
Details on the technical and financial feasibility of dismantling EDF's nuclear power plants in France

The fact-finding commission of the French National Assembly's sustainable development and planning committee today presented a report looking at the technical and financial feasibility of dismantling basic nuclear installations. The report relates to all nuclear operators, including EDF.

In light of the information in this report, EDF would like to bring forward the following details:

EDF assumes full responsibility for the technical and financial aspects of dismantling its nuclear plants.

As far as the technical feasibility of the dismantling of its installations is concerned, the group would like to point out that it is currently decommissioning nine reactors.

- Chooz A (Ardennes) – a pressurized water reactor, the most representative of the nuclear power stations currently operating in France

Decommissioning began in 2007 and work is due to be completed in 2022. All of the electromechanical installations have been decommissioned and EDF is currently working on the last stage, dismantling the reactor vessel. **Work is continuing in accordance with the timetable and the budget.**

The experience of dismantling the Chooz A plant will fully benefit the nuclear plants currently in operation, which all use pressurized water reactors.

- The other 8 nuclear reactors currently being dismantled use three different types of technology (UNGG, fast neutron and heavy water).

Significant work has been done on all of these sites. Dismantling these installations is a complex process and the work involved is consolidating EDF's expertise when it comes to decommissioning. EDF would like to point out that in relation to other similar installations that have been dismantled around the world, the group's sites are among the most advanced.

EDF confirms its target of dismantling its nuclear installations as quickly as possible. With this in mind, EDF is drawing on specific skills that it is committed to developing in the long term, both internally and with its main supplier partners.

With respect to the funding of these operations, EDF would like to point out that French legislation (law of 28 June 2006 on the sustainable management of radioactive material and waste and its implementing provisions) has created a mechanism that is both restrictive for nuclear operators and also secure:

- The law demands that dedicated financial assets are allocated to funding the costs relating to dismantling nuclear installations as well as the long-term management of radioactive waste.
- These assets are identified and separated from the management of the company's other assets and financial investments, in order to ensure that they are available when needed.
- These assets and the total amounts set aside are subject to strict and regular monitoring and checks by the Board of Directors and the French State.

As of 30 June 2016, the total amount set aside for decommissioning the nuclear plants, the last cores and the long-term management of radioactive waste (including the Cigéo storage project), **was 22.2 billion Euros, and the**

total value of dedicated assets was 23.3 billion Euros, giving a coverage ratio of 105.2%¹ (consolidated accounts of the EDF Group as of 30/06/2016). For the fleet currently in use, these amounts incorporate the lessons learned from the dismantling of the Chooz A nuclear power plant, which used pressurized water technology.

Over the last 5 years, EDF's dedicated assets, which are diversified (listed shares and bonds, unlisted assets, real estate), have seen an average return of 6.1% per year.

The money set aside for decommissioning the nuclear plants in use has been the subject of an audit commissioned by the Ministry of the Environment, Energy and the Sea, which was published on 15 January 2016². The Ministry concluded that the audit essentially backs up EDF's estimate of the cost of dismantling its nuclear fleet.

In addition, EDF took into account the recommendations received in the context of this audit, with a view to prepare Group's financial statements as of 31 December 2016. These financial statements will be published on 14 February 2017, after being approved by the Board of Directors.

The EDF Group's accounts are audited and certified by its auditors³. They are also regularly audited by the Cour des Comptes (French State auditing body).

¹ By limiting the value of certain investments in accordance with article 16 of decree no. 2007-243 on the regulatory calculation of dedicated assets that have to be more than or equal to the long-term nuclear provisions, the coverage rate is 105.1%

² Conclusions of the audit made public in January 2016 on the website of the Ministry of the Environment, Energy and the Sea: : <http://www.developpement-durable.gouv.fr/Synthese-du-rapport-d-audit-sur.html>

³ EDF's consolidated financial statements for the year ending 31 December 2015 and the auditors' report can be found in chapter 6 of EDF's reference document. The summarised consolidated financial statements as of 30 June 2016 are available on the EDF website: https://www.edf.fr/sites/default/files/contrib/groupe-edf/espaces-dedies/espace-finance-fr/informations-financieres/informations-reglementees/resultats-financiers---semestriel/2016/s1_2016_comptes.pdf

A key player in energy transition, the EDF Group is an integrated electricity company, active in all areas of the business: generation, transmission, distribution, energy supply and trading, energy services. A global leader in low-carbon energies, the Group has developed a diversified generation mix based on nuclear power, hydropower, new renewable energies and thermal energy. The Group is involved in supplying energy and services to approximately 37.6 million customers, of which 27.8 million in France. The Group generated consolidated sales of €75 billion in 2015, of which 47.2% outside of France. EDF is listed on the Paris Stock Exchange.

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