Sizewell C

Compliance Statement 2025/26

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Revision 1

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FOREWORD

This Compliance Statement (Statement) sets out how Sizewell C (SZC) maintains compliance with certain conditions of its electricity generation licence.

Because SZC is a project backed by government money and private investors with complex ownership, it has four "Specified Duties" linked to four of the sixty-one Special Conditions in the licence: these ensure the board operates independently from shareholders (Special Condition 4, Directors), keep SZC's finances separate and protected (Special Condition 5, Ring Fencing), require fair market prices when dealing with shareholder companies (Special Condition 6, Associate Transactions), and mandate independent checks and annual reporting to prove compliance (Special Condition 7, Compliance Conditions).

The "Specified Duties" is the term for SZC's obligations under these Special Conditions - essentially the core promises SZC must keep, such as maintaining business separation, financial independence, arm's length transactions with related companies, having independent directors, and proving compliance through regular reports.

This Compliance Statement is SZC's explanation of how it will meet all these Specified Duties, including who is responsible for what, what systems are in place, and how independent oversight works. It is checked and verified by people who don't work for SZC (like the external company Deloitte LLP who acts as Compliance Officer). This ensures this critical energy project is run properly for the benefit of electricity customers and taxpayers.

SZC is satisfied that Deloitte LLP possesses the necessary expertise and resource to fulfil the duties of the Compliance Officer role:

- Deloitte LLP is one of the UK's leading professional services firms with extensive experience in regulatory compliance in the energy sector.
- The Deloitte LLP team assigned to this engagement are appropriately qualified professionals with relevant experience.
- Deloitte LLP has confirmed to SZC that it has sufficient resource allocated to discharge the duties of the Compliance Officer role in full and on an ongoing basis throughout the relevant compliance period.

A contract has been executed between SZC and Deloitte LLP governing the appointment. SZC is satisfied that the contract properly enables Deloitte LLP to undertake the appropriate duties, including provisions covering scope of duties, independence and access to information.

SZC is supported by key shareholders, alongside institutional investors and project lenders.

The Board of SZC comprises individuals with the skills, experience and independence necessary to govern this complex and nationally significant infrastructure project. SZC has established governance structures, including Board committees, that provide oversight of SZC's compliance with its licence obligations and other regulatory requirements.

SZC has put in place systems of control and governance arrangements to secure compliance with the specified duties in the Licence. These arrangements ensure appropriate separation from Associates, prevent cross-subsidies, and maintain the financial and operational independence required under the ring-fencing provisions.

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Safety and regulatory compliance remain SZC's highest priorities. This Statement demonstrates SZC's commitment to transparent governance and sets out the practices, procedures and systems adopted to secure compliance with the Licence conditions.

SZC will review this Statement at least every 12 months (or at such other interval as Ofgem may direct) and will revise it as necessary to ensure it continues to be complete and accurate in all material respects. Where material changes are required to secure compliance with the specified duties, SZC will revise the Statement accordingly and will submit it to Ofgem for approval.

SZC will make a copy of the approved Statement available on the SZC website.

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SECTION 1: GOVERNANCE AND DIRECTOR INDEPENDENCE (SPECIAL CONDITION 4)

SZC's governance framework is designed to ensure that the company operates with appropriate independence from its shareholders and Associates, that directors act in the interests of SZC, and that potential conflicts of interest are properly managed.

This section describes how SZC complies with Special Condition 4 (Directors).

Details of the Board Composition and Executive Leadership Team are set out in Appendix A. Details of SZC's shareholding structure and Board Committee arrangements are set out in Appendix B.

SC4. PART A – Acting in the interests of the licensee

3. Without limiting the requirements set out in this special condition in relation to Sufficiently Independent Directors, the licensee must ensure that its directors, acting as such, act in the interests of the licensee.

All Directors of SZC are bound by Director's Duties under the Companies Act 2006 and are required to act in the best interests of the company. In accordance with Section 172(1), Directors must act in a way that they consider, in good faith, is most likely to promote the success of the company for the benefit of its members as a whole.

Any Related Party matters are governed in accordance with the terms of the Investment and Shareholders' Agreement.

The Company retains full responsibility for the operational management and strategic direction of its activities (for example, nuclear safety in emergency situations).

The Board composition supports independent decision-making, comprising Independent Non-Executive Directors, Executive Directors, and Shareholder Non-Executive Directors. This balanced structure provides strong non-executive presence to deliver challenge, strategic guidance and effective oversight.

The SZC board is structured as follows:

Board Member	Role
John Holland-Kaye	Chair
Nigel Cann	CEO
Laura Barbrook	Interim CFO
Paul Boote	*CFO from November 2026*
Mina Golshan	Safety, Security and Assurance Director
Stuart Crooks	EDF SNED
Alejandro Lopez Delgado	La Caisse SNED
David Kirwan	Centrica SNED
Liz Barber	INED
Julie Thornton	INED
Jouni Silvennoinen	INED
Andrew Matthews	INED

Board Member	Role
Caroline Botwood	HMG SNED
Alison Ayodele Henwood	INED

The Nuclear Safety Committee, established in accordance with the Nuclear Site Licence, operates with membership based strictly on expertise in the nuclear industry and application of nuclear safety principles.

In addition, the Shareholders' Agreement contains specific provisions which preserve Directors' duties to act in the best interests of the Licensee and manage conflicts of interest, ensuring compliance with the Companies Act 2006 and the Licence requirements.

SC4. Part B- Conflicts of Interest

4. The licensee must require, as a term of each director's appointment, that each of its directors discloses to the licensee and the Authority any (actual or potential) conflicts between their duties as directors of the licensee and any other duties that they may have to any other entity.

Directors must declare conflicts of interest to the GenCo Board in accordance with the Shareholders' Agreement.

SZC maintains a Conflicts of Interest Policy for Directors which sets out procedures for disclosure.

The Directors are required to disclose any conflicts of interest immediately and when they arise; these are tabled at each Board meeting. The Directors are required to complete and sign a declaration of any conflicts of interests at least once a year.

5. Where potential conflicts exist between the interests of the licensee and those of any Associate, the licensee and its directors must ensure that, in acting as directors of the licensee, they have regard exclusively to the interests of the licensee.

The Shareholders' Agreement ensures that Directors shall not breach their statutory duties to the Licensee, including their duty to promote the success of the Licensee, exercise independent judgement and avoid conflicts of interest, when acting in accordance with the Agreement. This ensures that Directors act in the best interests of the Licensee.

Nigel Cann serves as a Director of NSCo (an associate), with Ofgem consent for this dual directorship agreed and formally granted post-financial close.

6. The licensee must ensure that its articles of association and any shareholders' arrangements stipulate that, subject to meeting the requirements of paragraph 7, no director may vote on any contract or arrangement or any other proposal in which that director has: (a) an interest by virtue of other directorships; or (b) any other actual or potential conflict of interest, other than in respect of any Permitted Voting Matters.

SZC's Articles of Association provide that Directors with a conflict of interest are excluded from voting on, and being counted towards quorum for, any contract or arrangement in which the conflict arises, unless authorised in accordance with the Articles.

The Shareholders' Agreement states that no GenCo Director may vote on any contract, arrangement or proposal where the Director has an interest by virtue of other directorships or any other actual or potential conflict of interest, except for permitted voting matters or where requirements below are met.

7. The licensee's articles of association and any shareholders' arrangements may permit a director to vote on any proposal where that director has a conflict of interest, provided that the director has: (a) declared a conflict of interest to the board of the licensee in respect of the proposal; and (b) obtained any required authorisations and complied with the requirements of any terms imposed by the board of the licensee.

Both the Shareholders' Agreement and the Articles of Association permit a Director to vote on a proposal in which they have a conflict of interest, provided that the Director has: (a) fully declared the conflict of interest to the Board; (b) obtained the Board's authorisation; and (c) complied with any conditions imposed by the Board as part of that authorisation.

8. Promptly following the Licence Modification Date, the licensee will provide the Authority with a copy of its policy and procedures which are relevant to how it manages and mitigates against actual or perceived conflicts of interests impacting licensee board decisions.

SZC maintains a Conflicts of Interest Policy for Directors.

9. At the same time as it submits its Compliance Statement, Compliance Report and Compliance Certificate to the Authority, the licensee must provide an additional report to the Authority (the "CoI Report") which: (a) confirms that it has applied the policies and procedures notified to the Authority pursuant to paragraph 8 or, where applicable, discloses any noncompliance together with the reasons for this; (b) notifies the Authority of any changes to the policies and procedures notified to the Authority pursuant to paragraph 8; and (c) records each occurrence (not previously reported in a CoI Report) of the board authorising a director to vote pursuant to paragraph 7, where that director has declared a conflict of interest, together with details of such vote but excluding any votes where the interest declared was solely by virtue of: (i) cross-directorships on the board of one of more Group Companies; (ii) interests of any family member of the director; or (iii) interests of any person with whom the director is in partnership.

SZC will provide a Conflicts of Interest Report to the Authority notifying any changes to the policy, and recording instances where Directors have been authorised to vote on conflicted matters together with the reasons for this.

10. The Authority may require the licensee to provide additional Supporting Information in relation to any CoI Report provided by the licensee under paragraph 9

SZC has established mechanisms for sharing information with the Authority.

Part C: Requirement to inform the Authority of changes to the Board

11. On the Licence Modification Date, the licensee must notify the Authority of the names of its directors and their functions and responsibilities.

The names of SZC's directors, their functions and responsibilities have already been sent to the Authority.

12. The licensee must inform the Authority without delay, and in any event within 14 days, when: (a) a new director is appointed; (b) the resignation or removal of a director takes effect; (c) any important change in the functions or responsibilities of a director occurs; or (d) the number of Sufficiently Independent Directors falls below the number required by paragraph 14.

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SZC has put in place procedures to ensure the Authority is notified without delay, and in any event within 14 days, when Directors are appointed or resign, when important changes to Director functions occur, or when the number of Sufficiently Independent Directors falls below the required threshold. This notification process forms part of SZC's Director onboarding and offboarding procedures. A formal notification process for Director changes was implemented at financial close.

SZC confirms that it interprets "without delay" as requiring notification at the earliest opportunity following the relevant event, with the 14-day period acting as an outer limit only.

13. Where any director is removed from office or resigns, the licensee must notify the Authority of the reasons for the removal or (to the extent that these are known to the licensee) the resignation. For the purposes of this requirement, the reasons for a resignation may, if appropriate, be stated to be personal reasons.

SZC will notify the Authority of the reasons for any Director removal or resignation in accordance with this requirement, including where appropriate stating that reasons are personal.

Part D: Requirements for Sufficiently Independent Directors

SZC applies the UK Corporate Governance Code (2024), whose provisions on board independence, composition, effectiveness and succession planning provide established best practice frameworks that support and reinforce compliance with the SID requirements in this Part D.

14. Unless the Authority has otherwise consented or where paragraph 15 applies, the licensee must ensure that its Board contains at least 3 Sufficiently Independent Directors, or such higher number as may be required in order to maintain the independence of the Board.

SZC's Board includes five Sufficiently Independent Directors. SZC monitors Board composition on an ongoing basis to ensure continued compliance with this requirement and to maintain the independence of the Board.

15. Where: (a) there are temporarily fewer Sufficiently Independent Directors than required by paragraph 14 due to the removal or resignation of a Sufficiently Independent Director; or (b) there are temporarily fewer Sufficiently Independent Directors than required by paragraph 14 due to the death or incapacity of a Sufficiently Independent Director, or a similar reason outside the control of the licensee, the licensee must use reasonable endeavours to ensure that a new Sufficiently Independent Director is appointed as soon as reasonably practicable to ensure that its Board contains at least 3 Sufficiently Independent Directors, or such higher number as may be required in order to maintain the independence of the Board.

This provision is not currently triggered and serves as a contingency mechanism for maintaining board composition once established.

In the event that paragraph 15 is triggered, SZC would promptly notify Ofgem and initiate a recruitment process, led by the Chair in conjunction with the Nominations Committee. SZC would expect to appoint a replacement Sufficiently Independent Director within 3 to 6 months, depending on the circumstances of the vacancy and the availability of such resources.

16. The licensee must ensure that each of its Sufficiently Independent Directors is a natural person that:

(a) in the reasonable opinion of the licensee, has the skills, knowledge, experience, and personal qualities necessary to perform effectively as an independent non-executive director of the licensee;

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Each SID has been assessed as possessing the necessary skills, knowledge, experience and personal qualities.

A structured onboarding process ensures all new Board members receive the necessary induction, including mandatory training and role-specific development.

All Directors are assigned a Nuclear and Environmental Baseline Role and Training Profile, which outlines key competency areas.

Independent Non-Executive Directors have undertaken briefings from in-house subject matter experts in alignment with requirements for Nuclear Licensed Board Members, covering:

- Project overview.
- Safety, security, environment compliance and assurance.
- People systems and organisational development.
- Board intelligent customer.

This structured development framework ensures the Board maintains the knowledge and insight required to discharge its responsibilities effectively, with a clear focus on nuclear safety, regulatory compliance, and sustainable governance through all stages of SZC's lifecycle.

(b) does not have any executive duties within the licensee's business;

All SIDs hold non-executive positions with no operational or management responsibilities.

(c) is not, and has not been during the 12 months prior to the Licence Modification Date or their appointment as non-executive director of the licensee (whichever is the later): (i) an employee of the licensee; or (ii) a director or employee of an Associate, except and to the extent that the Authority consents otherwise;

SZC ensures compliance with these requirements through its Director appointment process.

(d) does not have, and has not had during the 12 months prior to the Licence Modification Date or their appointment as a non-executive director (whichever is the later), any material business relationship with the licensee or any Associate. The holding of a small number of shares or associated rights is not, of itself, to be considered a material business relationship;

SZC ensures compliance with these requirements through its Director appointment process.

(e) does not hold a remit to represent the interests of any particular shareholder or group of shareholders of the licensee or the interests of any Associate; and

SIDs do not represent shareholder interests.

(f) does not receive remuneration from the licensee or any Associate, apart from a director's fee and reasonable expenses. The receipt or retention of any benefit accrued as a result of prior employment by or service with the licensee or any of its Associates is not to be considered to be remuneration.

SZC ensures compliance with these requirements through its Director appointment process. Ongoing compliance is supported by the Remuneration Committee, which has regard to regulatory and Licence requirements in the exercise of its duties.

17. The licensee must ensure that the Sufficiently Independent Directors collectively have: (a) suitable relevant experience and knowledge of the functions of the licensee; and (b) sufficient

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understanding of the interests of the Suppliers and their customers and how these interests can be respected and protected.

The SID cohort collectively possesses suitable experience across energy, infrastructure, finance, and regulation. The suitability of the SID cohort is kept under review through the board's annual performance evaluation, supported by the Nominations Committee and the Company Secretary. This evaluation considers board composition, diversity and the effectiveness of individual directors, including whether each director continues to contribute effectively. At least every three years, this evaluation is externally facilitated to provide independent assurance. Any identified gaps in the collective skills and experience of the SID cohort inform future appointment decisions. SZC currently provides all Directors with a Nuclear and Environmental Baseline Role and Training Profile covering key competencies, with INEDs receiving specific briefings on nuclear licensing requirements including safety, security, environment, and governance matters. A structured onboarding process ensures all new Board members receive mandatory training and role-specific development, as set out above.

The "Board intelligent customer" and organisational development elements of this training support Directors' understanding of key stakeholder relationships, including those with suppliers and customers, as set out above.

18. The terms of appointment of each Sufficiently Independent Director must include a condition stipulating that both the licensee and the appointee will use their best endeavours to ensure that the appointee remains sufficiently independent during their term of office, having particular regard to the criteria set out in paragraph 16.

All SID appointment terms include provisions requiring ongoing independence.

As above, the Directors are required to disclose any conflicts of interest immediately and when they arise; these are tabled at each Board meeting. The directors are required to complete and sign a declaration of any conflicts of interests at least once a year.

19. The licensee must not appoint any Sufficiently Independent Director for a term that is longer than 9 years.

SZC complies with its Articles of Association regarding the appointment and tenure of Sufficiently Independent Directors. The term of appointment is determined by the HoldCo Board and expires as specified at the time of appointment. While the Articles do not explicitly limit the term to 9 years, the Company will monitor compliance with applicable governance standards and regulations at the appropriate time to ensure this condition is met.

20. The restriction set out in paragraph 19 does not preclude a Sufficiently Independent Director from being reappointed following their previous term, provided that they continue to meet the criteria set out in paragraph 16.

Noted for future Director reappointment decisions.

21. The licensee must notify the Authority within 14 days of the date when any Sufficiently Independent Director is reappointed pursuant to paragraph 20.

Noted for future Director reappointment decisions.

SECTION 2: FINANCIAL AND OPERATIONAL RINGFENCING (SPECIAL CONDITION 5)

Part A: Restrictions on activities

3. Other than as permitted by paragraph 4, 5 or 6 of this special condition, or paragraph 5 of Special Condition 10 (Indebtedness), the licensee must not conduct any business or carry on any activity other than the Regulated Activities and/or the Regulated Business.

SZC conducts only Regulated Activities and Regulated Business as required under paragraph 3.

The Acquire Goods and Services (AGS) framework, which governs all contracting and procurement decisions, has been specifically aligned to regulatory requirements to ensure that all commercial activities support the construction and future operation of the plant.

4. The licensee must not, without the prior consent of the Authority, hold or acquire shares or other investments of any kind, except: (a) shares or other investments in a body corporate the sole activity of which is to carry on the Regulated Business and/or the Regulated Activities; (b) shares or other investments in a body corporate that is a Subsidiary of the licensee and incorporated by it solely for the purpose of raising finance for the Regulated Business; (c) investments acquired in the usual and ordinary course of the licensee's treasury management operations, subject to the licensee maintaining in force, in relation to those operations, a system of internal controls that complies with best corporate governance practice as required (or, in the absence of any such requirement, recommended) by the UK Listing Authority; (d) a shareholding in FundCo and such investments as may be contemplated in accordance with the FAP; (e) shares in the NSCo; or (f) as permitted by paragraph 5 or 6.

SZC acknowledges the above.

5. Nothing in this special condition will prevent: (a) any Affiliate in which the licensee does not hold shares or other investments from conducting any business or carrying on any activity; (b) the licensee from holding shares as, or performing the supervisory or management functions of, an investor in respect of any body corporate in which it holds an interest as permitted by the conditions of this licence; (c) the licensee from performing the supervisory or management functions of a holding company in respect of any Subsidiary; or (d) the licensee from carrying on any business or conducting any activity to which the Authority has given its consent.

SZC acknowledges the above. SZC does not hold or has not acquired any shares or other investments that require prior consent of the Authority under this condition. Accordingly, no entries are required in the table below at this time.

Any proposed acquisition of shares or other investments would in practice be expected to involve CFO oversight, given the compliance obligations under the Licence and the financial governance framework of the Shareholders' Agreement.

This position will be kept under review and any future holdings requiring prior consent will be recorded and reported accordingly in the table below:

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Entity/ Investment Name	Investment Type (Shares / Other)	Date Acquired	Consent Obtained (Y/N)	Any issues to report

6. Nothing in this special condition will prevent the licensee or a Relevant Associate from conducting De Minimis Business, provided that: (a) the aggregate turnover of all of the De Minimis Business carried on by the licensee, together with the Equity Share of the aggregate turnover of all of the De Minimis Business carried on by all of its Relevant Associates, does not in any period of 12 months commencing on 1 April of any year exceed 2.5% of the aggregate turnover of the Regulated Business, as shown by the most recent audited regulatory accounts of the licensee produced under Standard Condition B16 (Regulatory Accounts); and

SZC's SAP system captures all De Minimis Business turnover data for the licensee. Turnover data for Relevant Associates can only be obtained from their public financial statements where available.

(b) the aggregate amount (determined in accordance with paragraph 7) of all investments made by the licensee in De Minimis Business, carried on by the licensee and all Relevant Associates, does not at any time from the Licence Modification Date exceed 2.5% of the sum of the share capital in issue, the share premium and the consolidated reserves (including retained earnings) of the licensee as shown by the most recent audited regulatory accounts of the licensee then available produced under Standard Condition B16 (Regulatory Accounts).

To be completed post-audit of 31 March 2026 accounts.

7. At any relevant time, the amount of an investment referred to in paragraphs 4 to 6 is the sum of: (a) the value at which such investment was included in the audited historical cost balance sheet of the licensee as at its latest accounting reference date to have occurred prior to the Licence Modification Date (or, where the investment was not so included, zero); (b) the aggregate gross amount of all expenditure (whether of a capital or revenue nature) howsoever incurred by the licensee in respect of such investment in all completed accounting reference periods since such accounting reference date; and (c) all commitments and liabilities (whether actual or contingent) of the licensee relating to such investment outstanding at the end of the most recently completed accounting reference period, less the sum of the aggregate gross amount of all income (whether of a capital or revenue nature) howsoever received by the licensee in respect of such investment in all completed accounting reference periods since the accounting reference date referred to in sub-paragraph (a).

SZC notes that paragraph 7 sets out the methodology for calculating the amount of an investment. SZC monitors its investment positions in accordance with this definition to ensure continued compliance with the Licence.

8. For the purpose of paragraphs 6(b) and 7, "investment" means any form of financial support or assistance given by or on behalf of the licensee for the De Minimis Business, whether on a

temporary or permanent basis and including any commitment to provide any such support or assistance in the future.

Noted.

Part B: Availability of resources

9. The licensee must act in a manner best calculated to secure that it has available to it such resources, including management and financial resources, bank facilities, systems of planning and internal control, personnel, fixed and moveable assets, rights, licences, consents and facilities, on such terms and with all such rights as must ensure that it is able to: (a) safely, properly and efficiently carry on the Regulated Business and Regulated Activities; and (b) comply in all respects with its obligations under this licence and all applicable Legal Requirements.

SZC maintains comprehensive systems and resources to ensure full compliance with this condition. SZC has established robust frameworks across all resource areas to ensure the safe, proper and efficient delivery of the Regulated Activities and the Regulated Business.

Personnel requirements are addressed through SZC's HR Resourcing Plan, which ensures appropriate staffing levels, nuclear-specific skills and technical expertise are maintained across all functions essential to the safe delivery of the Regulated Business. This planning framework ensures the availability of suitably qualified and experienced personnel for all critical roles throughout construction and into operations.

SZC maintains appropriate fixed and moveable assets, rights, licences, consents and facilities on terms that ensure continuity of operations and regulatory compliance. These resources, combined with established systems of planning and internal control, provide a robust foundation for safely, properly and efficiently carrying out the Regulated Business and complying with all applicable Legal Requirements.

SZC will report against this framework in the Compliance Report, identifying any areas where resource adequacy has been assessed as a risk and setting out the mitigating actions taken.

10. Specifically in respect of financial reserves, the licensee must ensure that it has available to it sufficient financial resources to enable it to carry out properly and efficiently, for at least the next 24 months, the Regulated Activities and the Regulated Business and to comply with all applicable Legal Requirements.

SZC's financial position is clearly demonstrated through its Annual Going Concern Statement and Viability Statement, which provides independent assurance of the company's financial viability and ability to meet its extensive obligations throughout the construction and operational phases. Evidence of sufficient financial reserves is also provided by the Construction Plan Budget, which maintains a three-year lookahead.

Part C- Directors' Certificates

SZC notes the provisions of Part C (Directors' Certificates) of this licence condition. The requirement for multiple Directors' Certificates to be submitted by 31 July each year is understood, covering financial resources, operational resources, contracts with Associates, compliance with specified licence conditions, and the Currency Hedging Policy.

SZC notes the option within Certificate 2F (financial resources) and Certificate 2R (operational resources) to draw attention to specific factors which may cast doubt on the directors' reasonable

expectation, whilst still providing the certification subject to explanation of those factors. We also note the requirement under paragraphs 13 and 15 for the financial resources and operational resources certificates to be accompanied by statements of the main factors taken into account by the directors in giving those certificates.

SZC further notes the obligation under paragraph 19 to report any adverse circumstances to the Authority as soon as reasonably practicable if directors become aware of circumstances affecting previous certifications.

The certificates were delivered in accordance with this condition. KPMG will be providing the Audit Report before the end of November 2026.

Part D: Declaration and payment of Distributions

20. The licensee must have in place a Distribution Policy that complies with the following principles: (a) the Distributions declared or paid will not impair the ability of the licensee to finance the Regulated Business; (b) Distributions are intended to reward the licensee's efficiency and its management of economic risk under the system of incentive regulation set out in this licence, which gives effect to this principle by providing that the licensee must not declare, pay or make any Distributions: (i) unless it has given to the Authority a Directors' Certificate in the form of Certificate 1F under paragraph 12 and Certificate 1R under paragraph 14 and has not subsequently informed the Authority of any circumstance of the type referred to at paragraph 19; (ii) which would breach the Yield Cap in that Charging Year; or (iii) whilst a Distribution Lock-Up Event is subsisting.

SZC confirms that the requirements of Part D are addressed through Schedule 8 (Shareholder Payments Policy) of the Investment Agreement, which directly references the Licence conditions relating to distributions.

This framework was embedded within the Investment Agreement at financial close and has been signed by all parties, including the SZC companies.

This demonstrates SZC's commitment to ensuring that distribution policies are aligned with licence obligations from the outset of the project, providing robust governance and oversight of shareholder payments in accordance with regulatory requirements.

21. The licensee must not declare, pay, recommend or otherwise make a Distribution, or redeem or repurchase any share capital of the licensee otherwise than in accordance with the current Distribution Policy.

SZC notes the above provisions.

22. Before declaring, recommending or making a Distribution, redemption or repurchase (as the case may be), the licensee must give the Authority a Directors' Certificate that complies in all respects with the requirements set out in paragraphs 23 and 24.

SZC notes the above provisions.

23. The first requirement is that the Directors' Certificate must be in the following form: "After making enquiries, the directors of the licensee are satisfied: (a) that, at the time of their approval of this certificate, the licensee is in compliance in all material respects with all the obligations imposed on it by Standard Condition B13 (Provision of Information to the Authority), Special Condition 5 (Ringfencing) and Special Condition 10 (Indebtedness); and (b) that the making of a distribution, redemption, or repurchase of [value] on [date] will not, either

alone or when taken together with other circumstances reasonably foreseeable at the date of this Directors' Certificate, cause the licensee to be in breach to a material extent of any of those obligations in the future."

SZC notes the above provisions.

24. The second requirement is that the Directors' Certificate must have been approved by a resolution of the Board passed not more than 14 days before the date on which the declaration or recommendation is to be made.

SZC notes the above provisions.

25. The licensee need not give the Authority a Directors' Certificate of the type referred to in paragraph 22 in circumstances where: (a) during the three months preceding the declaration or recommendation of a dividend, the making of any other form of Distribution or the redemption or repurchase of share capital, it has given the Authority a Directors' Certificate in the form of Certificate 1C under the requirement set out in paragraph 17; and (b) that Directors' Certificate includes an appropriate addendum using the wording given at paragraph 23(b).

SZC notes the above provisions.

26. Where the certificate given under paragraph 22, or relied upon under paragraph 25, relates to the declaration or recommendation of a dividend, the licensee is under no obligation to issue a further certificate before paying that dividend so long as such payment is made within 6 months of the date on which the certificate was given.

SZC notes the above provisions.

Part E: Requirement to maintain an Intervention Plan (Paras 27 and 29)

SZC maintains an Intervention Plan in line with the requirements of Paragraphs 27 and 29. The plan will be made available to a nuclear administrator (within the meaning given by section 39 of the Nuclear Energy (Financing) Act 2022).

Part F: Undertaking from an Ultimate Controller

30. The licensee must procure from each company or other person that the licensee knows or reasonably should know is at any time an Ultimate Controller of the licensee a legally enforceable undertaking in favour of the licensee, in a form approved by the Authority, that the Ultimate Controller ("the covenantor") will: (a) refrain from any action; and (b) procure that any person that is a Subsidiary of, or is controlled by, the covenantor (other than the licensee and its Subsidiaries) will refrain from any action, that would be likely to cause the licensee to breach any of its obligations under the Act or this licence, provided that during the Pre-PCR Phase any reference to an Ultimate Controller shall exclude any Ultimate Controller of the EDF Shareholder when the EDF Shareholder's interest in HoldCo is less than 14.99%.

SZC has obtained legally enforceable undertakings from its Ultimate Controllers in accordance with paragraph 30, specifically from Centrica PLC Caisse de dépôt et placement du Québec, Amber Fund Management Limited, International Public Partnerships Limited and Nuclear Liabilities Fund Limited.

The Undertakings specifically referenced to this Licence condition.

31. Such undertaking must be obtained within 7 Working Days of the company or other person in question becoming an Ultimate Controller and must remain in force for as long as the

licensee remains the holder of this licence and the covenantor remains an Ultimate Controller of the licensee.

These undertakings were entered into on financial close and remain in force.

32. The licensee must: (a) deliver to the Authority evidence (including a copy of each such undertaking) that the licensee has complied with its obligation to procure undertakings pursuant to paragraph 30; (b) as soon as reasonably practicable on becoming aware of the same, inform the Authority if the directors of the licensee become aware that any such undertaking has ceased to be legally enforceable or that its terms have been breached; and (c) comply with any direction from the Authority to enforce any such undertaking.

Evidence of these undertakings has been supplied to the Authority. Provisions B and C above are also noted. To date, no circumstances requiring action under these provisions have arisen.

33. The licensee must not, except with the Authority's consent, enter (directly or indirectly) into any agreement or arrangement with any Ultimate Controller of the licensee or with any of the Subsidiaries of such Ultimate Controller (other than the Subsidiaries of the licensee) at a time when: (a) an undertaking pursuant to paragraph 30 is not in place in relation to that Ultimate Controller; (b) there is an unremedied breach of such undertaking; or (c) the licensee is in breach of the terms of any direction issued by the Authority under paragraph 32(c).

Provisions above noted. No Authority Consent is required at present.

34. The licensee must, on or before 31 July in each year, provide the Authority with a schedule of the undertakings obtained in accordance with paragraph 30 that are in force at that time, together with confirmation that the licensee has sent each of the Ultimate Controllers concerned a letter, within the preceding 12 months, re-apprising that Ultimate Controller of the terms of the undertaking that it has given.

Condition 34 is noted. The first annual schedule and reminder letters were provided by 31 July 2026.

Part G: Credit Rating of licensee and related obligations Obligation to maintain an Investment Grade Rating

35. The licensee must use all reasonable endeavours to ensure that the licensee (and, if relevant, any Associate issuing debt on its behalf), maintains: (a) an Issuer Credit Rating or a Corporate Family Rating that is an Investment Grade Rating; or (b) such Alternative Financial Arrangements to which the Authority has given its consent.

SZC has discharged its obligation under Clause 35 to maintain an Investment Grade Rating. The Licensee holds a Baa1 Corporate Family Rating from Moody's (assigned 4 November 2025, stable outlook) and a BBB+ Long Term Issuer Default Rating from Fitch.

SZC's requirement to maintain Investment Grade credit ratings is not limited to the Economic Licence, it is also a requirement of the Financing Documents (in which failure to maintain two Investment Grade credit ratings would be a Trigger Event). The credit rating position is of critical importance to the company and its shareholders.

In order to ensure credit ratings are at investment grade, the Finance/ Treasury Teams monitor ratings to maintain compliance and identify emerging downgrade risk, this includes making sure that key credit rating ratios are not breached during construction.

SZC will pro-actively manage its relationships with rating agencies to keep them abreast of current progress at SZC and any emergent issues. Importantly this engagement will provide the opportunity

to identify any new or increasing concerns from the rating agencies and address them to the fullest extent possible to reassure them and manage the risk of rating downgrades.

36. The licensee may propose to the Authority Alternative Financial Arrangements, together with sufficient Supporting Information to enable the Authority to consider whether the proposed Alternative Financial Arrangements demonstrate sufficient financial standing.

N/A - Not applicable as SZC has satisfied Clause 35 through maintaining Investment Grade Ratings.

Obligation to provide Published Rating Reports

37. Where a Negative Rating Action occurs in respect of the licensee, or the licensee's credit rating is withdrawn, the licensee must within a period of 10 Working Days starting on and from the date of the relevant Published Rating Report: (a) notify the Authority; and (b) if permitted by the relevant rating agency, provide the Authority with a copy of the Published Rating Report, or where the Published Rating Report relates to the wider Group, provide such parts as are relevant to the licensee.

Not applicable as no Negative Rating Action has occurred and no credit rating has been withdrawn. Please see above on how this is monitored on a continuing basis. In the event of a Negative Rating Action, the Finance team will liaise with the Head of Regulation to ensure the necessary Financial Resilience Report can be compiled and submitted within the required 10 Working Day period.

Obligation to provide Financial Resilience Reports

38. The licensee must provide the Authority with a Financial Resilience Report within 60 days of the Licence Modification Date and within 60 days of any Negative Rating Action relating to the licensee if: (a) the licensee's highest rating held for an Issuer Credit Rating, Corporate Family Rating or Significant Instrument Credit Rating is one notch higher than the lowest Investment Grade Rating and that Issuer Credit Rating, Corporate Family Rating or Significant Instrument Credit Rating is on Negative Watch; (b) the licensee's Issuer Credit Rating, Corporate Family Rating or Significant Instrument Credit Rating is less than or equal to the lowest Investment Grade Rating; or (c) the licensee has a debt covenant linked to a specific Issuer Credit Rating, Corporate Family Rating or Significant Instrument Credit Rating that would, if breached by the licensee, trigger an event of default under the relevant debt documents and that rating is either: (i) one notch above the minimum covenant requirement and is on Negative Watch; or (ii) lower than one notch above the minimum rating specified within the covenant requirement.

Conditions for Financial Resilience Report requirements are not met.

39. The licensee must ensure that the Financial Resilience Report includes: (a) an assessment of the licensee's current and forecast financial standing, including an assessment of resilience to downside scenarios relating to either operational performance or macro-economic events; (b) financial projections for the next three Charging Years (including the remainder of the current Charging Year) or the remainder of the Control Period, whichever is longer; and (c) details of Potential Mitigating Actions the licensee could take to improve its financial resilience and an indication of whether such actions are planned.

N/A - No Financial Resilience Report required under Clause 38.

40. The financial projections required by paragraph 39(b) must include: (a) a forecast balance sheet; (b) income statements; (c) cashflow statements; (d) key financial metric projections; and (e) results of any stress tests that the licensee considers to be appropriate.

SIZEWELL C COMPLIANCE STATEMENT

N/A - No Financial Resilience Report required under Clause 38.

Obligation to publish information about results

41. The licensee must, at such times and in such ways as may from time to time be required by the Listing Rules of the UK Listing Authority, publish on its website such Information about its annual interim and final results as is required by those rules to be announced by a company whose shares are for the time being listed on the London Stock Exchange, unless the Authority consents to the disapplication of this provision.

SZC has published its Annual Report and Accounts 2025/26. Please see the link below:

Annual-Report-and-Accounts-2026-Final.pdf

A thorough shadow run of interim results was conducted for internal assurance purposes. Following this exercise, it was determined that formal publication was not required under the applicable regulatory framework.

Part H: Listing of financial instruments

42. Where the licensee takes out a listing of a financial instrument, it must use reasonable endeavours to ensure that it maintains that listing of the financial instrument on: (a) the London Stock Exchange; or (b) with prior agreement of the Authority, another exchange of similar standing.

SZC has no listed financial securities.

43. Paragraph 42 applies unless the Authority, following an application by the licensee, determines that market conditions make it inappropriate for the licensee to maintain the listing of such a financial instrument.

SZC has no listed financial securities.

SECTION 3: ASSOCIATE TRANSACTIONS (SPECIAL CONDITION 6)

1.The purpose of this special condition is to set out the licensee's obligations in respect of Associate Transactions to ensure that the licensee remains independent from the business activities of its Associates, including the requirement for the licensee to appoint a Managing Director of the Regulated Business.

2. Structure of this special condition 2. This special condition is structured as follows: (a) Part A sets out the licensee's obligations in respect of its Associate Transactions; (b) Part B sets out the information that the licensee must collect and retain regarding its Associate Transactions; (c) Part C sets out the restrictions on transfers to Associates; (d) Part D provides details of the obligation to appoint a Managing Director of the Regulated Business; (e) Part E sets out the licensee's additional obligations in respect of its Notified Associate Contracts; and (f) Part F provides that the Authority may give derogations from the requirements of this special condition to the licensee.

Part A: Associate Transactions

3. Notwithstanding any other provision of this licence (including paragraph 5), the licensee must ensure that any Associate Transaction (including any Notified Associate Contract) is at arm's length, on commercial terms and does not have a prejudicial effect upon the safe and proper carrying out of any of the Regulated Activities and/or the Regulated Business.

SZC confirms that all Associate Transactions (including any Notified Associate Contracts) are conducted at arm's length, on commercial terms, and do not have a prejudicial effect upon the safe and proper carrying out of any Regulated Activities and/or the Regulated Business, in accordance with the requirements of paragraph 3 of the licence.

SZC's Acquire Goods and Services (AGS) framework governs all contracting decisions and has been aligned to the new regulatory and financing requirements to ensure compliance with this obligation. This framework provides appropriate controls and processes to ensure that all transactions with associates meet the required standards for arm's length dealings and commercial terms.

The AGS is designed to ensure alignment between contracts and the relevant regulatory and financing requirements applicable to the Regulated Business. The AGS sets out the framework under which goods and services are acquired, ensuring that all contractual arrangements are consistent with SZC's obligations under the Licence and the Shareholders' Agreement.

SZC's has issued internal guidance embedded in the AGS on the identification of related parties and associates, ensuring that any members of the supply chain who are related parties under the Shareholders' Agreement or Associates under the Licence are identified and treated appropriately. Historic associate contracts have been comprehensively examined as part of the due diligence process. These contracts have been reviewed and approved, with appropriate reporting requirements established to ensure ongoing compliance and transparency (as detailed in Part F of this statement).

4. The licensee must ensure that the Regulated Business does not give any cross-subsidy to, or receive any cross-subsidy from, any other business of the licensee or of an Associate of the licensee or any of its Associates.

SZC confirms that the Regulated Business does not give any cross-subsidy to, or receive any cross-subsidy from, any other business of SZC or of an Associate of SZC or any of its Associates, in

accordance with the requirements of paragraph 4 of the licence noting that derogations have been granted under Annex 1 to the Licence Derogations document in respect of specific Notified Associate Contracts (NACs).

All transactions between the Regulated Business and any associates are conducted at arm's length and on commercial terms.

SZC acknowledges the derogations granted under Annex 1 to the Licence Derogations document in respect of specific Notified Associate Contracts (NACs) and recognises its obligation to comply with the terms of those derogations.

5. Other than a Permitted Payment (but without prejudice to the licensee's obligations under paragraph 3) or where paragraph 6 applies, the licensee must not make any payments to an Associate for services rendered to the licensee by that Associate that exceed the Market Price.

SZC has not made any such payments referred to above. The AGS requires that all supplier costs are validated and assessed, with prices, rates and lump sum values interrogated against industry norms where necessary. This control applies equally to contracts with Associates.

Both the Shareholders' Agreement and Licence have extensive control mechanisms relating to Associates which means they must be treated at arm's length. They also have lower delegated levels of authority under the Shareholders' Agreement governance regime. The Independent Technical Advisor (ITA) is also responsible for scrutinising Associate contracts.

6. The general restriction in paragraph 5 does not apply where the licensee has demonstrated to the Authority's reasonable satisfaction that there is compelling evidence to diverge from the Market Price approach and the Authority has approved the alternative approach proposed by the licensee.

Certain associate contracts identified at financial close ('Derogated Contracts') have been disclosed and approved with specific conditions. Subject to these arrangements, SZC has not sought or obtained any further Authority approvals under paragraph 6.

Part B: Obligations to collect and retain information

7. The licensee must keep separate and identifiable records and information, including separate entries in its accounting statements, in respect of each Associate Transaction.

SZC maintains separate and identifiable records and information for each Associate Transaction in accordance with paragraph 7 of the licence. SAP contains separate accounting entries for all associate transactions, ensuring appropriate identification and traceability. Associate turnover information is captured where publicly available financial statements exist, and SZC requests such information through its standard contracting processes where this information is not publicly available.

8. The licensee must ensure that it procures such documents, records and evidence in respect of each Associate Transaction as demonstrates compliance of such transaction with the requirements of this licence and, in particular, this special condition, including in relation to: (a) transaction value; (b) transaction purpose; (c) if transactions are aggregated, the number of transactions being aggregated; and (d) the turnover of the relevant Associate with which the Regulated Business has undertaken the Associate Transaction.

SZC procures and maintains documents, records and evidence in respect of each Associate Transaction as required by paragraph 8 of the licence, including: (a) transaction value; (b) transaction purpose; (c) where applicable, the number of transactions being aggregated; and (d) associate

turnover as described in paragraph 7 above. This information is maintained in SAP and supporting business systems.

9. The licensee must ensure that the documents and records referred to in paragraphs 7 and 8 are retained: (a) for Pre-PCR Phase related documents, until the expiry of 6 years following the PCR Determination; and (b) in respect of all other documentation, until the expiry of 6 years following the next PR Determination, in a format that enables them to be easily identified and accessed.

SZC maintains documents and records relating to Associate Transactions in SAP and supporting systems. As SZC is currently in the Pre-PCR Phase (construction period), paragraph 9(a) applies to all current associate transaction records.

SZC is implementing controls to ensure Pre-PCR Phase documents are retained for the required period (until 6 years following the PCR Determination) in accordance with paragraph 9 requirements.

10. The licensee must use all reasonable endeavours to obtain from any Associate that provides services to the licensee, as referred to in paragraph 5 or 6, such information about that Associate's costs as the Authority may require in advance of the licensee making the relevant payment and, where relevant, make such information available at the Post Construction Review and any subsequent Periodic Review.

SZC uses reasonable endeavours to obtain cost information from Associates that provide services, as may be required by the Authority. SZC's AGS framework requires detailed cost information to be obtained through competitive tendering and negotiation processes. Cost information obtained from associates is retained in contract files, tender response records, and the EDRMS (Electronic Documents and Records Management System), and will be made available at the Post Construction Review and subsequent Periodic Reviews as required.

Part C: Transfers to Associates

11. The licensee must not transfer any right, benefit or asset to any Associate unless: (a) there is express permission for such transfer in this special condition, Special Condition 5 (Ringfencing) or Special Condition 10 (Indebtedness); or (b) the licensee has: (i) obtained the Authority's consent; (ii) complied with any conditions to that consent; and (iii) complied with any direction from the Authority concerning the valuation of the asset and the treatment of the consideration in the accounting statements that it delivers to the Authority and publishes each Charging Year pursuant to Standard Condition B16 (Regulatory Accounts)

SZC confirms compliance with paragraph 11. Contract governance processes, including CODEM and Board review with relevant SME input, ensure that any proposed transfers of rights, benefits or assets to associates are identified and treated appropriately in accordance with the licence requirements. No transfers requiring Authority consent under paragraph 11 have occurred.

Part D: Requirements of the Managing Director of the Regulated Business

12. The licensee must ensure that the Regulated Business is conducted with managerial and operational independence from any other business operated by the licensee or its Associates.

SZC confirms compliance with paragraph 12. The Regulated Business is conducted with managerial and operational independence from associates. SZC operates as a separate legal entity with its own board, management team, governance structures, and operational systems (such as the AGS).

SIZEWELL C COMPLIANCE STATEMENT

13. The licensee must appoint at least one and up to two Managing Directors of the Regulated Business.

SZC confirms compliance with paragraph 13. The Managing Director role for the Regulated Business is held by Nigel Cann, who serves as Chief Executive Officer.

14. Unless the Authority otherwise consents, the licensee must ensure that the Managing Director of the Regulated Business is: (a) not engaged by the licensee in any other capacity other than as Managing Director of the Regulated Business; and (b) fully independent, which includes a requirement that it must not have any ongoing relationship with any Associate or the business activities of any shareholding entity.

SZC confirms compliance with paragraph 14. Nigel Cann, Chief Executive Officer of the Regulated Business, is not engaged by SZC in any other capacity.

As an exception to the full independence requirement, Nigel Cann serves as a Director of NSCo (an associate), with Ofgem consent for this dual directorship agreed and formally granted post-financial close.

15. Unless and to the extent that this is not possible in the context of secondees, the Managing Director of the Regulated Business must be given sole discretion, subject to compliance with relevant UK employment legislation, to oversee and manage the personnel employed by or contracted to the Regulated Business.

SZC confirms compliance with paragraph 15. Nigel Cann, CEO, who for the purposes of the licence is the Managing Director of the Regulated Business, has sole discretion (subject to UK employment legislation) to oversee and manage personnel employed by or contracted to the Regulated Business, except where this is not possible in the context of secondees.

16. Except where it is in the interests of the timely and efficient delivery or operation of the Project pursuant to any Permitted Arrangements, or as the Authority otherwise directs in accordance with paragraph 18, the licensee must ensure that no business of the licensee (or of any Associate), other than the Regulated Business, may have permanent or routine use of or access to: (a) premises or parts of premises occupied by persons engaged in, or in respect of, the management or operation of the Regulated Business; (b) systems for the recording, processing or storage of data to which persons engaged in, or in respect of, the management or operation of the Regulated Business also have access; (c) equipment, facilities or property employed for the management or operation of the Regulated Business; or (d) the services of persons who are (whether or not as their principal occupation) engaged in, or in respect of, the management of the Regulated Business.

SZC confirms compliance with Condition 16. Any use of or access to premises, systems, equipment or personnel of the Regulated Business by other businesses of the licensee or any Associate occurs only where it is in the interests of the timely and efficient delivery or operation of the Project pursuant to Permitted Arrangements. SZC has shared IT services with EDF to ensure replication and ensure operational experience is shared.

17. Any use or access permitted under paragraph 16 must not have a negative effect on the management or operation of the Regulated Business.

Such arrangements do not have a negative effect on the management or operation of the Regulated Business.

The IT Services referred to above are defined by a Collaboration Agreement and where support services are taken from EDF these are done under task orders which provide the scope of work. This

ensures that such services do not adversely affect the management or operation of the Regulated Business.

The shared IT service infrastructure with EDF is considered to be a permitted arrangement under the Licence.

18. The Authority may, upon the written request of the licensee, by direction relieve the licensee of some or all of its obligations under paragraphs 12, 13, 16 and 17 and under Special Condition 22 (Confidential Information), where: (a) it is not reasonably practicable for the licensee to comply with any aspect of those obligations; (b) in the case of Special Condition 22 (Confidential Information), a failure to comply with any aspect of those obligations would be of a trivial nature; or (c) in the case of paragraphs 12, 16 and 17, any arrangements for the use of or access to premises, systems, equipment, facilities, property or personnel by both the Regulated Business and any other business of the licensee (or of any Associate): (i) do not involve a cross-subsidy being either given to the Regulated Business by such other business or received from the Regulated Business by such other business; (ii) obtain for the Regulated Business, in the most efficient and economical manner possible, the use of the relevant premises, systems, equipment, facilities, property or personnel; and (iii) do not restrict, distort or prevent competition in the generation or supply of electricity, provided that the licensee will not thereby be relieved of any related statutory obligations imposed on it.

SZC notes the above provision.

19. Where, subsequent to the issue of a direction pursuant to paragraph 18, the criteria set out at sub-paragraph (a), (b) or (c) cease to be satisfied, the Authority may withdraw the direction or modify its terms.

SZC notes the above provision.

Part E: Additional requirements in relation to Notified Associate Contracts

20. For so long as the licensee has failed to comply with the requirements of Part D (Reporting obligations for Notified Associate Contracts and Notified Supply Chain Contracts) of Special Condition 15 (Reporting), in respect of any contract listed in Schedule 2 (Notified Associate Contracts), any reference to "Notified Associate Contracts" in this licence will not include such contract until the licensee has remedied its non-compliance in respect of that contract.

SZC notes the above provision.

21. The licensee must provide the Authority with a report on the activities undertaken by it in compliance with its obligations under the Notified Associate Contracts. The Authority may (having regard to the Authority's duties under the Act) require the licensee to provide additional Supporting Information in relation to any report provided by the licensee under this paragraph 21.

SZC complies with paragraph 21 reporting requirements. A contract sharing system with the Independent Technical Adviser has been implemented to support reporting on the contracts that form Notified Associate Contracts and Notified Supply Chain Contracts under SC15. Quarterly reporting lists contracts entered into in the previous quarter.

Part F: Derogations

22. The Authority may, after consulting with the licensee, give a direction (a "derogation") to the licensee that relieves it of its obligations under this special condition to such extent, for such period of time, and subject to such conditions as may be specified in the direction.

SZC has been granted derogations by the Authority for certain associate contracts necessary to support efficient project delivery. SZC complies with all conditions attached to these derogations, including periodic reporting requirements to Ofgem. The derogations document will be published in due course.

SECTION 4: COMPLIANCE CONDITIONS (SPECIAL CONDITION 7)

Compliance Obligations Introduction 1. The purpose of this special condition is to set out the licensee's compliance reporting obligations, including the requirement to appoint a Compliance Officer and the obligations of that Compliance Officer. Structure of this special condition 2. This special condition is structured as follows: (a) Part A sets out the Compliance Statement that the licensee must publish to describe how it is meeting its Specified Duties; (b) Part B provides for the appointment of a Single Appointed Director and the establishment of a Compliance Committee; (c) Part C sets out the requirement for the licensee to appoint a Compliance Officer and the duties to be fulfilled; and (d) Part D sets out the details of the Compliance Report that the licensee must submit to the Authority each Charging Year.

Part A: Compliance Statement and compliance documents

3. The licensee must: (a) unless the Authority otherwise consents or directs, comply with the terms of the most recent Compliance Statement that has been submitted to, and approved by, the Authority; and (b) at least once every 12 months, or at such other interval as the Authority may direct, review the Compliance Statement, the form of the Compliance Report and the form of the Compliance Certificate and revise them as necessary, including when circumstances change such that the licensee no longer complies with one or more of the Specified Duties, to ensure that the documents continue to be complete and accurate in all material respects.

SZC will comply with the above.

4. The licensee must submit any proposed revisions to the Compliance Statement, Compliance Report and Compliance Certificate to the Authority.

SZC will comply with the above.

5. Any revisions to the documents specified in paragraph 4 will only become effective once the Authority has approved them in accordance with paragraph 6.

SZC notes the above.

6. Following review of any proposed revisions submitted by the licensee pursuant to paragraph 4, the Authority will either: (a) approve the proposed revisions; (b) reject the proposed revisions; or (c) provide recommendations as to alternative revisions that it considers should be made and require the licensee to resubmit its proposed revisions.

SZC notes the above.

7. The licensee must publish a copy of the approved Compliance Statement and each revision of it on its website not later than 15 Working Days beginning with the date of approval by the Authority.

SZC will comply with the above.

8. The Compliance Statement must set out how the licensee will comply with: (a) the business separation requirements provided for in this licence, including Special Condition 5 (Ringfencing) and Special Condition 6 (Associate Transactions); (b) the arrangements for managerial separation required in Special Condition 4 (Directors) and Part D (Requirements of the Managing Director of the Regulated Business) of Special Condition 6 (Associate

Transactions), and must include a summary of the details of the votes of each director which are reportable to the Authority in the CoI Report pursuant to paragraph 9 of Special Condition 4; (c) the requirement to discharge its obligations pursuant to the Notified Associate Contracts on an arm's length basis, together with a list of the services and equipment it is required to provide; and (d) the requirements in respect of the appointment of the Compliance Officer and compliance reporting, provided for in Part C and Part D.

This Compliance Statement addresses all requirements specified in paragraph 8.

SZC is working with Ofgem to develop a comprehensive board-approved Compliance Statement, Compliance Report, and Compliance Certificate by November 2026.

Part B: Single Appointed Director and Compliance Committee

9. The licensee must appoint a Single Appointed Director to report to the Board in relation to the obligations set out in this special condition, Special Condition 5 (Ringfencing) and Part D (Requirements of the Managing Director of the Regulated Business) of Special Condition 6 (Associate Transactions).

SZC has appointed Laura Barbrook, Acting Chief Financial Officer, as the Single Appointed Director to report to the Board in relation to obligations under this special condition, Special Condition 5 (Ringfencing), and Part D of Special Condition 7 (Requirements of the Managing Director).

SZC considers the (acting) CFO, Laura Barbrook, to be an appropriate person to fulfil the Single Appointed Director ("SAD") role as they are in a senior position and can represent compliance requirements at board level.

SZC is mindful of the concerns that this dual role could give rise to. However, these are mitigated by the composition of the Compliance Committee, which comprises at least three INEDs, consistent with the UK Corporate Governance Code, and two GenCo SNEDs, with an INED as chair. Whilst the (acting) CFO sits on the Committee as SAD, they do so within a structure where independent members hold a clear majority and where the chair is independent, ensuring that compliance oversight cannot be directed or dominated by a single executive member.

10. The licensee must establish a Compliance Committee to report to the Board within 6 months of the Licence Modification Date.

SZC substantively constituted a Compliance Committee to report to the Board within 6 months of the Licence Modification Date with Board approval of the terms of reference and the first meeting occurring subsequently.

11. The licensee must procure that the Compliance Committee includes among its members the Single Appointed Director and key persons from within the licensee's business as are responsible for the management of regulatory issues relating to the licence.

The Committee includes among its members Laura Barbrook (Single Appointed Director). The Head of Economic Regulation, the General Counsel and the Head of Corporate Compliance and Ethics may attend Compliance Committee meetings as the key persons within SZC's business responsible for the management of regulatory issues relating to the licence and as attendees to assist the responsible committee members.

On the 30 June 2026, the first compliance committee meeting was held. There was then a follow up committee meeting on the 28 July 2026.

Revision 1

SIZEWELL C COMPLIANCE STATEMENT

The composition of the Compliance Committee is as follows. The attendees (such as the Head of Economic Regulation, General Counsel and Head of Corporate Compliance) may attend **but are not members**. Please see the table below:

Role	Title
Chair	GenCo INED
Vice Chair	None
Members	• At least three (3) GenCo INEDs, including the Chair • At least two (2) GenCo SNEDs • Single Appointed Director (as defined in the Economic Licence)
Attendees	• The Head of Economic Regulation • GenCo INEDs (save for those already appointed as committee members) • CEO • General Counsel • Head of Corporate Compliance and Ethics • Compliance Officer- attends meetings by invitation to present reports and provide updates on compliance matters to the Committee. • Other attendees invited as necessary. Attendees will not count towards the quorum. The confidentiality obligations under the ESHA shall apply to SZC attendees to the extent they apply to SZC and to shareholder-affiliated attendees to the extent they apply to Shareholders.
Secretariat	The Secretary or such person as the Secretary nominates.

Part C: Appointment and obligations of the Compliance Officer

12. The licensee must, following consultation with the Authority, appoint a Compliance Officer.

Deloitte LLP has been appointed as Compliance Officer. If a new Compliance Officer is appointed, SZC consult with Ofgem prior to appointment.

13. The licensee must ensure that the Compliance Officer: (a) is provided with such employees, premises, equipment, facilities and other resources; and (b) has such access to the licensee's premises, systems, information and documentation, as might reasonably be required for the fulfilment of the duties and tasks assigned pursuant to this special condition.

SZC ensures the Compliance Officer has access to premises, systems, information and documentation, and is provided with necessary resources to fulfil their duties. Access arrangements include secure data sharing through the VDR and regular scheduled meetings.

Deloitte, in their capacity as Compliance Officer, have been making requests for information and supporting documentation as required, which have been provided through the Virtual Data Room (VDR). Their testing involves accessing documentation ranging from Board Minutes, procedure documents, control evidence and individual transactional records where relevant. In addition they interviewed a number Board and ExCo members including Laura and the SIDs. Deloitte have confirmed that, in addition to this, they required Management Representations from SZC, which included confirmation that all relevant information has been provided to them. We consider that this approach, combining direct access to documentation through the VDR with formal Management Representations, provides Deloitte with the necessary assurance that they have received complete and accurate information to fulfil their role as Compliance Officer.

14. The licensee must ensure that the Compliance Officer is not engaged in the management or operation of the Regulated Business or any Associate's business.

SZC ensures the Compliance Officer (Deloitte LLP) is not engaged in the management or operation of SZC's Regulated Business or any associate's business.

Deloitte are subject to professional and ethical obligations as a regulated professional services firm, which provide the overarching framework for ensuring appropriate independence and objectivity. In particular the Compliance Officer engagement is performed under International Standard on Assurance Engagements 3000 which includes specific requirements regarding Independence from

the subject matter being assured, and this is reinforced by the FRC Ethical Standard which governs how Deloitte provides professional services.

As a regulated firm, Deloitte are bound by these professional standards requiring them to maintain independence and objectivity in any assurance role, enforced by their professional regulatory bodies. Prior to accepting any new work, Deloitte operates conflict of interest checking processes to ensure that any actual or potential conflicts are identified and appropriately managed at the outset. As part of this process, any potential new engagements are checked prior to acceptance against the existing compliance officer role to identify any potential conflict which must then be reviewed by the Deloitte engagement leader who will disallow the new engagement if a conflict is identified. In addition, the engagement team is segregated and only engagement team members have access to any engagement documentation which is held within Deloitte's secure engagement management system. As a result, established information barriers are in place between the Compliance Officer team and any other Deloitte teams engaged in a separate capacity, preventing the flow of confidential or commercially sensitive information between engagements. We consider that these safeguards are appropriate.

15. The licensee must make available to the Compliance Officer details of any complaint or representation received by it from any person in respect of the conduct of the licensee in undertaking the Specified Duties.

SZC will make available to the Compliance Officer details of complaints or representations received regarding conduct in undertaking Specified Duties. SZC is working with the Compliance Officer to establish appropriate processes for complaints.

16. The duties and tasks of the Compliance Officer must include: (a) providing advice and information to the licensee (including individual directors of the licensee) and to the Single Appointed Director for the purpose of ensuring the licensee's compliance with the Specified Duties; (b) monitoring the effectiveness of the practices, procedures and systems adopted by the licensee to ensure its compliance with the Specified Duties and the requirements described in the Compliance Statement; (c) advising whether, to the extent that the implementation of such practices, procedures and systems require the co-operation of any other person, they are designed so as reasonably to secure the required co-operation; (d) investigating any complaint or representation made available to the Compliance Officer in accordance with paragraph 15; (e) recommending and advising upon the remedial action that any such investigation has demonstrated to be necessary or desirable; (f) providing relevant advice and information to the licensee (including individual directors of the licensee) and the Compliance Committee, for the purpose of ensuring the licensee's implementation of: (i) the practices, procedures and systems adopted in accordance with the Compliance Statement; and (ii) any remedial action recommended in accordance with sub-paragraph (e); (g) reporting to the Compliance Committee any instances that come to the Compliance Officer's attention regarding a member of any of the managerial boards of the licensee taking into account the interests of a business other than the licensee's; and (h) reporting by 31 July in each Charging Year to the Compliance Committee as to the Compliance Officer's activities in respect of the Specified Duties during the period covered by such annual report of the Compliance Officer.

The Compliance Officer (Deloitte LLP) will perform all duties specified in paragraph 16.

Part D: The Compliance Report

17. As soon as reasonably practicable and in any event before the end of the period of 90 days beginning with the date of issue of each annual report of the Compliance Officer, the licensee

must produce a Compliance Report, with any revisions in a form approved by the Authority in accordance with paragraph 6.

SZC will produce a Compliance Report within 90 days of the Compliance Officer's annual report, in a form approved by the Authority.

18. The Compliance Report produced in accordance with paragraph 17 must, in particular: (a) detail the activities of the Compliance Officer during the relevant period covered by the Compliance Report; (b) refer to such other matters as may be appropriate in relation to the implementation of the practices, procedures and systems described in the Compliance Statement; (c) set out the details of any investigations conducted by the Compliance Officer, including: (i) the number, type and source of the complaints or representations on which such investigations were based; (ii) the outcome of such investigations; and (iii) any remedial action taken by the licensee following such investigations; and (d) be accompanied by a Compliance Certificate, in a form approved by the Authority in accordance with paragraph 6, approved by a resolution of the Board and signed in good faith by the Single Appointed Director pursuant to that resolution, in respect of the licensee's compliance with the Specified Duties.

SZC will comply with the above.

19. The licensee must, as soon as reasonably practicable, following the approval of the Compliance Certificate by the Board, and in any event before the end of the period of 120 days beginning with the date of issue of each annual report of the Compliance Officer, ensure that copies of the Compliance Report and Compliance Certificate are readily accessible to the public from the licensee's website.

SZC will comply with the above.

20. The licensee must, if so directed by the Authority, appoint an Independent Examiner for the purpose of providing a written report to the Authority: (a) reviewing the practices, procedures and systems that have been implemented to secure compliance with this special condition; (b) assessing the appropriateness of such practices, procedures and systems for securing compliance with the licensee's obligations under this special condition; and (c) reporting on the licensee's compliance with the requirements of this special condition.

If directed by the Authority, SZC will appoint an independent third party to examine compliance with this special condition.

21. The Independent Examiner's report must be provided to the Authority during the period of 3 Working Days beginning with the date on which the licensee receives the report from the Independent Examiner.

SZC will provide any Independent Examiner's report to the Authority within 3 working days of receipt.

22. The Independent Examiner's report must be commissioned at such intervals as the Authority may direct.

SZC will commission Independent Examiner reports at intervals directed by the Authority.

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SIZEWELL C COMPLIANCE STATEMENT

APPENDIX A BOARD COMPOSITION AND EXECUTIVE LEADERSHIP

Sizewell C is governed by a structured leadership team comprising a Non-Executive Chair and an Executive Leadership Team responsible for the strategic direction, operational delivery, and corporate governance of the company.

The Board comprises:

Board Member	Role
John Holland-Kaye	Chair
Nigel Cann	CEO
Laura Barbrook	CFO – *due to be replaced by Paul Boote November 2026*
Paul Boote	*CFO at November 2026*
Mina Golshan	Safety, Security and Assurance Director
Stuart Crooks	EDF SNED
Alejandro Lopez Delgado	La Caisse SNED
David Kirwan	Centrica SNED
Liz Barber	INED
Julie Thornton	INED
Jouni Silvennoinen	INED
Andrew Matthews	INED
Caroline Botwood	HMG SNED
Alison Ayodele Henwood	INED

This leadership structure ensures accountability across finance, delivery, safety, corporate operations and technical functions in support of SZC's role in delivering secure, large-scale nuclear energy infrastructure.

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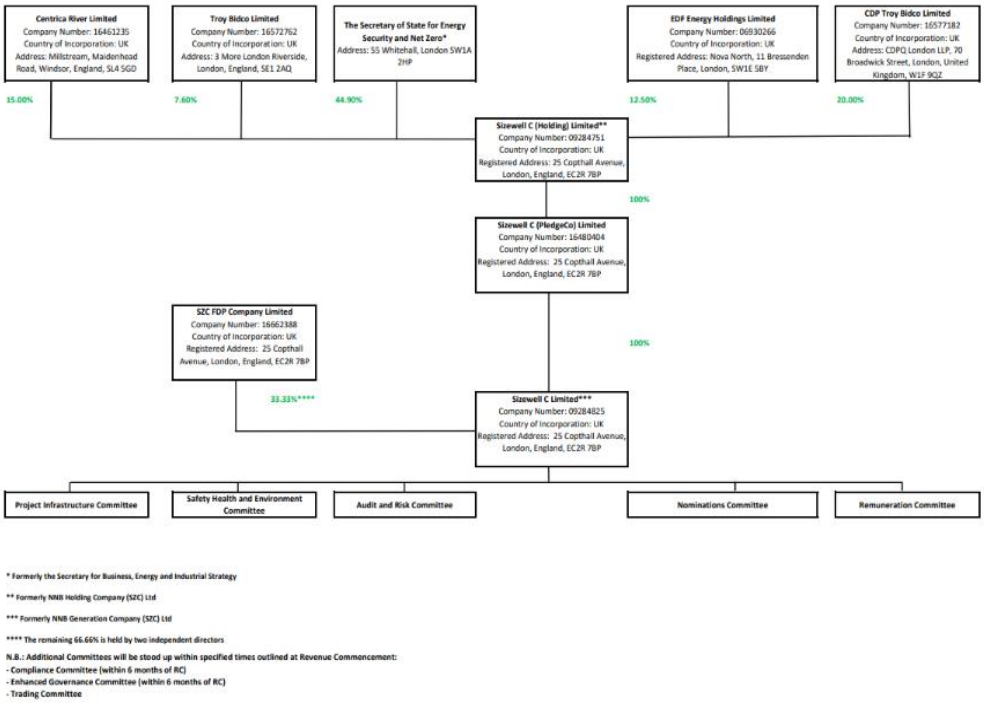
SIZEWELL C COMPLIANCE STATEMENT

APPENDIX B SHAREHOLDERS AND COMMITTEES

The following diagram shows the structure chart of shareholdings in SZC and also the Board Committees.

SZC FDP Company Ltd (Company No. 14667168) is itself subject to significant control by three persons, as registered at Companies House: Mr Michael Coates, Mr Marcel Lips, and Sizewell C Limited, each holding between 25-50% of shares.



Shareholders

UK Government - 44.90%

CDPQ (La Caisse) - 20%

Centrica - 15% (not 16.60%)

EDF Energy - 12.50%

Amber Infrastructure - 7.60%

(Note: Investors hold their stakes through special purpose vehicles using the "Troy Bidco" project code name)

Board Committees

Currently Operating:



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SIZEWELL C COMPLIANCE STATEMENT

Project Infrastructure Committee

Safety Health and Environment Committee

Audit and Risk Committee

Nominations Committee

Remuneration Committee

Compliance Committee

Enhanced Governance Committee (only if required)

Trading Committee (timing not specified)

The Trading Committee will be established when Sizewell C actually starts generating and selling electricity.