



EDF
Sales and highlights
9 months 2021

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Good morning everybody. I am pleased to welcome you to this conference call. I will present you the end of September 2021 sales, starting with the key figures and the main highlights. As usual, I will leave as much time as possible for the Q&A session. This call is expected to end at 9:45, Paris Time.

Key Figures and Main Highlights

On slide four, sales amounted to circa €57.1 billion at the end of September 2021, up by 15.7% organically compared to the same period in 2020. The main positive drivers, which have a direct impact on the margin, were first, a higher nuclear output in France, which increased by 27 TWh to reach 268.2 TWh at the end of September 2021. This is mainly due to lower modulation due to both climate and demand, and to a better availability of the fleet. The overall effect is estimated at +€1.4 billion. Second, the TURPE indexation and higher capacity prices in France estimated at +€0.8 billion.

Other effects contributed positively to the sales increase, but with limited margin impact. First, the significant rise in gas prices and additional volumes sold estimated at €2.8 billion. Second, electricity from purchase obligations in France sold this year at much higher spot power prices versus a year ago, which accounted for an estimated +€1.1 billion. In a nutshell, the performance of the Group was strong for the first nine months of 2021, in line with the half-year results presented in July.

Let me now update you on some highlights of the period.

Starting with **nuclear**. EDF will have a major role to play in the two plans recently launched by the French government: "France 2030", which is dedicating funds to innovation in the nuclear industry, including to Small Modular Reactor and waste management and "France Relance", with an investment fund dedicated to the French nuclear industry, subscribed at 50-50 by EDF and the French State, targeting a total of €200 million by 2023.

As for **new nuclear**, first, the break preclusion approach for the EPR 2 reactor project has been considered as acceptable by the ASN. Safety standards are now stabilised and shared with the ASN. Second, as for Flamanville 3, the ASN indicated that it had no objection with the solution proposed by EDF to repair the three nozzles on the main primary circuit. Third, in the United Kingdom, the British government has introduced a new legislation in October to establish a funding scheme based on the RAB mechanism for new nuclear projects. It has also budgeted direct funding of up to £1.7 billion to enable a large-scale nuclear project to reach a final investment decision. Both announcements are obviously very favourable to the Sizewell C Project, the UK government being in active negotiations with EDF on this project.

As for **existing nuclear**, the fourth ten-year inspections of the 900 MW units within the Grand Carénage programme are ongoing, with four already completed and three under way.

As for **renewables**, EDF pursued its development in all activities. A PPA was signed for a 377 MW solar project in California coupled with a 600 MWh battery energy storage system. Five projects for a total of 735 MW combining wind, solar and battery storage were awarded to the Group in South Africa. At end-September 2021, 8.4 GW gross were under construction, a 6%

increase compared to the end of 2020, and 1.5 GW was commissioned, representing more than double the capacity, compared to the same period last year.

Let's now move to **Customers and Services**. The number of electricity residential customers at market offers was close to 1.3 million at the end of September, a 30% increase versus end 2020. The number of gas customers, close to 1.8 million, increased by circa 5% over the last nine months. As for Dalkia, it provided an innovative solution to the SNCF, the French Railways, to monitor the Operating and Maintenance of 122 stations.

On **Enedis**, the Linky smart meter programme is close to completion, expected as scheduled for year-end, 33.7 million meters installed to date. The number of new connections realised over the first nine months of the year increased by 20% compared to the same period in 2020.

The Group also continues its innovation path. Regarding **hydrogen**, Hynamics, a 100% subsidiary of the Group, inaugurated its first hydrogen generation and distribution station in Auxerre city and signed a strategic partnership with a French cement group to decarbonise its manufacturing sites via a total electrolysis capacity of 330 MW. Furthermore, EDF participated in the setup of the largest investment fund dedicated to low carbon hydrogen.

As for **electric mobility**, Pod Point confirmed its strong performance, doubling its sales over the first nine months in 2021 compared to the same period in 2020. It rolled out and is managing 140,000 charging points at the end of September, an increase by 47% versus end 2020. As you might have seen, Pod Point completed its IPO last week, and trading started on the 4th of November. This means that it successfully raised the targeted capital of £120 million in order to continue to fuel its growth and development, and maintain its leadership in the fast-moving UK EV charging segment. Post IPO, EDF retains more than 50% in Pod Point. At Group level, more than 160,000 charging points were rolled out and managed at the end of September. As regards Izivia, the leader of public charging in France, it showed a strong growth doubling its sales versus the same period last year.

If we move to **international**, EDF completed the financing of an innovative project combining solar and gas in Chile, which is based on a 480 MW solar plant, the largest to date in this country.

As for the **Group's disposal programme**, the target of €3 billion impact on economic debt over the 2020 to 2022 is very likely to be exceeded by the end of the year, one year ahead of plan. Let me remind you that we recently completed the disposals of CENG in the US and of West Burton B in the UK. Edison granted exclusivity for the sell-down of up to 49% of its renewable platform and expects to close the deal before the end of the year.

If we move now to our **ESG achievements**. EDF has further improved its non-financial ratings at a very high level. It won the platinum medal by Ecovadis, awarded to the top 1% only, and Vigeo ranked EDF number 3 out of 63 utilities. It was ranked first on "Social Indicators" and second on "Just Transition" on the list established by the World Benchmarking Alliance in partnership with CDP and ACT. EDF also published its statement on "Just Transition" a couple of weeks ago, ahead of the COP26.

Last, Moody's revised the outlook for EDF's long-term credit rating from negative to stable. It reaffirmed the A3 rating.

Sales in the first nine months of 2021

Let's now look at the change in sales in more details. It was positive for almost all segments.

Let's start with **France-Generation and Supply activities**. The sale increased by €2.8 billion organically; a 13.8% growth. As already detailed, it was mainly due to favourable energy volume effects with an increase in nuclear output of 27 TWh, despite the closure of the Fessenheim reactors in 2020. Price effects contributed favourably for an estimated €0.1 billion. Sales were made at higher prices than in 2020 for €1.2 billion but were almost entirely offset for -€1.2 billion by purchases also made in the context of rising prices.

Downstream was up €0.2 billion. The increase in invoiced capacity price more than compensated the negative erosion of sales to end customers, which was estimated at -9.7 TWh. Last element, the resale of purchase obligations which I have already detailed.

Sales of **Regulated Activities** increased by €1.1 billion, a +9.4% variation. First on Enedis, TURPE 5 and TURPE 6 indexations had a positive effect for €0.3 billion. Weather conditions, closer to normal, contributed for +€0.3 billion. Sales also benefited from a strong increase in network connections for an estimated €0.2 billion. For your information, a total of 500,000 renewable producers were connected to the grid at the end of September. In addition, price effects mostly linked to the evolution of the portfolio structure had a favourable impact for an estimated €0.1 billion. As regards Électricité de Strasbourg and island activities, they contributed positively for circa €0.2 billion.

Let's now look at the other segments. The sales of **EDF Renewables** increased by €0.1 billion, at 7.2% organic growth. Electricity output amounted to 12.5 TWh at end-September, a 10.9% increase driven by the commissioning of new capacities. It benefited also from the growth in the distributed solar activity in the USA as well as higher O&M activity in the USA and Europe with limited margin. As for **Group renewables**, 8.4 GW gross projects were under construction at end-September, a new record level.

Dalkia sales increased by €0.4 billion, +13.2%, mainly due to the recovery of the services and works activities after 2020 being affected by the pandemic in the first half of the year. It was also linked to the sharp rise in gas prices, with limited impact on the margin and to normal weather conditions in 2021 compared to mild weather in 2020.

The sales of **Framatome** were up by €0.2 billion, or +3.9% in organic terms, mostly linked to the recovery post-COVID and improved sales for the "installed base" business, in particular in the USA.

As for the **United Kingdom**, sales were down by €0.1 billion or 1.3% in organic terms. Nuclear output was down by 2.1 TWh to 30.5 TWh due to a heavy outage programme and to the extension of some outages. Additional output for Hunterston B and Hinkley Point B was more than upset by outages of Sizewell B, Torness, Heysham and Hartlepool 2. The decrease in sales was mainly due to lower realised nuclear prices by -£11.5/MWh compared to the same period of last year, due to power buyback in a very high market price environment. The supply activity benefited from the increase in demand post-COVID of professional industrial customers of around +5% in the context of rising prices. The growth in volumes sold to residential customers, whose impact is limited, is mainly explained by the takeover of a customer portfolio in January, Green Network Energy, representing 670,000 customer

accounts, and by a colder weather. The impact here was also estimated at €+0.3 billion. As you know, the current situation of high-power prices has been very challenging for suppliers in the UK. It has caused the failure of some 21 energy suppliers, mostly smaller firms affecting about 2 million customers. The current capped regulated tariff does not integrate the recent rise in wholesale prices yet and is therefore more competitive than fixed market offers. Many residential customers have switched to this tariff which drove their suppliers to buyback positions at very high prices and led some of them to go bust. The Supplier of Last Resort mechanism, managed by Ofgem, requests the remaining suppliers to take over the customers portfolios. EDF Energy recently took over the 430,000 customer accounts of Utility Point under this mechanism. This move is obviously an opportunity for EDF Energy to consolidate and grow its supply business.

Sales in **Italy** increased by €2.6 billion, a 55% growth. It mainly reflected the strong increase in gas market prices, with a limited margin impact. It has also benefited from a favourable sales trend in the electricity business thanks to a positive price effect, to the good performance of service systems and to an increase in renewables output. The supply activity benefited from the recovery of activities post-COVID for professional customers in the context of rising prices. The colder weather in 2021 contributed to the evolution of the turnover, in particular for the residential customer segment. As you might have seen Edison upgraded last week its 2021 EBITDA guidance to a range of €830 to €890 million in light of the strong business performance and certain one-off effects recorded in the period.

The **Other International** sales increased by €0.3 billion, a 18.1% increase. In Belgium, gas volumes sold to residential customers increased due to colder weather in 2021. Volumes of gas and power sold to industrial customers and service systems also increased. Wind power development continued with a net installed capacity of 572 MW at the end of September 2021. As for Brazil, sales increased by €0.1 billion, mainly due to the 25% revaluation of the Power Purchase Agreement price in November 2020, in connection with the indexation to the gas price.

As regards the last block, the sales of the **Other Activities** increased by €1.1 billion, a 67.7% increase. Sales from gas activities increased in the context of very favourable gas prices in the wholesale market. However, these effects had a limited impact on the margin. EDF trading's sales benefited from the very high volatility in all commodity markets. Market conditions have indeed been and continue to be extremely volatile. Some geographies experienced unprecedented turbulences over a very short period of time in end September and early October. A few desks at EDF trading suffered from this volatility. However, it is worth noting that the trading margin as of end September, and as of end October 2021, which translates in revenue at Group level, is above its budget and 2020 level for the same period of time.

This slide presents another view of the positive change in sales focusing on the main effects. Favourable price impacts for €4.6 billion. This was mainly due to a positive gas price effect of €2.2 billion, the resale of electricity from purchased obligations at higher prices for €1.1 billion, the capacity invoiced at a higher price for €0.3 billion and other price effects including TURPE indexation and power price effects for €1 billion. It is also due to the volumes, which contributed positively for €2 billion, mainly from higher nuclear output in

France. It is also due to sales of EDF trading increasing by €0.4 billion. Last, other operating impacts represented a positive €1.1 billion.

Let's now move to the last slide showing EDF's **2021 guidance and 2022 ambitions**. We confirm all elements already announced. For 2021, an EBITDA target higher than €17.7 billion and a net financial debt to EBITDA ratio of less than 2.8 times. I am very confident that the Group will meet these targets. For 2022, no change. As regards the disposal plan of approximately €3 billion impact on economic debt over the period 2020 to 2022, it is once more very likely that it will be exceeded by the end of 2021. At the end of September, signed or closed disposals had an impact on EDF's Group's adjusted economic debt of approximately €2.7 billion, or €2 billion on net financial debt, and Edison entered, a few days ago, exclusive negotiations about the sale of 49% of its renewable portfolio. This transaction is expected to be closed at the end of the year. This is a capital recycling transaction of Edison Renewable Italian Platform of 1 GW onshore wind and 100 MW solar. The aim is to continue the development of our renewable presence in Italy with a new financial partner on board.

This ends my presentation for end of September 2021 sales and highlights, and I now open the floor to your questions.

Q&A

Vincent Ayrat (JP Morgan): Good morning everyone and thank you for the presentation. I have a few questions, obviously on nuclear. The first one is regarding tariffs within having an intervention from the government saying that maximum bill increase will be 4% with the tax offset and that corresponded to a 12% tariff increase on January 1st for EDF, so 8% offset thanks to lower taxes provided by the government. This estimate was given by the Prime Minister Castex at the end of September, so I suspect this was based on commodity price assumptions around mid-September. What would be your estimates of the tariff increase formula if the power prices were to stay where they currently are? I do not know under €25/MWh or something like that through the whole of December? So, the question one would be, what is the latest update and what could be a tariff increase using the formula? Second, taxonomy: Pascal Canfin said this week that there would be an exclusion of nuclear in two weeks' time potentially. This is basically before the German coalition is starting and before Macron takes the presidency of the European Union on January 1st. So, what is the official timeline if you have seen anything like that on taxonomy, what are your expectations? Finally, on nuclear new build, new regulation, we see a lot of supports. Macron yesterday said that France would go back to building new nuclear reactors for the first time in decades. He did not say how many, what technology. We expected about six new EPR's to be announced. We did not get detail. Could you resume here the case? What do you know about that? Have they been a bit more detailed somewhere, and we would have missed it? And would you invest in nuclear without a regulated framework for new build? I think that is quite key. And Bruno Le Maire pushed again at the commission yesterday for a new market design looking at potentially long-term contracts for low CO₂ generation assets. That could be seen as being keen to fix prices for nuclear if it was to be applied to EDF's existing fleet. So, Northern Europe seems to be reluctant. How do you see this evolving in the near to medium term? Thank you very much.

Xavier Girre: Thank you, Vincent, for all your questions. First, as regards 2022 bill and tariff and prices increase. The first point as regards 2022 is the fact that the current price markets will have a positive impact. No doubt about that. Nevertheless, it is important to keep in mind that current markets are very volatile. There are still a lot of uncertainties, such as the upcoming Arenh auction of November and market prices in December. Definitely, the Arenh auction will determine the level of the cropping effect. Of course, both the volumes requested at the Arenh auction and the 2022 forward prices in December will have a very significant effect on the 2022 tariff increase. This is why, even if we definitely consider that the current level of power market prices could represent a very significant positive contribution to the EBITDA in 2022 compared to 2021, we remain quite cautious for 2022 given the current context and the high volatility and the uncertainties that I already highlighted. As regards the bill change for February 2022, you referred to the decision that has been announced by the Prime Minister end of September. The Prime Minister announced a cap of 4% including VAT of the increase of the regulated tariff financed by the reduction of the domestic tax and final consumption of electricity. This will not have an impact on EDF resources because the target of that is to cut the bill, as you very precisely highlighted, and not the resources of EDF. The regulated tariff increase proposal is expected to be issued by the French regulator, the CRE, in February 2022. As regards the announcements that were made last night by the French President Macron. He announced that the construction of nuclear reactors in France would be restarted. This decision is motivated by the achievement of carbon neutrality in 2050 and is aiming at guaranteeing France's electricity supply. This announcement is obviously good news for EDF and for the whole French nuclear industry, which are preparing for it. EDF presented a few days ago, on Monday, the second progress report of the excell plan, which was launched in May 2020. This plan, as you know, aims at enabling the French nuclear sector to attain the highest levels of rigour, quality, excellence, in order to succeed in nuclear projects. We are now expecting more details by the French government on this announcement. As regards the funding scheme of potential future EPR, there are currently some works that are currently ongoing, and discussions between EDF and the French authorities about that. As regards the taxonomy, which is of course also a very significant question, the first dedicated act setting out the list and criteria of activities that make a substantial contribution to one of the two climate objectives was adopted by the commission in April 2021, and after examination by the European Parliament and the Council, it will be published by the end of the year. The dedicated act of April 2021 classified hydropower as a sustainable activity. As regards nuclear specifically, nuclear today is neither excluded nor included in the taxonomy. It was subject to several scientific assessments, which concluded that nuclear energy does not violate the do-not-significant-harm principle. On 21 October, Brussels said it would take more time before making a decision on the integration of nuclear energy in the taxonomy, but the objective is still to propose rules by the end of the year through an additional dedicated act. As regards the new market design, although France has very decarbonised assets, the electricity prices are determined by the last production asset called to produce power. With the ongoing phase-out of coal and in production of the European carbon market, this price is linked to both the price of gas and CO₂. This price rightly is a source of concern about the economic and social consequences of the current volatility. This situation will make us think about how to reintegrate the long-term into the energy market, and also highlights the extent to which, in the long-term, Europe must succeed in moving away from its dependence on fossil fuels, and how nuclear power and renewables will be major assets in achieving carbon neutrality by

2050. And finally, I think we can also question the link with the price of gas, which does not reflect the cost of our decarbonised production made in France, and in any case, such restrictions and changes require in-depth discussions at the European level. These are the answers I can give to your five questions Vincent. Other questions?

Vincent: Thank you very much Xavier.

Sam Arie (UBS): Good morning everybody, and thank you, as always, for the presentation on the info today. Xavier, I just wanted to ask a question about next year. And I know, of course, you're not guiding next year today. So, it's just a kind of background question to help us as we think about it. I'm picking up on your comments just now, that, you know, there's still a lot of uncertainty, and we need to be careful about what assumptions we make. But if I look at consensus EBITDA for next year, it's around about 21 billion, and if I look at our own estimates, they're in a similar place. And I think the way that we're all getting there is just looking at the power prices, the – what's been said about the tariff part through next year, looking at the Arenh auction, they're making estimates about the cropping and so on. And even relatively conservative assumptions give you, you know, a good + €3 billion upside on your guidance for this year. So, you know, I mean for next year. So my question is, can you just have a think of those – firstly, is there anything else negative that we should have in mind when we think about next year, that would offset some of these potential, kind of almost mathematic price upsides? And secondly, if you did find yourself in a situation after the Arenh auction, and the cropping adjustments and so on, where you had quite a large upside for 2022, but which wouldn't, sort of, follow through into future years in the same way, would we sort of expect you to kind of smooth that out by kind of, maybe, reinvesting some of the earnings in other, you know, bits of operating activities that you want to get on with, or would it – should we expect it to, you know, just flow that through, and have a stronger 2022, if that's what, you know, if that's what the market brings? In general, I think Xavier, just anything you can – you feel comfortable sharing about those questions for 2022 would be very helpful to all of us. Thanks.

Xavier Girre: Thank you for your question. Maybe two points. First, as regards 2021, as I said, we reaffirm our guidance, and I am also quite confident about our ability to reach the consensus for 2021. As regards 2022, it's very clear that power prices represent a substantial positive effect. So, the EBITDA for 2022 should grow quite significantly, in comparison with 2021. However, I just want to remain cautious, at this stage, due to the high volatility of the market, due also to the fact that, considering the high power price level, any unexpected outage would have a very significant impact on the EBITDA, both in the UK and in France. For example, any missing TWh would hit the P&L by as much as €90 to 100 million. So due to this uncertainty, I think it's appropriate to remain cautious at this stage of the year. Nevertheless, the power prices represent a substantial positive effect for 2022.

Sam Terry: Thank you. That's really helpful. And any comment on the sort of second point about, you know, if you found yourself looking at a very strong 2022, so long as there's a one-off benefit that year from the company adjustment, would we expect that to flow through, or would we expect that to be, you know, maybe reinvested in some way in other activities that you want to carry out, and therefore would we expect kind of a development of EBITDA to remain sort of more smooth from 2022 through 2023/4/5?

Xavier Girre: I'm not sure I got perfectly well your question, but our strategy is very well set. We intend to continue to develop our activities in low carbon generation, meaning accelerating investments in renewables, investing in nuclear, both life extension and new nuclear activity. We intend to develop our business in service and downstream, to invest also in the distribution network, which is going very well and increasing. And in the current market, which is a positive one with growth in demand, and growth in prices, we intend to go on along these lines, continuously, consistently with our CAP-2030 strategy. There is no change to expect about that. Definitely, we are very clear on our strategic line.

Sam Terry: That makes a lot of sense. Thanks for your answer. That's all from me.

Peter Bisztyga (Bank of America): Thanks. Good morning. Two questions from me. Firstly, can you give us an update on your experience with cost inflation and supply chain issues, both in your renewables business and your new nuclear projects? And then secondly, on the UK, are you seeing more customers than you expected, move on to standard variable tariffs, and could that cause your UK retail business to see some negative margin effects this winter?

Xavier Girre: Thank you very much for your questions. First, as regards the inflation impact on our renewable business. Some pressures did materialise on the price of PV modules since December of 2020, and the main reason is the increase in the price for silicon and other factors also did contribute, in particular, custom duties applied by some countries and increase in the cost of shipping. This sudden shock is in fact in sharp contrast with the long-term declining trend in the price of PV modules, and it could harm some solar projects, which PPA have been contracted before locking in the price of modules. This is mainly happening in the US and India, where we monitor very closely a number of projects, in order to limit the impact on value creation, such as renegotiating the PPA price with clients when possible, or optimising other elements on the projects. To some extent, the recent increase in the price of steel and aluminium creates a similar shock to the wind industry. Indeed, steel prices account for 10 to 20% of turbines price, which then itself represents 70% of the Capex for a typical wind project. However, the situation is less critical, because turbines orders are usually placed earlier in the development cycle of wind projects, compared to PV modules. Currently, we have no project where the situation poses a significant threat to our expected profitability.

As regards the UK situation, and in particular, as regards the fact that some suppliers in the UK market are currently going bust. This comes from the fact that the surge in energy prices has caused the failure of 21 suppliers, since the beginning of the year, which represents around 2 million domestic customers. In 2021, we took over two customers portfolios, Green Network Energy in January, for c.360,000 customers, and Utility Point in September, for c.220,000 customers, representing a total of 580,000 residential customers. In a nutshell, there are some additional costs in the short-term, which should be recovered over time, up to three years, through the Supplier of Last Resort mechanism, managed by Ofgem. On the long-term, this move is an opportunity for EDF Energy to consolidate and grow its supply business. To be even more specific, the question refers to the link or the difference between the capped regulated tariff, standard variable tariff and the fixed tariff. The capped regulated tariff, which is based on the average, past six months for our prices, is updated only twice a year: 1st of October and 1st April. It means that a specific SVT, Standard Variable Tariff therefore does not integrate the recent rise in wholesale prices and is more competitive than

fixed market offers. Many of residential clients have switched from market offers to SVT, leaving suppliers with unhedged positions. Those suppliers had to buy back these positions at very high prices, and suffered from significant financial losses, which led them to bankruptcy. In this context, there is in the UK what's called a Supplier of Last Resort mechanism, by which the Ofgem request the remaining suppliers to take over the customers portfolio. And in this case, you have two options, either some suppliers bid for the portfolio and Ofgem then choose the best offer, or there is no voluntary bid and the Ofgem allocate directly the portfolio to one of the suppliers. This is exactly the current situation in the UK.

Peter Barcia: Thank you for your answers.

Ajay Patel (Goldman Sachs): Good morning and thank you for the presentation. So mine are around a little bit more short-term. I just wanted to focus on this year's numbers. I think at the time we had the H1 results, we had this guidance upgraded at €17.7 billion, but the nuclear output target was about 345 TWh to 365 TWh. Now, I think at that time, we were talking about the €17.7 billion of EBIDTA, being underpinned by the 345 TWh part of the output target. And clearly, if we look at the end of October, where 30 TWh up year-on-year, and we were on a run rate looking like it's going to be the top end of the range, if not a bit higher. So, I guess if I take that, and as well as the power price environment were in, you know, it's a very, very significant higher result than the €17.7 billion guidance, greater than €17.7 billion guidance we have. And so I just wondered, what negatives should I be thinking about, maybe that could offset that impact, and then I guess the second piece to this is, just the way that you hedged. Because, clearly prices right now are very high. Every TWh that you gain versus last year is effectively selling power in a very high-priced environment, and therefore has quite a material impact to EBITDA. Would you have already pre-hedged a lot of this, or is it that any output that you achieve now year-on-year would actually be incrementally selling in these higher price environments? Any clarity on both of those issues would be really helpful.

Xavier Girre: First, as regards nuclear output, we are currently doing well: at end of September, 268.2 TWh. We could be in the higher part of the range, 345 to 365 TWh for this year. Second, as regards the price, 2021 France output was already fully hedged when starting the year. As such, recent spike in forward prices will not have a significant impact for 2021. And 2021 EBITDA will mainly, as a consequence, benefit from the extra nuclear generation, and from the part of hydro generation sold at higher spot prices. So, for 2021, once more, I'm very confident that we will reach our guidance higher than €17.7 billion. I am also comfortable with the consensus, which is €18.3 billion. And as regards potential negatives you referred to, we have in the UK a situation which is, as regards nuclear generation, a bit difficult. This might be a negative for H2 2021. So, this is how we see the end of this year.

Ajay Patel: And is it fair to say that if I'm just going to say if output was higher in November and December, incrementally, it would effectively be selling at these higher power prices that we're seeing on screen, right? Is that a fair deduction to make?

Xavier Girre: You're right.

Ajay Patel: Thank you.

Xavier Girre: I share your point. There are some significant positives. There are also some risks. I referred, for example, to nuclear generation in UK. We all know that the market also is very volatile. This is why we are confident with our guidance, and we are comfortable with the consensus for 2021.

AJ Patel: Sorry, there was one clarification. I remember there was a press article about a trading loss at EDF. And I just wondered, is there any guidance or rough feel that you can give us on the trading profits in H1, whether that will be lower for the full year, or the same, or higher, or any directional sort of nature, so that we can put some sort of bearing, or some sort of understanding of where that division goes, because obviously it's a lot – it's very hard to forecast from our side.

Xavier Girre: Thank you for your question. As I already highlighted, EDF trading is ahead of both budget and last year trading margin, which translates in group revenue at end of September, and at end of October. I highlighted this point, which is important. I highlighted also that the market was extremely volatile, in particular at end of September and early October. We saw in this period unprecedented turbulence, over a very short period of time, and with very limited number of books suffered as a result. EDFT has been carefully managing the situation, and once more is ahead of budget at last year, both at end of September, and at end of October. I would like also to tell you that contrary to what was written in some press articles, there was no manipulation within EDF Trading, and no employee has been fired either.

Ajay Patel: Thank you very much.

Emmanuel Turpin (Societe Générale): Good morning everybody. My first question is about electricity tariff measures in France, the so-called freeze for early next year. You highlighted that the actual tariff increase would depend on things that are still to come ahead of us in the last few weeks of the year. Are you comfortable that the measures taken by the government to protect consumers will be fully neutral to EDF EBITDA in 2022, whatever the outcome of the last few events of the year? Do you feel totally protected on that front? Regarding the gas tariff freeze in France, you highlighted today that your portfolio of customers in France residential gas continues to grow, 1.8 million customers. What's your estimate of the likely impact on working capital, the shortfall on working capital that you will have to finance with the tariff freeze on gas for 2022? My next question is on the UK, a follow-up on the previous question. Q3 revenue has declined year-on-year by about €350 million on my estimate. You mentioned some positive trends. For instance, in gas supply, neutral on EBITDA, but positive on revenues. That means that the negative effect on having to buy back nuclear volumes was greater than €350 million. Could you, maybe, quantify this for us? And maybe tell us whether you had managed to buy yourself, or cover yourself for the full year at the end of Q3, or whether you started Q4, still having to buy more on the market? I understand it's a bit of a sensitive information, but it would be helpful for us. And lastly, picking up on one of your very interesting points on modulation, being able to modulate the production of nuclear power plants in France, this is a unique feature in the industry. I'm very positive in this market. Do you think that being able to reduce modulation is a trend, or is it just a one-off for this year's particular conditions? We'd be very interested if you could share with us the actual dispatch factor in the first nine months, i.e. one minus essentially modulation. Thank you very much.

Xavier Girre: Thanks for your questions. To start by your last question, modulation was very high last year, due to the demand which was low. This year, modulation is less significant, thanks to a higher demand, and thanks to better price. What was exceptional was last year, it's not this year.

Emmanuel Turpin: So, it's back normal rate.

Xavier Girre: Last year which was very exceptional as regards modulation. And it's important to keep in mind that nuclear assets can be modulated, and this is a significant value that they can bring to the electricity system. As regards the hedging details, I am sorry, but as you know, we cannot comment specifically on this point. As regards the tariff tendency for next year, the point which remains to be taken into consideration is the impact of the Arenh auction, and the price of this Arenh cropping, which will be determined on the basis of December Market. It is too early today. But we will see what comes from that for the time being. The decision that has been announced by the government is very consistent, because it contributes to freeze the bill for the end consumer at 4%, without having a negative impact on the revenue. As regards gas, EDF proposes fixed price market offers, over four years, or indexed to the evolution of the gas regulated tariff, that will be frozen following a government decision, whose sourcing is globally covered. We therefore do not anticipate any significant impact from rising gas prices.

Emmanuel Turpin: Very clear. Thank you very much.

Arthur Sitbon (Morgan Stanley): Thank you for taking my question. The first one, I was wondering if you could walk us through the main areas of improvement, and deterioration compared to your divisional expectations over the summer, when you provided the above €17.7 billion with EBIDTA guidance for 2021. I have the impression that maybe it is a bit better UK, or a bit worse, and the rest more or less stable, but an indication would be helpful. The second question is if you are able to provide some guidance on the discount rate change that we can expect for nuclear provision this year, with the rates that there are today, rates and inflation. And my last question is on the transaction you're working on, on the minority stake in renewable at Edison level. I was wondering if you could explain a bit the rationale of this transaction. And given it's a minority stake, I would suspect no capital gain would flow through EBITDA, but if you could confirm that, that would be helpful. Thank you very much.

Xavier Girre: Thank you for your questions. As regards the trend between half-year and today, the positive trend is clear on the nuclear generation in France. On the other hand, it's negative, as regards the UK. The prices have continued to grow, but the volatility has also very significantly been increased, so price increase may be positive, but the volatility creates also some disturbances. As a whole, our activity is going well. I highlighted that our Q3 is a very strong Q3, which is of course a very positive point for EDF. As regards the nuclear provisions discount rate, the rate at the end of the year will definitely depend on the evolution of short-term rates. But as well, it will depend on the inflation rate. So, we will assess that very carefully at the end the year. Currently, our real discount rate is 2.1%. And you may know the sensitivity, which is that a 10 bps decrease in the discount rate has an impact of around minus €600 million in pre-tax earnings, and plus €1 billion on the provisions. On the other hand, a 10 bps increase in the discount rate has an impact of around plus €700 million in pre-tax earnings, and minus €900 million on the provisions. I will not give any forecast, but definitely, we will assess the situation, in particular with regards to inflation at the end of the

year. As regards Edison, it's clearly a very positive strategic move. We have, along the last years, strengthened the strategic position of Edison by developing renewables, and in a few weeks, we'll have another financial partner alongside with us, in order to develop Edison in this market in Italy. We have also sold most of the E&P business, which is carbonised business, and in which Edison didn't have a first rank position. Edison is now really ready to be a very strong actor in renewables, in service, and also in thermal generation, which is also a significant contributor in the Italian electricity mix. During the last years, definitely Edison has been strengthened. Its strategy is absolutely consistent with EDF strategy, and Edison is ready to go on developing its business, very consistently with CAP 2030 strategy.

End of our discussion, I would like to thank all of you for your question, and for your attendance, and to wish you a very happy day.