



London Hydro Inc. Annual General Meeting

*For the Financial Year Ending
December 31, 2018*

June 24, 2019

Board of Directors

- Gabe Valente, BA, BComm, CPA, CA
Chair
- Connie Graham, BSc, ICDD
Vice-Chair
- Mohan Mathur, DSc, PhD, PEng, FCAE
- Marilyn Sinclair, BA
- Jack Smit, CPA, CGA
- Guy Holburn, MA, PhD
- Michael van Holst, HBSc, BEd

Senior Management Team

- Vinay Sharma, PhD, PEng, FCAE, CDir
CEO
- William Milroy, BAsC, PEng
VP Engineering & Operations
- David Arnold, BSc, MAcc, CPA, CA
CFO, VP Finance & Corporate Secretary
- Syed Mir, BSc
CIO & VP Corporate Services
- Elizabeth Carswell, BA, MA, BEd
Sr. Director Human Resources

Another Successful Year For London Hydro...

Financial Highlights	2018 Actual	2017 Actual
Distribution Revenue	68.7	66.9
Net Earnings	12.9	14.6
Average Return on Shareholder's Equity	7.8%	9.4%
Annual Investments:		
Capital Assets	42.3	38.2
Financial Position:		
Total Assets	426.0	394.5
Shareholder's Equity	169.3	159.8
Distributions to the City of London:		
Dividends Declared/Paid	5.0	5.0
S&P Credit Rating	A/Stable	A/Stable

Strong Financial Performance

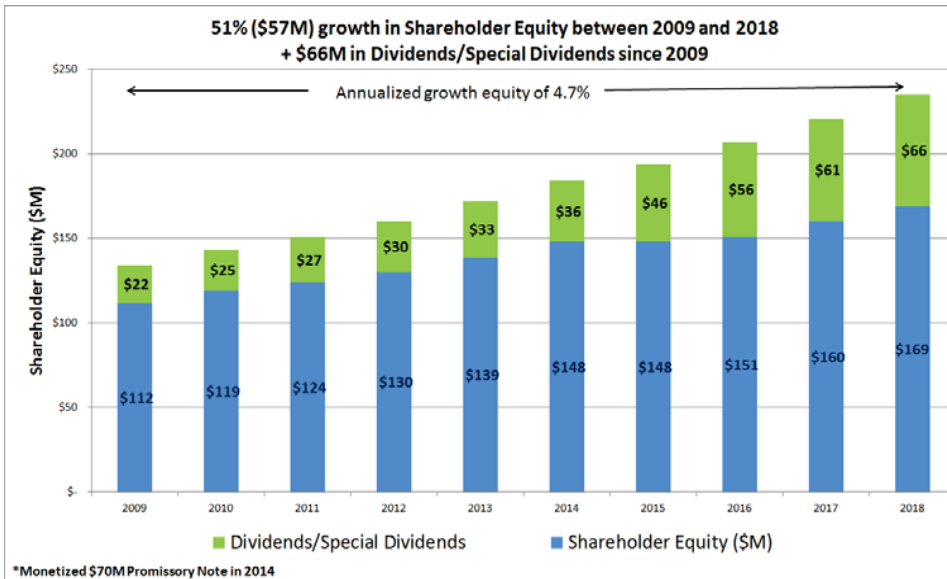
**Leaders in Technology and
Innovation**



London Hydro Fulfills All Shareholder Objectives

- 1. Strong Growth in Shareholder Value**
 - ✓ Competitive Rate of Return: 7.8% RoE (10.2% on deemed equity)
 - ✓ Asset base growth of 8% and shareholder equity growth of 6%
 - ✓ Sustained Annual Dividend to the City of \$5M
 - ✓ Since 2000, \$206M cash flow provided to the Shareholder
- 2. Caring for our Customers**
 - ✓ Cost and rates are again in the lowest quartile among Ontario utilities
 - ✓ Improving quality and reliability of service
 - ✓ High customer satisfaction – embracing technology
 - ✓ Continued prudent capital infrastructure investment
- 3. Industry-Leading Performance**
 - ✓ Innovation Award in Digital Customer Engagement, for Builder's Portal
 - ✓ EDA Customer Service Excellence Award, for Builder's Portal
 - ✓ IHSA President's Award for 250,000 hours without an LTI

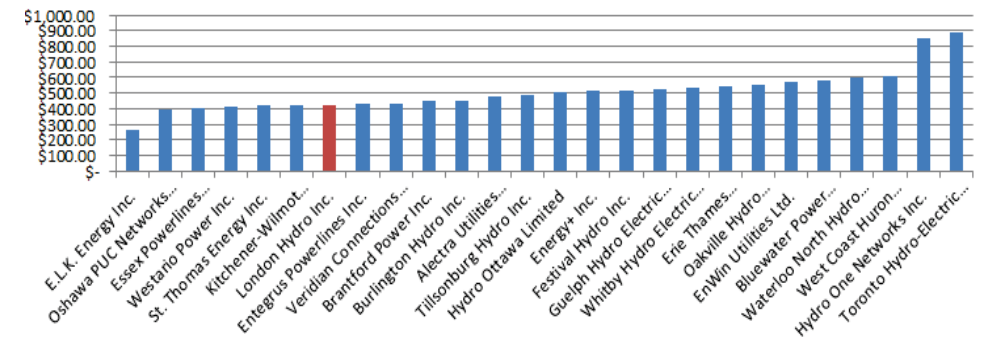
Growing Shareholder Value



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London Hydro has Competitive Rates

Annual Distribution Revenue per Customer



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Enhancing the Reliability of Our Distribution Grid \$130M invested in last 4 years in Capital Infrastructure



Enabling Growth and Development



Strengthening the Electric Grid

New Infrastructure for Growth

- New infrastructure to meet growth and development
- Installed more than 140km of underground infrastructure
- Installed over 440 transformers and 420 poles
- \$13.5 M invested on Dundas Flex Street Program

Increasing Contingency and Security of Supply

- Minimizing outages for customers
- Building new overhead and underground circuits to support peak loads
- Installed more than 68km of primary wire and cable
- Adding capacity and reliability to London's Core Grid

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London Hydro - Leader in Digital Technology

Industry Recognized Leadership in Developing and Marketing Digital Technology
Creating Opportunities for New Revenue Streams



GREEN BUTTON PLATFORM

UL Certified Green Button CMD & DMD for Electricity, Water and Natural Gas



International Award Winning MyWater Web Portal



"MyWater has provided excellent value to the City given that the software solution, leveraging existing hardware and not requiring costly retrofits or the deployment of fixed network systems, permits an evidence based approach to managing our customer programs while also placing the data in the hands of the public for self-service."

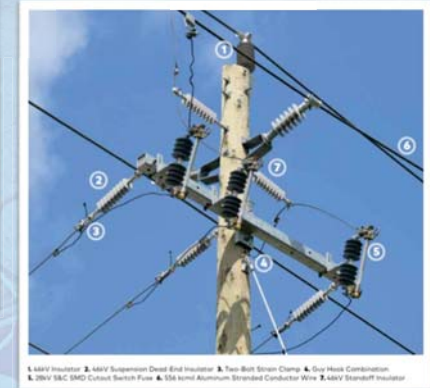
Daniel Hsia, P.Eng
Water Demand Manager
Water Engineering
City of London



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Educating our Employees

Our Employee Reference Book



Example of an Overhead Asset

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London Hydro Strong, Reliable and Innovative

1. Continue Strong Financial Performance

- ✓ Excellent debt-to-equity ratio
- ✓ S&P credit rating of A stable
- ✓ 8% growth in rate base and shareholder value
- ✓ Prudent investment in modernizing the distribution grid to enhance security, contingency and reliability of supply

2. Strong Customer Focus

- ✓ Industry leading customer satisfaction ratings of 89% to 92% commercial and residential customers
- ✓ Strategic investment in technology, automation processes to keep rates competitive
- ✓ Increasing investment in digital technologies for innovation and enhanced customer service

3. Valuable Community Partner

- ✓ London Hydro employees donated \$36,000 to local charities, 2,066 lbs. of food to the London Food Bank, 280 toys to the Salvation Army Christmas Hamper Program. and designed, built and decorated a float for the Santa Claus Parade which was awarded the 2018 Committee's Choice Award
- ✓ Continued focus on corporate culture journey with due regard for employees – 300+ strong

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