its positions in Europe.

The Group develops projects abroad, most often as a minority partner, and primarily in the following countries: Brazil, the Andean Arc (Chile-Peru-Colombia), the Middle East (Saudi Arabia and the United Arab Emirates), West and Central Africa (Cameroon, Ivory Coast, Togo), Southern Africa (Mozambique, Malawi), Laos, India, the United States, Australia, Germany and Spain.

See also section 3.8.6.1.2 “Main prevention, mitigation and monitoring measures implemented – Conflict between Russia and Ukraine”.

Group-wide, EDF Renewables develops projects on its own or with partners, operates and maintains renewable energies power generation facilities (mainly wind and solar) in more than 20 countries. The main regions where it has operated historically are North America (United States, Canada and Mexico) and Europe, starting with France and the United Kingdom. EDF Renewables has also undertaken a geographical rebalancing of its activities. It is strengthening its presence in other countries with high potential for the development of renewable energies, such as South Africa, Brazil, China, India, the United Arab Emirates, Saudi Arabia and Morocco.

EDF Renewables's net installed capacity in solar and wind power (in %):

North America	37%
Europe	29%
China, Vietnam and India	13%
South America	11%
Saudi Arabia, Egypt and United Arab Emirates	6%
Israel	3%
Egypt and Morocco	1%
South Africa	1%

Suppliers and subcontractors

The scope of suppliers and subcontractors managed by the Group’s Purchasing Department represents approximately 18,000 tier-one suppliers. More than 94% of purchases are made in France and 97% are made in the European Union (99.6% in the European Free Trade Association⁽¹⁾). Suppliers of certain subsidiaries or suppliers involved in international projects are subject to special vigilance measures. Because the Group’s activities are mainly in the industrial field, EDF exercises upstream vigilance, with regard to any risk of violation of persons’ rights or risk to their health (employees, service providers, local residents, local communities and customers) or risk to the environment prior to making investment decisions, particularly to build, operate, maintain or dismantle facilities.

Scope of the vigilance plan

The scope of the vigilance plan covers EDF’s activities, the activities of subsidiaries it controls⁽²⁾, as well as the activities of its suppliers and subcontractors with which the Group has established commercial relations to the extent their activities are related to those relations.

The Organisation of the Group is detailed in section 1.2.1 “Organisation of the Group”.

Dalkia and Framatome subsidiaries with a headcount of over 5,000 employees are integrated in the plan, together with all French and foreign subsidiaries.

RTE and Enedis, respectively the French power transmission and distribution system operators, are independently managed subsidiaries, and therefore publish their own vigilance plans.

(1) European Union, Switzerland and the United Kingdom notably.

(2) Subsidiaries integrated into the scope of consolidation using the full consolidation method pursuant to Article L. 233-16 II of the French Commercial Code (in France and abroad) (see note 3.3 “Scope of consolidation at 31 December 2023” to the consolidated financial statements for the financial year ended on 31 December 2023).

3.8.4 Methodology regarding Group risk mapping

The process for identifying and prioritising risks used to develop the vigilance plan is based on two complementary approaches: Group risk mapping, which includes several risks related to the duty of vigilance, and additional risk mapping, specifically focused on the entities most exposed because of their activity and/or their location.

Pursuant to the Group's approach as indicated in section 2.1 "Risk management and control of activities", each Group entity carries out a risk mapping, under the responsibility of management, using a typology that looks to cover all risk categories, whether internal or external, or operational or strategic, weighing on the Group. The EDF group's methodological guide on risk describes the risks specifically related to the duty of vigilance. The Group asks entities to map risks affecting human rights and fundamental freedoms, health and safety at work, and the environment, which could be caused by its activities or those of its suppliers, service providers or partners. In 2023, all the risk managers of the Group's entities were made aware of risk mapping in relation to the duty of vigilance. Mapping feedback was shared among the Risk Department and the Impact Department with a view to a better approach to these risks.

This mapping involves five successive steps: risk identification, risk assessment, prioritisation, control through the definition of an action plan, managing the action plan which includes monitoring the action plan's deployment, and measuring its effectiveness.

Risk identification

In order to reasonably ensure that the main risks are being identified, a separate approach for each business process and each asset is combined with a separate approach for each major risk type. In addition, feedback, events, incidents, and near-misses are taken into consideration as a source of risk identification, as well as the results of audits. The identification of risks is the result of a discussion between the main actors: managers, experts and stakeholders.

Risk assessment and prioritisation

The identified risks are qualitatively prioritised according to:

- their impact, *i.e.* their potential criticality, assessed using multiple criteria, including the assessment of the impact on the physical or human environment;
- their probability of occurrence, *i.e.* their degree of likelihood evaluated over a relevant time horizon, estimated on the basis of the history of the activity, feedback, or internal or external expertise;
- their level of risk control, *i.e.* the efficiency of the actions implemented.

The main purpose of the general risk mapping exercise is to define and implement action plans (prevention, protection, mitigation, etc.) to reduce the impact of the risks and/or risk probability.

Group risk governance

The EDF group's risk map is based on the entities' risk maps, internal control self-assessments, and cross-analyses of feedback from operational and functional entities.

The Group Risk Management Department identifies and assesses Group-level risks and draws up a Group risk map, which is validated by the Risk Committee chaired by the Group's Chairman and then presented to the Board of Directors' Risk and Audit Committee.

How Group risk assessment shaped the vigilance plan in 2023

The implementation of this approach makes it possible to identify the main risks, at the level of the EDF group, presented in section 2.2 "Risks to which the Group is exposed". The latter are ranked according to a three-level criticality scale (high, intermediate or moderate) assessed on the basis of their potential severity, their probability of occurrence, and their impact, taking into account existing provisions.

Among them, several risks are structuring for the orientation of the vigilance plan, because they include at least one of the "human rights", "environment" or "health and safety" dimensions:

- ethics or compliance risk (see section 2.2 – 3D "Ethics or compliance violations"): since 2019, this risk has included a "duty of vigilance" component, implementing a Group action programme and requiring Group entities to report back on their own action in this area;
- adaptation to climate change – physical risks and transition risks (5B): this risk specifically includes a component focused on the impact of the Group's operations on the climate (see section 3.1.4.2.3 "Climate risk and opportunity scenario analysis");
- industrial safety violations and impact on environmental assets including biodiversity (1I), and risks specific to nuclear safety (2C) and hydropower safety (1F);
- the risk of managing complex major industrial projects, including EPR projects (1A): this risk includes a component regarding potential impacts of projects on human rights, the environment, health and safety;
- risk operational continuity of supply chains and contractual relationships (1E): this risk specifically includes vigilance-based measures during the contractualisation and contract monitoring stages;
- the risk of harm to health or safety at work (employees and service providers) (1D): this risk is related to the industrial nature and diversity of the Group's activities, which reinforces the fundamental importance of compliance with the rules, and of taking into account the various risks likely to harm people working at the Group's industrial facilities, in order to preserve health and safety at work.

The risks specific to the duty of vigilance are presented by area in section 3.8.6 "Salient risks and risk prevention and mitigation measures", as well as their relationship with the Group's main risks, mentioned above:

- salient risks related to human rights and fundamental freedoms: see section 3.8.6.1.1;
- salient risks relating to the environment: see section 3.8.6.2.1;
- salient risks relating to personal health and safety: see section 3.8.6.3.1;
- salient risks relating to suppliers and sub-contractors: see section 3.8.6.4.1.

3.8.5 Main improvements to the EDF group's vigilance plan in 2023

In 2023, several projects and actions were initiated as part of a continuous improvement process of the Group vigilance plan:

Adaptation and roll-out of human rights commitments included in duty of vigilance standards

In March 2021, EDF drew up a set of guidelines listing the commitments of the Group (EDF and its controlled subsidiaries) and the fundamental requirements for its business relationships in terms of human rights and fundamental freedoms, environmental protection, protection of personal health and safety and business ethics. The Group has summarised its Duty of Vigilance commitments in these standards, and spells out its requirements for its partners, financiers, suppliers, and subcontractors. This document, submitted to the members of the CDRS⁽¹⁾ (see section 3.8.2 "Governance, steering and stakeholder involvement"), was signed by the Chairman of the EDF group. It is published in French and English on the edf.fr website (www.edf.fr/sites/groupe/files/2023-02/edfgroup_rse_referentiel-ddv-2021_en.pdf).

In 2023, EDF finalised the application of each of the human rights commitments in its duty of vigilance guidelines in order to clarify, contextualise and roll them out. Each commitment has its own human rights guide highlighting the international frames of reference and related definitions, and the main risk factors, main risk management actions and, where applicable, available tools. These guides are available in French, English, Italian, Spanish and Simplified Chinese.

In 2023, the Group developed a distance learning course dedicated to human rights as part of the "Environment & Society" internal training course. This module makes it possible to integrate the Group's fundamental concepts and commitments in this area, and to put them into practice through case studies.

The Group also published a page on its website explaining its commitments and actions to promote human rights (www.edf.fr/en/the-edf-group/taking-action-as-a-responsible-company).

Reinforced integration of the duty of vigilance in the purchasing process

The Group Purchasing Department carried out a dedicated review to assess the integration of the duty of vigilance in its contracting phases. In 2021, the compliance commitment for bidders (which is mandatory to participate in the tender), covering the themes of corruption, money laundering, financing of terrorism, conflicts of interest and international sanctions, was finalised. Bidders now undertake to comply with EDF requirements relating to the law on the duty of vigilance (see section 3.4.2.3.2.4 "Responsible purchasing process"). Published in 2023, the CSR charter for EDF and its suppliers, constituting a contractual document, was updated to include compliance with obligations relating to the duty of vigilance, as well as specifications on CSR commitments (human rights, environment, and health and safety), which the Group asks its suppliers and subcontractors to respect and in turn ensure they are respected by their own suppliers. In 2023, this charter was rolled out among EDF suppliers, as well as at the Framatome and Dalkia subsidiaries (see section 3.8.6.4 "Suppliers and subcontractors").

In 2023, the Group developed model clauses responding to the specificities of the international context, in order to integrate duty of vigilance clauses in international contracts, to facilitate the acceptance of CSR obligations by co-contractors, and to manage the Group's commitments relating to the duty of vigilance (notably by reference to the corpus of international rules).

Addition of the duty of vigilance to the methodological guide on ethics and compliance investigations to be conducted in connection with EDF external growth transactions

The EDF group is regularly required to carry out transactions to subscribe for or acquire securities in French or foreign entities as part of partnerships, major projects, or external growth or investment transactions. In 2023, EDF finalised a methodological guide providing a practical list and presentation of the different due diligence measures required in terms of ethics and compliance. These procedures are based on the Ethics and Compliance Policy, which lists the Group's compliance programmes, including the duty of vigilance. This guide sets out a series of due diligence measures to take or actions to implement chronologically and gradually at every phase of an acquisition project/partnership/project based on the level of risk identified at each stage of the project.

Group-wide awareness campaigns and roll-out of the vigilance plan

At each Group entity, Duty of Vigilance Managers are appointed on the basis of their duties in the fields of CSR, ethics and compliance, or internal control. In 2023, four sessions of the network of duty of vigilance managers were notably devoted to the following topics:

- the presentation of the Group's first 2022 autonomous vigilance plan;
- sharing the establishment of vigilance measures at certain Group subsidiaries;
- the presentation of the new Corporate Social Responsibility Charter for EDF and its suppliers and the reinforcement of the Human Rights policy;
- a presentation by Nayla Ajaltouni – General Delegate of the Collectif Éthique sur l'étiquette – "10 years after the Rana Plaza disaster, the long road towards duty of vigilance";
- regulatory monitoring: changes to the draft directive on the duty of vigilance of companies in terms of sustainability, the European regulation on the prohibition of products from forced labour, and the management of legal risk in companies in terms of criminal compliance.

In terms of training, in 2021 the Group developed an e-learning module dedicated to the duty of vigilance to raise awareness and help roll out the Group's vigilance plan. At the end of December 2023, around 2,500 employees had completed the e-learning module (compared with 1,500 at the end of 2022).

These actions in 2023 are part of a year-round improvement process based on a regularly reviewed action plan.

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(1) Committee for Dialogue on Social Responsibility (CDRS).

3.8.6 Salient risks and risk prevention and mitigation measures

Global actions to prevent and mitigate risks related to the duty of vigilance

Risk prevention and mitigation measures are implemented by each relevant entity by way of applying cross-functional and sectorial policies and using ordinary Group methodology for risk control as a basis. This methodology provides a description of risk treatment action plans and an evaluation of their efficacy. Industrial projects are subject to a risk analysis within the scope of application of the duty of vigilance, taking into account their nature, size, technical features and location. In this context, the environmental and social impact studies of projects located in non-OECD countries are based on the most demanding international standards (mainly IFC, WB, ADB⁽¹⁾).

In addition, issues relating to the environment, personal health and safety and human rights are systematically addressed as part of the assessment of projects submitted to the Group Executive Committee's Commitments Committee (CECEG), in the form of an identification of the risks associated with projects, to ensure that EDF's commitments in this area are not overlooked. Concretely, this takes the form of identifying the risks associated with the projects for the activities developed and for the supplier and subcontractor relationships envisaged in the framework of the project. This identification will be facilitated by the providing of a regularly

The salient risks relating to human rights and fundamental freedoms identified are as follows:

updated grid screening, which will allow for an analysis of projects that are consistent with the Group's *raison d'être*, CSR commitments, and guidelines, as well as with international standards. This grid takes into account environmental, health and safety, human rights and ethics issues. In the milestones prior to the CECEG, these issues are examined by the project validation bodies specific to each entity (for example the International Department's Commitment Committee – CEDI).

3.8.6.1 Human Rights and Fundamental Freedoms

3.8.6.1.1 Identifying salient risks

In the area of human rights and fundamental freedoms, the Group's ethics and compliance policy, which includes the duty of vigilance, has led the EDF group to put in place an approach that concretely translates into the identification of salient risks and associated mitigation measures, assessed according to the Group's activities and the countries where the company and its subsidiaries operate. Since 2021, the Group has been using the Verisk Maplecroft[®] human rights indices to refine and specify the human rights risks that the Group could face in the countries where it operates, buys and develops.

Risk category	Salient risk	Geographic area	Risk criticality	Group risk ⁽²⁾
Cross-functional	Risks related to harassment and discrimination	Global	■	3D
	Risks of infringing on the rights of local communities:			
	Risks related to land issues due to fair compensation and the implementation of sustainable livelihood restoration programmes.	All regions excluding Europe, North America and Australia	■ ■	1A
	Risks related to the displacement of populations or the consequences of inadequate consultation of local communities, in particular indigenous communities.	Latin America, South East Asia, India	■ ■	1A
International activities and projects	Risks related to the use of security forces.	Close to conflict zones or security regimes	■ ■	1A
	Construction site workers:			
	Risk of infringement of workers' rights and notably risks related to decent working conditions.	All regions excluding Europe, North America and Australia	■ ■	1E, 1A
		Europe, North America and Australia	■	
	Risk of forced labour by subcontractors.	Gulf countries, South East Asia	■	1E, 1A

Criticality: ■■■ high ■■ intermediate ■ moderate

(1) IFC: International Finance Corporation. WB: World Bank. ADB: Asian Development Bank.

(2) See section 2.2 "Risks to which the Group is exposed".

3.8.6.1.2 Main prevention, mitigation and monitoring measures implemented

The implementation of human rights commitments is part of the deployment of the EDF's group Global Social Responsibility Agreement and of the Group's reference framework (see section 3.3.2.3 "Human rights").

Preventing and dealing with any physical or psychological violence, intolerance or injustice in the workplace

See section 3.3.2.2.2 "Prevention of harassment and discrimination".

Combating sexism and all forms of discrimination:

See section 3.3.3 "Equality, diversity and inclusion".

Preventing risks related to the Group's international activities and projects concerning violations of the rights of communities and workers and the use of security forces

See section 3.3.2.3 "Human Rights".

Conflict between Russia and Ukraine

Before the outbreak of war in Ukraine, the EDF group was present in Russia in the field of energy services, through Dalkia's Russian subsidiary, Dalkia Rus. EDF's Moscow office was responsible for promoting the Group's businesses in Russia and developing new activities in relation to the energy transition. Since the start of the war in Ukraine, the EDF group has relied on the measures set out in its vigilance plan to make sure that neither its activities nor the activities of entities with which it is in business feature risks of serious violation of human rights, health and safety, or the environment. It has also relied on the provisions of the OECD Guide⁽¹⁾, which recommends that businesses assess any plans to terminate a business relationship based on the importance of this relationship, the legal consequences of the pursuance or termination of the relationship, changes that termination would cause in the field, as well as any credible information regarding potential negative economic and/or social impacts of the termination decision.

Thus EDF discontinued its presence on Russian soil, taking the decision in March 2022 to close its Moscow office, which was administratively closed in May 2023. In addition, after finalising local registration formalities on 20 May 2022, EDF announced, on 23 May 2022, the sale of Dalkia's Russian subsidiary, Dalkia Rus, which has been present in Russia since 2016 and specialises in providing energy services to mainly French companies. Finally, to ensure that no contractual relationship contravenes the international sanctions regimes legally applicable to the Group, the EDF group has relied on its organisation and its reference frameworks in terms of export control and international sanctions. More generally, the decision to pursue certain relationships was always taken in accordance with international sanctions and restrictions imposed on Russia, the absolute need not to violate human rights, fundamental liberties, personal health and safety, and the environment, or to jeopardise nuclear safety, as well as continuing to secure the electricity supply of France and European countries, which – given the current geopolitical and economic situation – is a key goal as electricity is an essential product.

Ongoing litigation in Mexico

In 2018, an NGO referred the planned Gunaa Sicaru wind farm, managed by a subsidiary of EDF Renewables in Mexico, to the OECD's French national contact point (NCP).

During the course of the OECD mediation process, the EDF group took part in two dialogue meetings with the plaintiffs and provided some responses to the concerns raised. The NCP closed the matter in spring 2020. On 12 July 2022, the French NCP published a press release noting the bolstering of EDF's corporate policy and the work done on human rights, as well as engagement with stakeholders. As these measures met its recommendations, the NCP accordingly ended its monitoring⁽²⁾.

The indigenous consultation process conducted by the Mexican authorities was suspended following an earthquake in 2018, and then due to the Covid-19 pandemic. The process is now taking its course after the judge ordered the resumption of the consultation.

Likewise, in December 2019, EDF responded to a formal notice for the same project sent pursuant to the French duty of vigilance law by said NGO and four individuals. EDF was then summoned on 13 October 2020 to appear before the Paris Court of Justice (*Tribunal Judiciaire*) under the French duty of vigilance law. The applicants have asked the court to order changes to the vigilance plan produced by EDF to better address, in particular, the risks posed to the rights of indigenous communities and, on the other, to provide compensation for the alleged damage caused by its failure to fulfil its duty of vigilance. EDF has challenged these two applications. On 30 November 2021, the pre-trial judge dismissed the associations' request to suspend the project as a precautionary measure, as well as the request regarding the inadmissibility of the associations' injunction concerning the EDF vigilance plan due to the lack of prior formal notice. The Court proposed the use of mediation, which EDF responded to favourably. The plaintiffs then appealed the pre-trial judge's decision. Since then, proceedings have been under way before the Court of Appeal, which set the first quarter of 2024 as the date to present formal arguments before a new chamber specially tasked for cases relating to the law on the duty of vigilance. The progress of the case is also monitored by the members of the CDRS (see section 3.8.2 "Governance, steering and stakeholder involvement").

A website dedicated to the project is available in English and Spanish: <https://www.gunaa-sicaru.com>.

3.8.6.2 Environment

3.8.6.2.1 Identifying salient risks

Group mapping of risks is performed based on the Group's line of industrial activities. Environmental risks are identified, assessed, and prioritised through the environmental management system (EMS) and the internal control system linked to Group risk management (see section 3.5.4.2 "Environmental management system"). The identification of environmental risks is part of the Group's overall risk management system (see chapter 2 "Risk factors and control framework"). On the basis of its risk mapping, each entity defines action plans to reduce and control its risks.

The update of the 2023 risk mapping confirms the analysis of the 2022 risks and does not highlight any new environmental risks. The main change concerns the consideration of the impact of the acceleration of climate change and the systemic issue of this risk for EDF and all of its stakeholders.

(1) OECD due diligence guide for responsible business conduct, published on 20 March 2018 (<https://mneguidelines.oecd.org/OECD-Due-Diligence-Guidance-for-Responsible-Business-Conduct.pdf>).

(2) <https://www.tresor.economie.gouv.fr/Articles/2022/07/26/pcn-francais-edf-et-edf-renouvelables-au-mexique>.

3. Non-financial performance

Vigilance plan

The salient environmental risks are as follows:

Salient risk	Generation activities most exposed	Risk criticality	Group risk ⁽¹⁾
Greenhouse gas emissions with effects on the climate	– Direct emissions (Scope 1)	■ ■	5B
	– Indirect emissions (Scope 3)	■ ■	5B
Discharges with potential effects on:	– air quality: mainly SO ₂ , NOX and dust emissions	■	1I
	– water quality: mainly thermal emissions from thermal power plant cooling	■	1I
Consumption with potential effects on:	– material resources: including construction materials for new facilities and waste generation	■ (existing generation)	1I
		■ ■ (projects)	1A, 1I
	– freshwater resources: mainly evaporation related to closed-circuit cooling of thermal power plants	■	1I
Potential impacts on biodiversity	– Changing land and seas uses: mainly influence of new projects	■ ■	1A, 1I
	– Overexploitation of natural resources: mainly forestry	■	1I

Criticality: ■■■ high ■■ intermediate ■ moderate

3.8.6.2.2 Main prevention, mitigation and monitoring measures implemented

To prevent and mitigate risks of serious harm to the environment, EDF relies on its Environmental Management System (EMS) and its CSR policy to commit its entities to a precautionary approach and acting responsibly. The most significant risks are covered in risk control plans in conjunction with the Group's CSR policy.

In order to implement the environmental goals and related actions based on its CSR commitments and policy, the EDF group has set up a Group-wide environmental management mechanism using an EMS (see section 3.5.4.2 "Environmental management system").

This management system relies on EDF's governance bodies, which define the environmental guidelines and objectives to be achieved, in line with the expectations of external and internal stakeholders (see chapter 4 "Corporate governance" and section 3.5.2 "CSR Governance bodies").

In accordance with the requirements of the CSR policy, each of the Group's entities⁽²⁾ and projects is implementing an environmental management approach adapted to its own issues.

The operation of the EMS is ensured by the Group, entity and business line processes, which make it possible to provide stakeholders with proof that it:

- controls environmental risks and ensures that the EDF group complies with regulations and its commitments: each entity draws up and implements an environmental programme or action plan that takes into account the Group's commitments concerning it, its significant environmental aspects, and its regulatory obligations, considering its risks and opportunities;
- improves the efficiency of its organisations in a way that is appropriate to the issues at stake: each entity is responsible for

its own internal control, internal and external audits of its EMS, and interfaces with the Group EMS;

- conducts mandatory non-financial reporting of the environmental activities of the entities: each entity collects and communicates the required environmental information to the Sustainable Development Department.

The Group's EMS is certified by an external body, AFNOR, according to the international standard ISO 14001. All industrial sites are covered by an EMS, over 80% of which are certified.

3.8.6.2.2.1 Prevent impacts on the climate

See section 3.1 "Carbon neutrality and the climate".

3.8.6.2.2.2 Prevent the impacts of EDF's activities on the air, water, soil, biodiversity and the production of waste

See section 3.2 "Preserving the planet's resources" and section 3.3.1.6 "Air quality".

(1) See section 2.2 "Risks to which the Group is exposed".

(2) Companies with industrial, operational (installation, operation, maintenance), engineering, distribution and marketing activities relating to goods and services.

3. Non-financial performance

Vigilance plan

Purchasing areas	Environment	Health & Safety	Human Rights	Salient risks
Electricity Control Command	■ ■	■ ■	■ ■	<ul style="list-style-type: none"> Environment: end-of-life management of equipment. Health & safety: electrical and chemical exposure, machine work. Human rights: legality of labour, forced labour and child labour, due to the international subcontracting chain of certain items of equipment.
Civil engineering, deconstruction and decontamination	■ ■	■ ■	■	<ul style="list-style-type: none"> Environment: soil pollution risks and waste traceability. Noise and visual pollution. CO₂ emissions due to construction site equipment. Health & safety: use of construction site equipment and explosives, handling and heavy loads. Human rights: legality of work and working conditions on construction sites.
Heavy lifting systems	■ ■	■	■	<ul style="list-style-type: none"> Environment: management of end-of-life equipment, some of which may be radioactive. Energy consumption for the extraction and smelting of ores (metal, steel).
Non-destructive controls/testing and maintenance in an industrial environment	■ ■	■ ■	■ ■	<ul style="list-style-type: none"> Environment: electronic waste management. Health & safety: exposure to radiation, risk of falls, heavy loads. Psycho-social risks related to roaming by specialised service providers, the pressure of deadlines and staggered working hours. Human rights: mineral extraction conditions in certain countries for the supply of electronic components.
Protective equipment and clothing	■ ■	■ ■	■ ■	<ul style="list-style-type: none"> Environment: air, water and soil pollution during the manufacturing phase, notably of clothing. CO₂ emissions related to the routing of equipment. Health & safety: risk of falls, handling of heavy objects and exposure to chemical products. Human rights: forced labour, child labour in equipment manufacturing areas.
IT and telecom equipment	■ ■	■	■ ■	<ul style="list-style-type: none"> Environment: electrical and electronic waste, extraction of rare metals. CO₂ emissions related to the place of manufacture of the equipment and its transport. Human rights: child labour in manufacturing sites, notably for small equipment such as smartphones.
IT solutions, publishing, hosting and support	■	■	■ ■	<ul style="list-style-type: none"> Human rights: employment legality, risks of discrimination, harassment, due to the global and off-shore presence of suppliers.
Production line for solar panels and batteries ⁽¹⁾	■ ■	■ ■	■ ■	<ul style="list-style-type: none"> Environment: water consumption in water-stressed areas, pollution of water and soil during the manufacturing and extraction phase of certain minerals. Health & safety: unsuitable working conditions, exposure to chemicals. Human rights: working conditions, forced labour, risk of discrimination in certain mineral production and extraction areas.

Criticality: ■■■ high ■■ intermediate ■ moderate

As regards the risks present in the supply chains of the Group's other entities, certain additional salient risks have been identified:

- In 2023, Dalkia's Purchasing Department finalised its mapping of the CSR risks related to its supplies around its 49 purchasing categories with approximately 17,000 suppliers. Risks were analysed with regard to the environment, working relations and conditions, human rights, as well as ethics and compliance. 10 purchasing categories are considered at risk: suppliers of work equipment, gas, heating and cooling equipment, multi-technical services, mechanical and hydropower equipment and materials, building products, industrial chemicals, measurement and metering, electrical equipment and exchangers and substations.

(1) Excluding the scope of the Group Purchasing Department.

3.8.6.4.2 Main prevention, mitigation and monitoring measures implemented

See section 3.4.2.3 "Contribution to development through purchasing" and section 3.4.2.3.2.5 "Other practical procedures at the Group".

Climate and health & safety issues better taken into account in the purchasing process

See section 3.4.2.3.2.4 "Responsible purchasing process".

Supplier assessments

See section 3.4.2.3.3 "Supplier monitoring".

Awareness raising and training

See section 3.4.2.3.2.6 "Procurement stakeholder training" and section 3.3.3.6.5 "Skills development in the area of sustainable development".

Coal and uranium procurement

See section 3.4.2.3.4 "Responsibility in the fuel supply chain".

3.8.7 Group whistleblowing system

Scope

See section 3.3.2.4.1 "Scope".

Whistleblowing system

See section 3.3.2.4 "The EDF group whistleblowing procedure" for more details on the functioning of the whistleblowing system.

Whistleblowing alerts in 2023

See section 3.3.2.4.6 "2023 results".

3.8.8 Monitoring procedure

The Group's vigilance mission is committed to developing the vigilance plan's monitoring system as part of a continuous improvement process. This system is based on the operational action plan, which is monitored by the Steering Committee. This action plan is regularly presented to the CDRS (see section 3.8.2 "Governance, steering and stakeholder involvement").

The assessment of the system is included in the annual internal control plan, and a dedicated risk sheet on due diligence has been drawn up and implemented. It allows entities to self-assess whether or not they meet duty of vigilance requirements.