

Sizewell C: Factsheet



Deal information

Sector	Nuclear
Location	East Suffolk
Counterparty	Sizewell C
NWF Finance	£36.6bn
Product	Debt



Summary

The National Wealth Fund (NWF) will provide a loan of up to £36.6bn to support deployment of 3.2GW of nuclear power generation. The loan will sit alongside £5bn of lending provided by Bpifrance and £8.4bn of equity. This project supports both our climate change and local economic growth objectives by delivering low-carbon energy, safeguarding skills and jobs in the nuclear supply chain and creating wider economic benefits across regions of the UK. NWF investment is needed to support the project through construction phase, reduce financing costs and keep energy costs down. This is NWF's first investment in the nuclear sector.

Sector context

The Clean Power 2030 Action Plan identifies that nuclear power will play a key role in achieving our long term Net Zero objectives by providing firm, low carbon baseload power at scale to generate alongside intermittent renewable generation. The final investment decision on Sizewell C and continued work to streamline regulatory processes and foster innovation are important elements in progressing post-2030 generation interventions to ensure new nuclear continues to play an important role in the Net Zero transition.

Impact and additionality

Sizewell C will provide 3.2GW of capacity to the system and is expected to supply power to 6 million households and generate electricity for 60 years, equivalent to 7% of the UK's current electricity needs. Many high-skill, permanent jobs will be supported throughout the lifetime of the project, at the site itself and across regions of the UK. Sizewell C have commitments to fund multiple local and regional growth initiatives. NWF's presence as the core lender has played a key role in helping to attract private finance into the project's construction phase. NWF involvement could help keep costs down during the construction phase and keep the cost of energy bills down. Once operational, the government's value for money assessment shows that Sizewell C could reduce the cost of a low-carbon electricity system by around £2 billion per year on average, resulting in cheaper power for consumers.

ESRG considerationsⁱ

The project was assessed for ESRG risks in accordance with NWFs ESRG framework and aligned with our ESRG principles. Through our due diligence Sizewell C demonstrated a commitment to ESG through its policy and supporting management arrangements. The project has arrangements to comply with its significant legal and regulatory obligations that address typical ESRG risk factors. NWF has established arrangements to monitor and receive regular reporting on Sizewell C's ESRG performance.

Impact metrics

<u>Impact</u>	<u>Metric</u>
1	# Deals in the nuclear sector
£36.6bn	Total investment in the sector
£0	Private Finance Mobilised
~10,000ⁱⁱ	Direct Jobs Created and Supported
3.2 GW	Additional Energy Generation Capacity

ⁱ By partnering with us, companies agree to reference ESG best practice guidance and report on their: Environmental, social, resilience and governance (ESRG) approach: we will assess how projects manage their direct and indirect environmental and social impact, the resilience of their projects and the robustness of their ESRG governance structures. Material climate and environmental-related financial risk: we will check projects have incorporated the relevant recommendations of the Taskforce on Climate-Related Financial Disclosures (TCFD) and the International Sustainability Standards Board.

ⁱⁱ At peak construction