

## **Chairman's address to Extraordinary General Meeting 2017**

"Everything we do, we can do better"

The claim "Everything we do, we can do better" can be interpreted in various ways in any company or organisation.

In the worst case – even though it is unusual – as "there's no idea we try – let's give up".

What's more common is a way to try to explain or rationalise on the theme: actually this is quite good, especially in view of the market's development, the international economy, exchange rates, competitors' price policies, the shortage of resources, tax effects, the new EU rules, etc.

I would assert that this attitude was not uncommon in Vattenfall five years ago.

But during the time up until today, something has happened. In a number of important areas, people at all levels of the company have performed better and better. I spoke about this in my address to the AGM this past spring, but this can be a suitable occasion to briefly reiterate.

The structure has been improved and refined.

The balance sheet is stronger, debt has decreased, the asset base has been overhauled.

Operational excellence is better, follow-up and control are sharper.

Risk management has improved, Markets has a new orientation, environmental and financial risks related to German lignite and nuclear power have decreased and are under control.

The business model has changed dramatically and is now customer-centric.

The interrelation with political policies, especially in Sweden, is better.

The Board's competence and engagement is clearly higher.

Management has been reinforced and renewed, and is led by a CEO who demonstrates both engagement and results.

Sustainability issues have an entirely new dignity and are integrated in operations.

Earnings performance continues to be a question mark, but strong cost-cutting measures have been taken and are in progress – cash flow is under control.

I reiterate all of these improvements also to underscore the level of ambition for the coming years. We have shown that we can, and thus it is quite easy now to say:

"Everything we do, we can do better"