

*This is a translation into English of the statutory auditors' report on the consolidated financial statements of the Company issued in French and it is provided solely for the convenience of English-speaking users.*

*This statutory auditors' report includes information required by European regulation and French law, such as information about the appointment of the statutory auditors or verification of the information concerning the Group presented in the management report and other documents provided to shareholders.*

*This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.*

## **Electricité de France SA**

### **STATUTORY AUDITORS' REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS**

For the year ended 31 December 2024

To the annual general meeting of Electricité de France

#### **Opinion**

In compliance with the engagement entrusted to us by your annual general meeting, we have audited the accompanying consolidated financial statements of Electricité de France S.A ("EDF", "The Company" or "the Group") for the year ended December 31, 2024.

In our opinion, the consolidated financial statements give a true and fair view of the assets and liabilities and of the financial position of the Group as at December 31, 2024 and of the results of its operations for the year then ended in accordance with International Financial Reporting Standards as adopted by the European union.

The audit opinion expressed above is consistent with our report to the Risk and Audit Committee.

#### **Basis for Opinion**

##### ***Audit Framework***

We conducted our audit in accordance with professional standards applicable in France. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under those standards are further described in the Statutory Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report.

#### **Independence**

We conducted our audit engagement in compliance with independence requirements of the French Commercial Code (code de commerce) and the French Code of Ethics (code de déontologie) for statutory auditors, for the period from January 1<sup>st</sup>, 2024 to the date of our report and specifically we did not provide any prohibited non-audit services referred to in Article 5(1) of Regulation (EU) No 537/2014 or in the French Code of ethics (code de déontologie) for statutory auditors.

## Justification of Assessments - Key Audit Matters

In accordance with the requirements of Articles L.821-53 and R.821-180 of the French Commercial Code (code de commerce) relating to the justification of our assessments, we inform you of the key audit matters relating to risks of material misstatement that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period, as well as how we addressed those risks.

These matters were addressed in the context of our audit of the consolidated financial statements as a whole and in forming our opinion thereon, and we do not provide a separate opinion on specific items of the consolidated financial statements.

### **Valuation of provisions related to nuclear generation in France – back-end of the nuclear cycle, plant decommissioning and last cores – and dedicated assets**

*Notes 1.3.4.2, 1.3.4.5, 15, 18.1 et 20 to the consolidated financial statements*

#### **Key Audit Matter**

As at December 31, 2024, the provisions recorded to cover obligations relating to nuclear power plants for which EDF is the operator in France total €53,821 million, including €31,605 million with respect to the back-end of the nuclear cycle (management of spent fuel and radioactive waste) and €22,216 million with respect to the decommissioning of nuclear power plants and last cores.

The valuation of these provisions depends on the regulatory context which is described in Notes 1.3.4.2 and 15.1. It requires defining technical and financial assumptions and using complex calculation models.

They are updated and the assumptions taken into consideration in the models are reviewed at least once a year. The selected assumptions reflect management's best estimate at the reporting date of the impacts of the applicable regulation, the implementation of decommissioning, spent fuel management removal, and disposal of radioactive waste and storage processes. They also take into account the changes in the main financial parameters, inflation and discounting. As every year, the incurred expenses as well as the fuels used during the period are also reflected in the changes in provisions

Furthermore, in accordance with the provisions of the French law of June 28, 2006 on the sustainable management of radioactive materials and waste, and its implementing regulations on securing the financing of nuclear liabilities, the Company is required to allocate so-called "dedicated" assets to secure the financing of its long term obligations. The law sets the realizable value of these assets which should allow the Company's commitments relating to the decommissioning of nuclear power plants and long-term storage of radioactive waste in France to be covered (Notes 1.3.4.5, 15.1.2 and 18.1 to the consolidated financial statements).

Dedicated assets include (i) yield assets, made up of infrastructure assets, including CTE securities, and real estate assets; (ii) so-called growth assets, made up of listed equity funds and unlisted equity funds; and (iii) so-called fixed-income assets, made up of listed bonds or listed bond funds, unlisted debt funds, receivables and cash.

The realizable value of these dedicated assets amounts to €40,320 million (or a net carrying amount of €37,712 million) as of December 31, 2024.

We considered the valuation of provisions related to nuclear generation and dedicated assets to be a key audit matter due to:

- the sensitivity of the assumptions on which the valuation of these provisions is based, notably in terms of assumptions and industrial scenarios considered for decommissioning, spent fuel reprocessing, storage, costs, uncertainties and other risks, inflation and long-term discount rates, as well as the depreciation periods of nuclear power plants in operation, and forecast

cash outflows; the modification of these parameters can lead to a material revision in the provisioned amounts;

- the negative impacts on the financial position of the Company (cash earmarked to increase the amount of dedicated assets) in the event of an increase in nuclear provisions in France, a decrease in the realizable values of dedicated assets or changes in the legal coverage rate of nuclear provisions for dedicated assets,

It being specified that the valuation of provisions covers and includes uncertainties related to the fact that certain scenarios and technical solutions have never been implemented.

### **Responses**

We have analysed the measures for recognizing provisions related to nuclear generation in France. We gained an understanding of the industrial scenarios for decommissioning nuclear power plants and the technical solutions adopted in terms of management of spent fuel and radioactive waste. We have assessed the compliance of the methods for determining the provisions with regard to applicable accounting, legal and regulatory measures.

We have verified the calculation models adopted by the Company and assessed the assumptions adopted in terms of cost, forecast cash outflows, fieldwork progress when compared to incurred costs and financial parameters (discount and inflation rates).

Our work also consisted in verifying the type of costs used to determine provisions and assessing the reconciliation of forecast costs and forecast cash outflows with industrial scenarios as well as the available studies and quotes, based on the current year change in assumptions.

We have also assessed the appropriateness of:

- margins for uncertainties and risks included in the provisions, to take into account the maturity of the projects and the degree of control over decommissioning techniques to be implemented, as well as the identified specific execution risks;
- the series and mutualisation effects adopted in the quotes for decommissioning nuclear power plants in operation, and feedbacks from the preparation of the dismantling of the nuclear power plants of Fessenheim since 2021, so that it can be considered on the other nuclear power plants.

Concerning the inflation and discount rates and their calculation methods adopted by management described in note 15.1.1.5 to the consolidated financial statements, we have verified their compliance with applicable accounting standards and regulatory measures, since 2020. We have reconciled the data used for this purpose with available market data or expertise-based documentation.

Concerning the securing of financing for certain of these provisions through dedicated assets, we have reconciled the realizable value of the dedicated assets in the portfolio, as disclosed in the note 15.1.2.4 to the consolidated financial statements, with the available certificate of depository statements, and available external data and valuations performed by external experts engaged by the Company and we have reviewed these valuations with the help of our experts.

Finally, we have verified the reconciliation of information on the determination of these provisions with the consolidated financial statements and the appropriateness of the disclosures given in the Notes, notably regarding the sensitivity of the valuation of provisions to changes in macro-economic and technical assumptions (Note 15.1.1.5 to the consolidated financial statements).

### **Valuation of goodwill, intangible assets with indefinite useful live, property, plants and equipments used in generation**

*Notes 1.3.4.1, 1.3.4.4, 10 and 20.2.2. to the consolidated financial statements*

### **Key Audit Matter**

As at December 31, 2023, the goodwill, intangible assets and tangible assets (except for assets under concessions) have respectively a net book value of €7,108 million and €120,667 million and represent significant amounts of the Group's consolidated financial statements.

The notes 1.3.4.4 and 10.7 to the consolidated financial statements describe the methodologies adopted and applied to determine if indicators exist showing that an asset may be subject to an impairment loss and the methods for performing impairment tests. Note 20.2.2. to the consolidated financial statements also describes how the impairment tests took into consideration climate and environmental matters. The tests and the determination of recoverable amounts are carried out at the cash-generating unit (CGU) level or group of CGU. They are carried out annually at the CGU level for those holding intangible assets with indefinite lives or goodwill. The recoverable amount corresponds, for the majority of these CGU or groups of CGU, to the value in use determined based on the discounted value of future cash flows. Those tests led, as described in note 10.7 to the consolidated financial statements, to the accounting of a total impairment for €1,835 million, including €1,116 million for the nuclear assets under construction of Hinkley Point C (HPC) and €70 million for the goodwill of EDF Energy.

We considered the valuation of goodwill and intangible and tangible assets of generation and retail activities in France and in the United Kingdom to be a key audit matter due to:

- their materiality at closing date. Their net book values amount to respectively €3,723 million and €92,957 million;
- the sensitivity of valuations to macro-economic and industry assumptions, in terms of decarbonation and energy efficiency policies and power price, as well as mid-term financial assumptions (discount and inflation rates) and cost-to completion for assets under construction
- the estimates and judgments that these evaluations require from Management.

## **Responses**

Our audit approach consisted mainly in:

- Analyzing the determination of the CGUs or groups of CGUs at which impairment tests of goodwill, intangible and tangible assets are performed;
- Substantiating the existence of impairment indicators;
- Understand the process used by Management to develop estimated and assumptions for impairment testing and assess the; appropriateness of the valuation model with the assistance of internal experts in valuation;
- Verifying, for the CGU tested, that the discounted future cash flow projections correspond to those generated by the assets included in these CGU and that they were consistent with (i) the CGU budget data for the first years, and, beyond, with the Group's long-term assumptions, (ii) past performances, and (iii) the expected operating life of the assets;
- Examining by conducting interviews with Management, the different underlying assumptions (economic growth, price of raw material and CO<sub>2</sub>, electricity demands, production capacities and interconnections and changes in energetic mix) on which the medium and long-term price assumptions are based, by substantiating them with external studies carried out by experts in energy and by verifying their consistency with the European targets for decarbonation;
- Regarding the HPC nuclear asset under construction, assess the appropriateness of the project schedule and the construction cost estimate as considered for the test in light of the achievements of the period. We have conducted interviews with the program management and the group management to assess the governance and the process implemented and to learn about the events and achievements of the period, as well as the update of the risk analysis;
- Verifying with the assistance of our internal experts, the methods used to determine discount rate assumptions, based on the weighted average cost of capital by geographical area and by activity, and in particular the consistency of the risk-free rates and risk premiums adopted by Management with the underlying market assumptions;
- Comparing the value of assets tested with accounting data;

- Checking the arithmetical accuracy of impairment tests.

Finally, we have verified that Notes 1.3.4.4 and 10.7 to the consolidated financial statements provide appropriate disclosure in particular in terms of assumptions adopted to perform impairment tests and sensitivity analyses.

### **Valuation and accounting of deferred tax assets in connection with tax loss carryforwards in France**

*Notes 1.3.4.8 and 9 to the consolidated financial statements*

#### **Key Audit Matter**

Deferred tax assets on tax loss carryforwards amount to €6,151 million as at 31 December 2024. They include €4,733 million in connection with the France tax group loss for 2022.

As described in note 9 to the consolidated financial statements, the Group determines deferred tax at a level of a tax entity or tax group and recognizes deferred tax assets only when it is probable that the tax entity or tax group will have sufficient taxable profit to utilize the benefit of the assets on a foreseeable future. As at 31 December 2024, according to the accounting Group policy, this foreseeable future corresponds to a period of 10 years for the French tax group.

We considered the valuation and the accounting of deferred tax assets in connection with tax loss carryforwards in France, to be a key audit matter, due to their materiality at closing date, the sensitivity of the assumptions to estimate their expected recoverability, and the justification of the accounting, in particular in terms of future taxable profits and management judgment.

#### **Responses**

Our audit approach consisted, with the assistance of our internal tax experts, mainly in:

- assessing the documentation used by Management to estimate the probability that the Group could use within a 10-year horizon its tax losses carried forward generated to date, in particular with regard to the ability of the France tax group to generate future taxable profits;
- reviewing the process for preparing the 2025 budget established by Management and approved by the Board of Directors and the mid-term plan for 2026-2027 prepared by Management and presented to the Board of Directors, as well as the underlying assumptions of the Group's internal financial trajectory;
- assessing the relevance of the methods for extrapolating tax results beyond the financial year 2028;
- comparing the earnings projections for previous fiscal years with the actual results for the fiscal years concerned, in order to assess the reliability of the process for preparing tax earnings projections;
- analyzing the reversal of the main timing differences over the projection horizon;
- Assessing the appropriateness of the information provided regarding deferred tax assets in note 9 of the appendix to the consolidated financial statements.

#### **Specific verifications**

We have also performed, in accordance with professional standards applicable in France, the specific verifications required by laws and regulations of the Group's information given in the management report of the Board of Directors.

We have no matters to report as to their fair presentation and their consistency with the consolidated financial statements.

## Report on Other Legal and Regulatory Requirements

### ***Format of presentation of the consolidated financial statements intended to be included in the annual financial report***

We have also verified, in accordance with the professional standard applicable in France relating to the procedures performed by the statutory auditor relating to the annual and consolidated financial statements presented in the European single electronic format, that the presentation of the consolidated financial statements intended to be included in the annual financial report mentioned in Article L.451-1-2, I of the French Monetary and Financial Code (code monétaire et financier), prepared under the responsibility of the Chief Executive Officer, complies with the single electronic format defined in the European Delegated Regulation No 2019/815 of 17 December 2018. As it relates to consolidated financial statements, our work includes verifying that the tagging of these consolidated financial statements complies with the format defined in the above delegated regulation.

Based on the work we have performed, we conclude that the presentation of the consolidated financial statements intended to be included in the annual financial report complies, in all material respects, with the European single electronic format.

We have no responsibility to verify that the consolidated financial statements that will ultimately be included by your company in the annual financial report filed with the AMF are in agreement with those on which we have performed our work.

### ***Appointment of the Statutory Auditors***

We were appointed as statutory auditors of Electricité de France S.A by the General meeting of June 6, 2005 for KPMG S.A. and by the General meeting of June 28, 2023 for PricewaterhouseCoopers Audit.

As at December 31, 2024 KPMG S.A. Audit was in its 20<sup>th</sup> year of total uninterrupted engagement and PricewaterhouseCoopers Audit was in the 2<sup>nd</sup> year of engagement.

### **Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements**

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with International Financial Reporting Standards as adopted by the European Union and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is expected to liquidate the Company or to cease operations.

The Risk and Audit Committee is responsible for monitoring the financial reporting process and the effectiveness of internal control and risks management systems and where applicable, its internal audit, regarding the accounting and financial reporting procedures.

The consolidated financial statements were approved by the Board of Directors.

### **Statutory Auditors' Responsibilities for the Audit of the Consolidated Financial Statements**

#### *Objectives and audit approach*

Our role is to issue a report on the consolidated financial statements. Our objective is to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with professional standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As specified in Article L.821-55 of the French Commercial Code (code de commerce), our statutory audit does not include assurance on the viability of the Company or the quality of management of the affairs of the Company.

As part of an audit conducted in accordance with professional standards applicable in France, the statutory auditor exercises professional judgment throughout the audit and furthermore:

- Identifies and assesses the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, designs and performs audit procedures responsive to those risks, and obtains audit evidence considered to be sufficient and appropriate to provide a basis for his opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtains an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.
- Evaluates the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management in the consolidated financial statements.
- Assesses the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. This assessment is based on the audit evidence obtained up to the date of his audit report. However, future events or conditions may cause the Company to cease to continue as a going concern. If the statutory auditor concludes that a material uncertainty exists, there is a requirement to draw attention in the audit report to the related disclosures in the consolidated financial statements or, if such disclosures are not provided or inadequate, to modify the opinion expressed therein.
- Evaluates the overall presentation of the consolidated financial statements and assesses whether these statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtains sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. The statutory auditor is responsible for the direction, supervision and performance of the audit of the consolidated financial statements and for the opinion expressed on these consolidated financial statements.

#### *Report to the Risk and Audit Committee*

We submit a report to the Risk and Audit Committee which includes in particular a description of the scope of the audit and the audit program implemented, as well as the results of our audit. We also



report, if any, significant deficiencies in internal control regarding the accounting and financial reporting procedures that we have identified.

Our report to the Risk and Audit Committee includes the risks of material misstatement that, in our professional judgment, were of most significance in the audit of the consolidated financial statements of the current period and which are therefore the key audit matters that we are required to describe in this report.

We also provide the Risk and Audit Committee with the declaration provided for in Article 6 of Regulation (EU) N° 537/2014, confirming our independence within the meaning of the rules applicable in France such as they are set in particular by Articles L.821-27 to L.821-34 of the French Commercial Code (code de commerce) and in the French Code of Ethics (code de déontologie) for statutory auditors. Where appropriate, we discuss with the Risk and Audit Committee the risks that may reasonably be thought to bear on our independence, and the related safeguards.

Paris la Défense and Neuilly-sur-Seine, February 20, 2025

Marie GUILLEMOT    Jacques-François LETHU    Séverine SCHEER    Cédric HAASER