

**centrica**

# Welcome to the Centrica plc Annual General Meeting

13 May 2019



Please ensure all devices are switched off  
or put into 'Airplane' mode



**Charles Berry**

Non-executive Chairman



**Iain Conn**

Group Chief Executive

# Current trading environment

- Regulatory intervention and the default tariff cap in the UK
- Falling UK natural gas prices
- Extended outages at the Hunterston B and Dungeness B nuclear power stations
- Warm weather in first four months of 2019

## 2018-20 focus – performance delivery and financial discipline

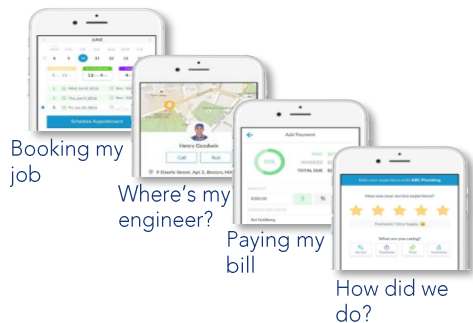
- Demonstrating customer-led gross margin growth
- Driving cost efficiency towards being 'most efficient price-setter'
- Improving organisational effectiveness
- Securing the capabilities we need for 2020 and beyond
- Maintain capital discipline and balance sheet strength

# The energy transition

- Energy industry undergoing fundamental changes
  - Decentralisation and decarbonisation of the energy system
  - Increased choice and power shifting to the customer
  - Advancements in digitalisation and technology
- Centrica's strategy based around these changes
- Focus on providing customers with new technologies, services and solutions

# Technology and solutions for customers

## Digital experience



## Personalisation



## More choice



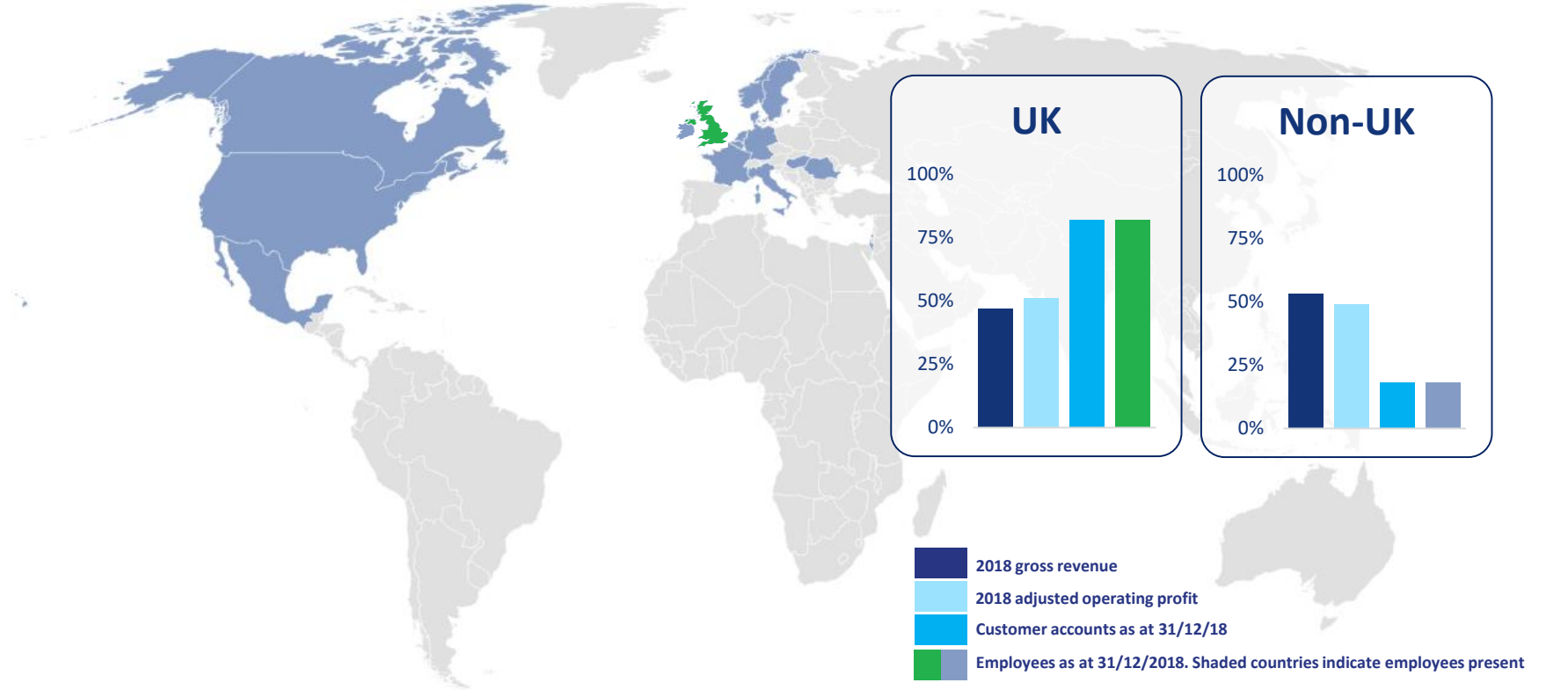
## Connected Home



## Distributed Energy & Power



# Centrica's geographic footprint





# Centrica's climate change ambition and targets

## 'Enabling all our customers to use energy more sustainably'

Help our customers reduce emissions in line with Paris goals

**2022**

Help our customers reduce their emissions by 15%, by direct (target 2%) and in-direct action

**2030**

Help our customers reduce their emissions by 25%, by direct (target 3%) and in-direct action

Enable a decarbonised energy system

**2022**

Deliver 4GW of flexible, distributed and low-carbon technologies as well as provide system access and optimisation services

**2030**

Deliver 7GW of flexible, distributed and low-carbon technologies as well as provide system access and optimisation services

Reduce our own emissions in line with Paris

**2025**

Reduce our 'internal carbon footprint' by 35% (from 2015)

**2030**

Demonstrate we are on track with Paris and develop a path to net zero by 2050

# 2018 performance

- Mixed safety performance
- Delivered better customer outcomes
- Developing capabilities and demonstrating growth potential in customer-facing divisions
- Adjusted operating cash flow and net debt within target ranges
- Further strong cost efficiency progress

# 2019 performance and outlook

- Operational performance to date largely in line with expectations
- Challenging trading environment in the first four months of 2019
- Focus on things we can control – customer service and new propositions, growing revenue and margin, cost efficiency, capital discipline
- 2019 full year financial guidance maintained
- Strategic update alongside the Interim Results in July

# Resolutions



1. Report and Accounts
2. Remuneration Report
3. Dividend
4. Election of Director – *Charles Berry*
5. Election of Director – *Richard Hookway*
6. Election of Director – *Pam Kaur*
7. Election of Director – *Kevin O’Byrne*
8. Election of Director – *Chris O’Shea*
9. Election of Director – *Sarwjit Sambhi*
10. Re-election of Director – *Iain Conn*
11. Re-election of Director – *Joan Gillman*
12. Re-election of Director – *Stephen Hester*
13. Re-election of Director – *Carlos Pascual*
14. Re-election of Director – *Steve Pusey*
15. Re-election of Director – *Scott Whewey*
16. Re-appointment of Auditors
17. Auditors’ remuneration
18. Political donations
19. Authority to allot shares
20. Authority to disapply pre-emption rights
21. Additional authority to disapply pre-emption rights
22. Authority to purchase own shares
23. Adoption of new Articles of Association
24. Notice of General Meetings

# Annual General Meeting

Please put your completed Poll Card in one of the boxes on your way out of the meeting room