

## **ESB Annual General Meeting – Wednesday 24 June 2020**

### ***Statement by ESB ESOP Trustee Limited on behalf of the 12,000 participants in the ESB Employee Share Ownership Plan (ESOP)***

Chairman, thank you for inviting me to address the meeting on behalf of the ESOP, representing in excess of 12,000 participants who are both current and former staff.

In noting that you will shortly be stepping down from your role, I would like to begin by thanking you on behalf of participants and the ESOP Trustee Board for your significant contribution to the ESB Group over the past 10 years – firstly as a Board member and then as Chairman since 2015. Your unerring professionalism has been evident throughout your tenure. On a personal level, I would also like to record my thanks for the consideration and courtesy unfailingly shown to me on stockholder matters. We wish you well in your future endeavours.

Before moving on, I would like to congratulate Marie Sinnott on her appointment as Company Secretary in August 2019 and wish her well in that role.

We are currently living in unprecedented times and it would be remiss not to recognise the outstanding efforts of ESB staff in responding to the challenges of the COVID-19 pandemic. New ways of working were quickly identified and put in to practice thereby ensuring that a secure and reliable electricity service could be maintained during the crisis. This, once again, demonstrates the high levels of commitment and professionalism of ESB and its staff.

Turning to the performance of the ESB Group in 2019, we were pleased to note that operating profit and capital investment were up and strong investment grade credit ratings were maintained. We welcome the positive results and congratulate the Board, management and staff on this strong performance.

We do, however, recognise that the ESB Group operates in a challenging environment. The continued transition to a low carbon energy future and alignment with the Government's Climate Action Plan, combined with the impact of COVID-19 and BREXIT, will undoubtedly lead to further challenges for the Company and its staff in the coming years.

The pillars of sound strategic analysis, a strong balance sheet and the ability to adapt and respond positively to new business opportunities and challenges have never been

more important. As such, we welcome the clarity of approach provided in the Brighter Future Strategy.

We thank you, the Board, Chief Executive, management and staff for their continued commitment to maintaining ESB's strength in these challenging times.

Turning briefly to the ESOP's own business, the seventh internal market in ESB stock was successfully held in September 2019 - we are currently preparing for this year's market.

The ESOP has continued its engagement with the Company, the Group of Unions and other stakeholders on a review assessing the performance of the market. Whilst disappointing that the review has not yet been finalised, significant progress has been made and we would like to recognise and thank those involved for their continuing efforts on this.

Finally, I would remind the meeting that as the ESOP Trustee votes certain of the stock at its own discretion and also represents at the meeting those participants who have the right to decide how to vote their ESB stock, I will be voting in accordance with those directions as well as at the direction of the ESOP Trustee Board. This, as has happened before, will result in a mix of abstentions and votes both for and against the motions and resolutions put to the meeting.

Thank you.

David Beattie  
ESOP Chairman  
24 June 2020