

Our resources

Financial

- Multi-site, multi-technology portfolio of assets
- Growing proportion of non commodity-related earnings
- Long-term debt, foreign exchange and trading facilities



Manufactured

- Flexible, low carbon and renewable power generation
- Pellet production capabilities



Human

- Diverse range of expertise, skills and knowledge
- Strong health and safety culture



Intellectual

- World leaders in sustainable biomass generation and logistics
- Innovation in Bioenergy Carbon Capture and Storage (BECCS)



Natural

- Low-value, sustainable forestry residues sourced from sustainably managed forests, supporting forest health and growth
- Our hydro and pumped storage assets use natural resources to produce electricity



Social

- Active community engagement
- Visitor centres at plant sites
- Employee volunteering
- Corporate charitable giving



Our purpose and aims

Enabling a zero carbon, lower cost energy future

1 To build a long-term future for sustainable biomass

Building on our world class expertise, we believe biomass can deliver carbon negative dispatchable renewable energy

2 To be the leading provider of power system stability in the UK

Through a portfolio of dispatchable flexible assets and new technologies – ours and our customers' – we can support the system and decarbonise through the growth of intermittent renewable energy

3 To give our customers control of their energy

Through our insight and digitisation we provide control over energy and access to markets to optimise energy use and lower costs

Outputs

Group adjusted EBITDA

£410m

(2018: £250m)

Total recordable incident rate

0.22

(2018: 0.22)

Fines (a measure of wood pellet quality)

7.9%

(2018: 8.0%)

Value from flexibility

£129m

(2018: £79m)

Cost to serve customers

£208/MPAN

(2018: £206/MPAN)

Average net debt

£950m

(2018: N/A)

Cost of production

\$9.08/GJ

(2018: \$9.37/GJ)

Commercial availability

88%

(2018: 89%)

Gross margin (minus bad debt) for Customers business

£116m

(2018: £112m)

Group Scorecard outcomes **page 105**

Drax is a constituent of the FTSE4Good Index Series



FTSE4Good

In 2019, Drax received a rating of AA (on a scale of AAA-CCC) in the MSCI ESG Ratings assessment*



Drax received a score of B in the CDP Forests Programme and C in the CDP Climate Change Programme



*www.drax.com/sustainability

Value creation

Financial

- High quality earnings
- Sustainable and growing dividend
- Strong balance sheet



Manufactured

- We generate 12% of the UK's renewable power
- Drax is the fourth largest energy generator in the UK
- Drax is a leading hydroelectricity generator



Human

- Our Future Creators programme develops 22 high-potential individuals to grow our leadership pipeline



Intellectual

- We are making progress in developing carbon capture and storage technology which could make Drax the world's first carbon negative power station



Natural

- The carbon intensity of our electricity generation reduced by over 85% from 2012 to 2019
- We announced our ambition to be carbon negative by 2030



Social

- We contributed £290k in 2019 through community partnerships, employee match funding, payroll giving, our community fund and national fundraising days
- We monitor ethical matters and business conduct risks of third parties with whom we do business
- We are a signatory to the Social Mobility Pledge

