

STATEMENT OF GOVERNANCE ARRANGEMENTS AND SECTION 172 STATEMENT

Companies Act, Section 172 statement

The Directors have a duty to promote the success of the Company, having regard to a range of matters and stakeholders. The Board is responsible for ensuring effective engagement with stakeholders: it recognises that decisions taken today can have an impact on stakeholders, as well as shape longer-term business performance. Appropriate consideration enables Drax to realise positive outcomes for the climate, nature and people, and deliver sustainable value creation.

Examples of how the Board have had regard to the matters set out in Section 172 are set out below. Comprehensive details in respect of stakeholders identified across the Drax Group plc group (the “Group”), how we engage with them and have regard to their interests can be found on pages 60 to 66 of the Drax Group plc Annual report and accounts 2025.

The likely consequences of any decision in the long term

Our purpose is to enable a zero carbon, lower cost energy future. With multi-year time horizons for many of our strategic and investment decisions, we recognise that these decisions can have an impact far beyond our business and well into the future. Our decisions support the Group’s long-term strategy: to create value by investing in the UK energy transition.

The need to foster the Company’s business relationships

Investors

We have an ongoing programme of investor relations meetings led by the Drax Group Investor Relations team. Engagement is typically via a roadshow format, either one-to-one or with small groups of investors so we can discuss our ambitions and understand their concerns and priorities.

Suppliers

Our relationships with suppliers are governed by contracts that require compliance with relevant regulatory and legal obligations including anti-bribery, corruption and modern slavery rules. We also expect suppliers to adhere to our supplier code of conduct. Drax is committed to the fair payment and treatment of its suppliers, to improve payment performance and maintain positive supplier relationships.

The desirability of the Company maintaining a reputation for high standards of business conduct

At Drax, we are committed to conducting business ethically, responsibly, and in compliance with all relevant laws and regulations. We do not tolerate bribery, corruption, human rights abuses, or any other unethical conduct and take positive steps to prevent this. For more information, see page 29 of the Drax Group plc Annual report and accounts 2025.

The need to act fairly as between members of the Company

Our ultimate parent company is Drax Group plc and therefore we act in the best interests of our immediate and ultimate parent companies and, in doing so, in the best interest of the investors and shareholders of the Group. This ensures that the interests of all relevant stakeholders, and the need to act fairly between members of the Company, are considered during decision-making.

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This statement was approved by the Board on 22 June 2026 as part of the Company's 2025 Annual report and accounts.