

# OUR PEOPLE & PLANET PLAN UPDATE 2023

Supporting communities,  
our planet and each other

**centrica**

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# OUR PEOPLE & PLANET PLAN

Supporting communities, our planet and each other

## PEOPLE

Supporting every colleague to be themselves to better serve our customers and communities



## PLANET

Supporting every customer to live more sustainably



### We want to:

- Create an engaged team that reflects the full diversity of the communities we serve by 2030<sup>(1)</sup>
- Recruit 3,500 apprentices and provide career development opportunities for under-represented groups by 2030 (2,000 apprentices by the end of 2025)

### We want to:

- Help our customers be net zero by 2050 (28% greenhouse gas intensity reduction by the end of 2030)
- Be a net zero business by 2045 (40% greenhouse gas reduction by the end of 2034)

- Inspire colleagues to give 100,000 days to build inclusive communities by 2030 (35,000 days by the end of 2025)

## Doing business responsibly

Underpinned by strong foundations that ensure we act fairly and ethically – from customer service to human rights

<sup>(1)</sup> All company and senior leaders to reflect latest 2021 Census data for working populations. This means 48% women, 18% ethnically diverse, 20% disability, 3% LGBTQ+ and 4% ex-service by 2030 (40% women, 16% ethnically diverse, 10% disability, 3% LGBTQ+ and 3% ex-service by the end of 2025).

# CHIEF EXECUTIVE INTRODUCTION

I know that the last couple of years has been really tough for customers and communities, who have experienced a rollercoaster of unprecedented events – from COVID-19 and the war in Ukraine, to the cost of living crisis.

These events have contributed to more and more people struggling to pay for everyday essentials, which includes energy. I see it as our duty to do whatever we can to help people through difficult times. That's why over the last two years, we've invested in customer service teams and systems and voluntarily donated £140 million to support people paying their energy bills – this is more than any other energy company in the UK and Ireland, and complements the hundreds of millions of pounds we provide each year via wider support programmes like the Warm Home Discount and Energy Company Obligation. It's a lot of money but our business success has enabled us to do the right thing and be there for people when they've needed us most.



That said, we didn't get everything right last year but what's important is that when things go wrong, we put them right and learn so that it doesn't happen again. Sadly, we got it wrong when some of our contractors were not treating our customers with the respect they deserved whilst installing prepayment meters under warrant early in 2023. We immediately apologised, suspended the installation of prepayment meters under warrant, and launched an investigation overseen by an independent third party. Whilst our investigation found no wide-ranging problems, it highlighted some isolated instances that fell short of the high standards of behaviour we expect. So we brought all related activity 'in house' and ensured that our policies, procedures and practices were updated to reflect the findings, which has contributed to the development of new industry rules to protect vulnerable customers.

I additionally see it as our duty to fight climate change because it's one of the biggest single threats facing society. Although we all know that getting to net zero won't be quick or easy, I believe it's the greatest single opportunity for Centrica. This is because as a uniquely integrated energy company, we're well-placed to drive the transition forward at every stage of the value chain – whether we're making, storing, moving and selling energy, or installing and mending related services and solutions.

To ensure we further seize this opportunity in the near term, we outlined our new Green Focused Investment Strategy in July. The strategy will see us ramp up our annual green investment to over 50% of capital over the next five years in security of supply and flexibility, renewable and low carbon generation, as well as customer offerings that advance the transition to net zero. This is a big step up from less than 5% of our capital invested in green taxonomy aligned projects back in 2019.

At the forefront of my priorities, is that we must create a fairer future when we generate a greener one. A key part of how we're achieving this is through our People & Planet Plan which was launched in 2021 and consists of five Group-wide goals that accelerate action on issues that matter deeply to our business and society, and where we're well-placed to make a big difference – from achieving net zero and creating the diverse and inclusive team we need to get there, to contributing to the communities we're all part of.

# £4bn

## **EXPECTED COMMITMENT VIA OUR GREEN FOCUSED INVESTMENT STRATEGY 2023-28**

In 2023, I'm pleased to say that we made really positive progress toward the majority of our goals but we're behind on others. This is partly because transformation takes time, and partly because we re-focused efforts to help customers and communities through the energy crisis which I mentioned earlier. Looking back over the year, some of my personal highlights in addition to our support for people struggling with their energy bills, has been our ability to unlock carbon and cost savings for customers via our new PeakSave offering, trebling our volunteering days in just one year, and being recognised in The Times Top 50 Employers for Gender Equality for the second year running. All of which you can read about and more, in this report.

So you can see that whilst we didn't get everything right in 2023, it was another strong year for Centrica. And we're on a solid footing to maintain the growth we've seen in recent years into 2024 and beyond, which will enable us to continue to contribute strongly to society and the economy. None of this would be possible without the hard work and dedication of my colleagues and for that, I'm forever grateful. Whilst I don't expect the road ahead to be easy, rest assured, we will do our best to energise a greener and fairer future.

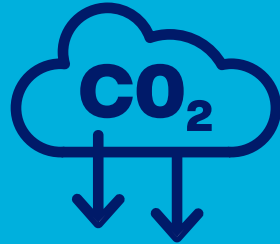
**Chris O'Shea,**  
Group Chief Executive

# OUR YEAR IN NUMBERS

**70%**

**GREENHOUSE GAS EMISSIONS CUT**

from our operations over the last decade



**3,000** **HEAT PUMPS**

delivered, making us a UK leader in heat pump installation

**3X** Annual increase in colleague volunteering as we achieve more than 7,200 days

**13GW**

Route-to-market service for renewables



**£140m**

**VOLUNTARILY DONATED**

to help customers with their energy bills during the energy crisis 2022-23



**165** **APPRENTICES**

welcomed to our team, with 14% of Smart Energy Apprentices being women which is much higher than sector averages



**~1,000**

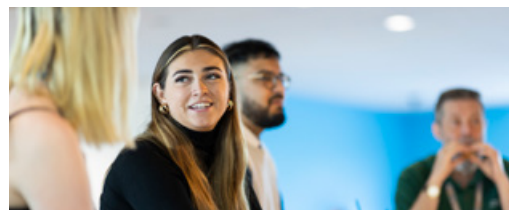
**GOOD CAUSES SUPPORTED**

through donations and fundraising

**80%**

**ZERO CARBON CONTENT**

of our electricity fuel mix for customers



**TOP RANKED EMPLOYER**

including The Times Top 50 Employers for Gender Equality and the CCLA Mental Health Benchmark

**7.7/10** **IMPROVEMENT IN COLLEAGUE ENGAGEMENT**

as we approach top quartile performance

# OUR PLANET

Supporting every customer to live more sustainably

<b>GOAL 1</b>	Help our customers be net zero by 2050	<b>7</b>
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**GOAL**  
**1**

**BY 2050, WE WANT TO:**  
**HELP OUR CUSTOMERS BE NET ZERO<sup>(1)</sup>**  
(28% GHG intensity reduction by the end of 2030)

## 2023 PROGRESS

10% reduction ●

**Key:** Progress against goals ● On track ● Behind

(1) Net zero goal measures the greenhouse gas (GHG) intensity of our customers' energy use including electricity and gas with a 2019 base year of 183gCO<sub>2</sub>e/kWh, normalised to reflect acquisitions and divestments in line with changes in Group customer base. Target aligned to the Paris Agreement and based on science to limit global warming, corresponding to a well below 2°C pathway initially and 1.5°C by mid-century.



**860,000  
homes**

**EQUIVALENT ANNUAL  
EMISSIONS SAVED FROM  
OUR ENERGY, SERVICES  
AND SOLUTIONS**

The biggest thing we can do to tackle climate change, is to help our customers use energy more sustainably. This is because around 90% of our total GHG emissions (scope 1, 2 and 3), come from the gas and electricity provided to customers (scope 3).

So in 2023, we provided energy, services and solutions that help cut the GHG intensity of the energy our customers use by 10% against the 2019 base year. Savings were predominantly driven by our renewable and low carbon energy tariffs alongside energy efficiency and optimisation solutions like air source heat pumps and Hive smart thermostat. This was up from the 6% reduction achieved in 2022 and was largely due to a rise in the zero carbon content of our reported electricity fuel mix, which improved by 5% to 80%.

**80%**

**ZERO CARBON CONTENT OF OUR  
ELECTRICITY FUEL MIX VERSES  
THE UK NATIONAL AVERAGE OF 55%**



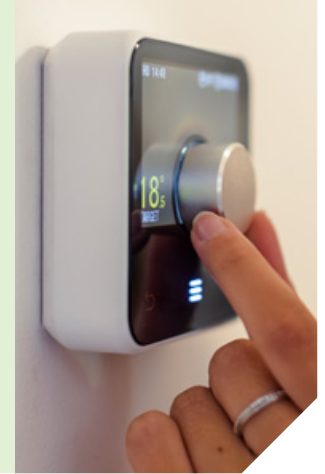
In 2023, we continued to help our customers progress their journey to net zero by supporting them with measures to decarbonise power, heat and transport.

### For example, we:

- introduced market-leading incentives that encourage the adoption of low carbon technologies – whether that’s offering heat pump price and performance guarantees, or providing free electric vehicle (EV) charging for a year with the purchase of a Hive charger as well as providing the cheapest rate to charge an EV;
- delivered around 3,000 heat pumps for the able to pay market and via the Energy Company Obligation (ECO), which makes us a UK leader in the installation of heat pumps;
- cumulatively installed over 34,000 EV charging points since 2013 to help green the UK’s transport system;
- continued to be one of the leading enablers of clean energy across Europe by providing a route-to-market for 13GW of renewables under our management – enough to power around 12 million homes; and
- launched PeakSave Sundays which has encouraged over 500,000 customers to shift their energy use away from peak demand reducing carbon and cost (see page 9).

## SPOTLIGHT ON HIVE

In the last decade, our Hive smart thermostat has been helping people control their heating and hot water more easily, which includes from anywhere at anytime. This has enabled our 2 million smart thermostat users to avoid around 1 million tons of carbon emissions – that’s the same amount of carbon generated by almost 700,000 return flights from London to New York. The smart thermostat has also been good for reducing energy bills, with collective savings totalling around £325 million.



Like many organisations, we purchased energy certificates such as Renewable Energy Guarantees of Origin and Nuclear Declarations, to back both our green and standard tariffs during the year. We’re aware that the debate around the value of these certificates is evolving with recent research studies and broader expert opinion, identifying issues including the risk that certificates don’t incentivise the building of renewable or zero carbon power generation that’s needed for net zero. In 2024, we’re therefore engaging a range of stakeholders on the issue and will use their views to inform whether certificates are right thing for our customers and our business. We’ll provide an update on our approach later in the year.

In the meantime as set out in our Climate Transition Plan (see pages 13 to 14), we’ll continue to help customers reduce their emissions by focusing on energy efficiency and optimisation services alongside low carbon technologies and cleaner energy.

## OUR STORIES

# SECURING SAVINGS WITH PEAKSAVE

Customers are shifting their electricity use to help save money and the planet.

When electricity is used it can have a big impact on the energy system, our wallet and the environment. This is because when demand for electricity is high, more fossil fuels are burned to make additional energy. And when demand for energy is low, more of it can come from renewable energy sources.

To provide a smarter solution to balancing these peaks and troughs, we've introduced PeakSave for customers who have a smart meter and want to get involved. This includes:

- PeakSave Sundays which offers half-price electricity from 11am to 4pm to encourage customers to use energy when demand is low; and
- PeakSave Winter which rewards customers for reducing electricity use for a short, pre-scheduled period when the national grid is under pressure.

PeakSavers participate by making simple changes to when they use electricity, with the most common shift in habits being when they cook, use the dishwasher or wash and tumble their clothes. As a result of these efforts, PeakSavers have so far saved a combined total of £13 million off their energy bills and shifted over 11,000MWh into Sundays.



# >500,000

**PEAKSAVE CUSTOMERS**

“It makes me aware of doing things in a different way. It saves money, and it's good for the grid and environment.”

**Kim, a customer signed up to PeakSave**

## GOAL 2

### BY 2045, WE WANT TO:

#### BE A NET ZERO BUSINESS<sup>(1)</sup>

(40% GHG reduction by the end of 2034)

### 2023 PROGRESS

21% reduction ●

**Key:** Progress against goals ● On track ● Behind

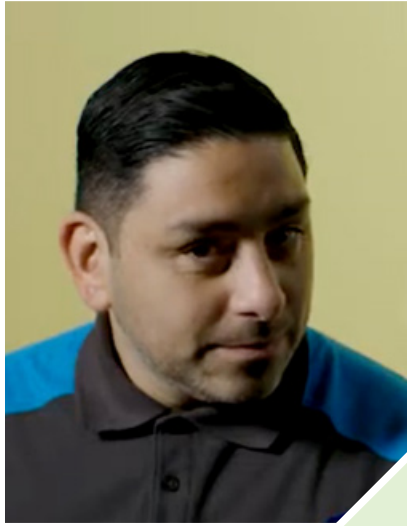
(1) Net zero goal measures scope 1 (direct) and 2 (indirect) GHG emissions based on operator boundary. Comprises emissions from all operated assets and activities. Non-operated nuclear emissions are excluded. Target is normalised to reflect acquisitions and divestments in line with changes in Group structure against a 2019 base year of 2,132,680mtCO<sub>2</sub>e. It's also aligned to the Paris Agreement and based on science to limit global warming, corresponding to a well below 2°C pathway initially and 1.5°C by mid-century.

### To be a net zero business, we're focused on providing low carbon and flexible solutions for customers whilst driving down emissions across our property, fleet and travel.

Meaningful progress has been made against our net zero target in 2023, with our total GHG emissions reducing by 21% against the 2019 base year. This was up from the 5% reduction delivered in 2022 and was largely driven by reduced emissions from our Whitegate power station as well as our gas production operations.

Sustainable savings were also secured across our property portfolio with lower occupancy driven by FlexFirst which lets colleagues choose when they want to come into the office to connect and collaborate or work from home to focus, alongside the roll-out of our EV road fleet. Our EV van fleet roll-out has, however, been slowed due to deployment issues which includes not all engineers being able to charge their vehicles easily and efficiently due to the majority not having private driveways in which to charge their EV, especially as the wider charging infrastructure is growing more slowly than anticipated. This means we've re-set our ambition to have a zero-emission van fleet from 2025 to 2030, which still remains five years ahead of the UK ban of new petrol and diesel vans.





**Aran Osman,**  
Technical Repair Engineer Public Lighting

“You need to plan your day around charging but I wouldn’t swap my electric vehicle for anything. Working around the Royal Parks and Palaces takes me through the heart of London and some of the most polluted and noisy roads in the area, but I can drive around with a clear conscience as the van is so clean and quiet.”

Although we’re currently ahead of the glidepath for our net zero target, like many energy companies, our journey to net zero won’t be a linear one. This is because we operate in a challenging geopolitical environment where security of supply is a real risk for consumers and as a leading supplier of energy in the UK and Ireland, we have a responsibility to ensure they have the energy they need. Towards this, we increased Liquefied Natural Gas (LNG) activity and began work on two new 100MW flexible peaking gas-fired power plants in Ireland which will come online in 2024.

# 70%

## OUR GHG EMISSION REDUCTION OVER THE LAST DECADE<sup>(1)</sup>

Whilst these investments will play an important role in securing a more affordable supply of energy as well as providing flexible power to back-up intermittent renewables, they are predicted to cause our emissions to rise from 2024 before they come back down again later this decade. With general consensus being that gas will be essential during the energy transition until at least the mid-2030s, our action is in line with what’s needed, although it does make our pathway to net zero more challenging in the short term. All of our gas peaking plants will, however, be capable of running on hydrogen when hydrogen is available which will help us meet our goal in the medium to long term, which we still expect to do.

Alongside these activities, we’ll continue to drive wider emissions out of our business and identify opportunities wherever possible to support the adoption of lower carbon energy for customers via our Climate Transition Plan – from securing up to 800MW of low carbon and transition assets by 2025 which includes solar, battery storage and flexible generation, to exploring the conversion of our Rough gas storage facility to store hydrogen and more.

(1) Represents our gross reductions. This differs from our net zero goal which is normalised for acquisitions and divestments against the base year.

# INVESTING IN LOW CARBON AND TRANSITION ASSETS

## Our largest battery storage project

We secured development rights to a 65MW battery storage plant in Perthshire, Scotland.

Located near the connection for North Sea offshore wind farms, the site will help manage grid capacity by charging when demand for power is low and discharging when it's high. Once connected to the grid in 2028, the battery will store enough electricity to power 130,000 homes for an hour - equivalent to a town like Aberdeen.



## Our first-ever solar farm

We completed our first Centrica-owned solar farm in Codford, Wiltshire.

The 72-acre site is similar in size to 24 football pitches and with an output of 18MW, it can generate enough renewable energy to power 5,000 homes.

## A UK first with hydrogen

In Lincolnshire, Brigg Energy Park, is set to become the first power station in the UK to be part-fuelled by hydrogen.

In a trial to support the UK's transition to a decarbonised energy system with HiiROC and backed by the Net Zero Technology Centre that's due to start later in 2024, the plant uses a blend of natural gas and hydrogen. The plant is designed to meet demand during peak hours or when generation from renewables is low.



## OUR STORIES

# OUR CLIMATE TRANSITION PLAN

Set out in 2021, our Plan helps us manage risks and seize opportunities to deliver our net zero targets, whilst securing a greener and fairer future for all.



## Our ambitions to be a net zero business by 2045 are to:

- build a zero-emission road fleet in the UK by 2025<sup>(1)</sup>;
- cut our UK property emissions by a further 50% by 2030;
- progress our strategic transformation to exit remaining activities in oil and gas exploration and production with the intention to run-off remaining fields and meet decommissioning obligations substantively by the early 2030s, whilst stopping any further investment in new oil and gas fields;
- redirect investment into assets that drive the transition forward – from securing up to 800MW of low carbon and transition assets by 2025<sup>(2)</sup>, to exploring the conversion of our Rough gas storage facility to store hydrogen by 2035 and decarbonising the Humber industrial cluster by 2040; and
- grow the portion of our capital allocated to green activities from 5% to at least 50% by 2025<sup>(1)</sup>.

## Our ambitions to help our customers be net zero by 2050 are to:

- double the number of Hive customers to 2.5 million by 2025;
- deliver 6 million additional smart meters by 2030; and
- achieve annual installs of up to 100,000 EV charging points and 20,000 heat pumps by 2025.

For the transition to be a success, we must work with others because we can't achieve these goals on our own. And we must ensure that we don't leave anyone behind. We'll therefore champion the needs of our customers and ensure support for those who struggle with their energy bills, create thousands of high quality inclusive green jobs, back sustainable initiatives in communities and work towards a low carbon supply chain.

In line with best practice, we'll provide an update on our Climate Transition Plan every three years. Our existing Plan achieved a 79.96% shareholder advisory approval rate at the AGM in 2022.

# 2024

**OUR PLAN WILL BE UPDATED LATER THIS YEAR AT [centrica.com/climatetransition](https://centrica.com/climatetransition)**

(1) From 2024, our ambition for a zero-emission van fleet will be extended out to 2030 (see page 10). Our capital allocated to green investment will also run out to 2028 (see page 4). Green activities relate to those that are eligible with a high probability of alignment with the EU Sustainable Taxonomy. (2) A mixed portfolio of solar, battery and gas-fired peaking assets, all enabling the grid to decarbonise.

## Progress against our Climate Transition Plan 2021<sup>(1)</sup>

Includes our net zero targets, supported by our climate ambitions.

Targets & ambitions	2023 progress		2022 progress		Drivers
<b>Customer GHG emissions – 28% intensity reduction by 2030 and net zero by 2050 (from 2019)</b>	<b>10% reduction</b>	●	<b>6% reduction</b>	●	Renewable and low carbon energy tariffs alongside energy efficiency and optimisation solutions (see page 7)
Hive smart thermostat – 2.5 million customers by 2025 (units to date)	2.4m	●	2.0m	●	Lowering consumption to save on energy bills (see pages 8 to 9)
Smart meters – 6 million additional installed by 2030 (from 2020)	3.0m	●	2.3m	●	
EV charging points – 100,000 in year by 2025 (annual units)	7.0k	●	7.4k	●	Lower than expected customer demand is being combatted with the launch of market-leading offers (see page 8)
Heat pumps – 20,000 in year by 2025 (annual units)	3.0k	●	1.0k <sup>(2)</sup>	●	
<b>Centrica GHG emissions – 40% reduction by 2034 and net zero by 2045 (from 2019)</b>	<b>21% reduction</b>	●	<b>5% reduction<sup>(3)</sup></b>	●	Reduction mainly from our Whitegate power station and gas production operations (see page 10)
Low carbon and transition assets – 800MW installed by 2025 (from 2020)	132MW	●	101MW	●	Investments including solar, battery storage and peaking plants (see pages 11 to 13)
Capex – grow capital allocated to green activities from 5% to at least 50% by 2025 (from 2019) <sup>(4)</sup>	31%	●	9%	●	
Fleet by 2025 (total to date) <sup>(4)</sup>					EV van fleet roll-out slowed due to deployment issues, with zero-emission van ambition extended out to 2030 (see page 10)
– 100% EV van roll-out	29%	●	23%	●	
– 100% EV car roll-out	74%	●	43%	●	
Property – 50% reduction in UK emissions by 2030 (from 2019)	65%	●	63%	●	Efficiencies such as those across lighting, heating and cooling alongside FlexFirst (see page 10)

**Key:** Progress against goals ● On track ● Behind

(1) Glidepath trajectory for climate transition ambitions is not linear. Demand is expected to increasingly grow, resulting in accelerated delivery against the target as we approach the target date. (2) Restated to additionally include installations via ECO. (3) Restated due to availability of improved data. (4) From 2024, our ambition for a zero-emission van fleet will be extended out to 2030 and our capital allocated to green investment will run out to 2028.

# OUR PEOPLE

Supporting every colleague to be themselves to better serve our customers and communities

<b>GOAL</b> <b>3</b>	Create an engaged team that reflects the full diversity of the communities we serve by 2030	<b>16</b>
<b>GOAL</b> <b>4</b>	Recruit 3,500 apprentices and provide career development opportunities for under-represented groups by 2030	<b>20</b>
<b>GOAL</b> <b>5</b>	Give 100,000 days to build inclusive communities by 2030	<b>23</b>
→	Creating greener and fairer communities	<b>24</b>





**GOAL**  
**3**
**BY 2030, WE WANT TO:  
 CREATE AN ENGAGED TEAM THAT REFLECTS THE  
 FULL DIVERSITY OF THE COMMUNITIES WE SERVE**
**2023 PROGRESS**

	2030 Goal <sup>(1)</sup>	All company <sup>(2)</sup>		Senior leaders <sup>(2)</sup>	
Women	48%	30%	●	32%	●
– Excluding Field engineers		41%	●	32%	●
Ethnically diverse	18%	15%	●	9%	●
Disability	20%	3%	●	2%	●
LGBTQ+	3%	3%	●	2%	●
Ex-service	4%	2%	●	2%	●

**Key:** Progress against goals ● On track ● Behind

(1) Updated at the start of 2023 to align with newly released 2021 Census data for working populations. We aim to be 40% women, 16% ethnically diverse, 10% disability, 3% LGBTQ+ and 3% ex-service by the end of 2025.

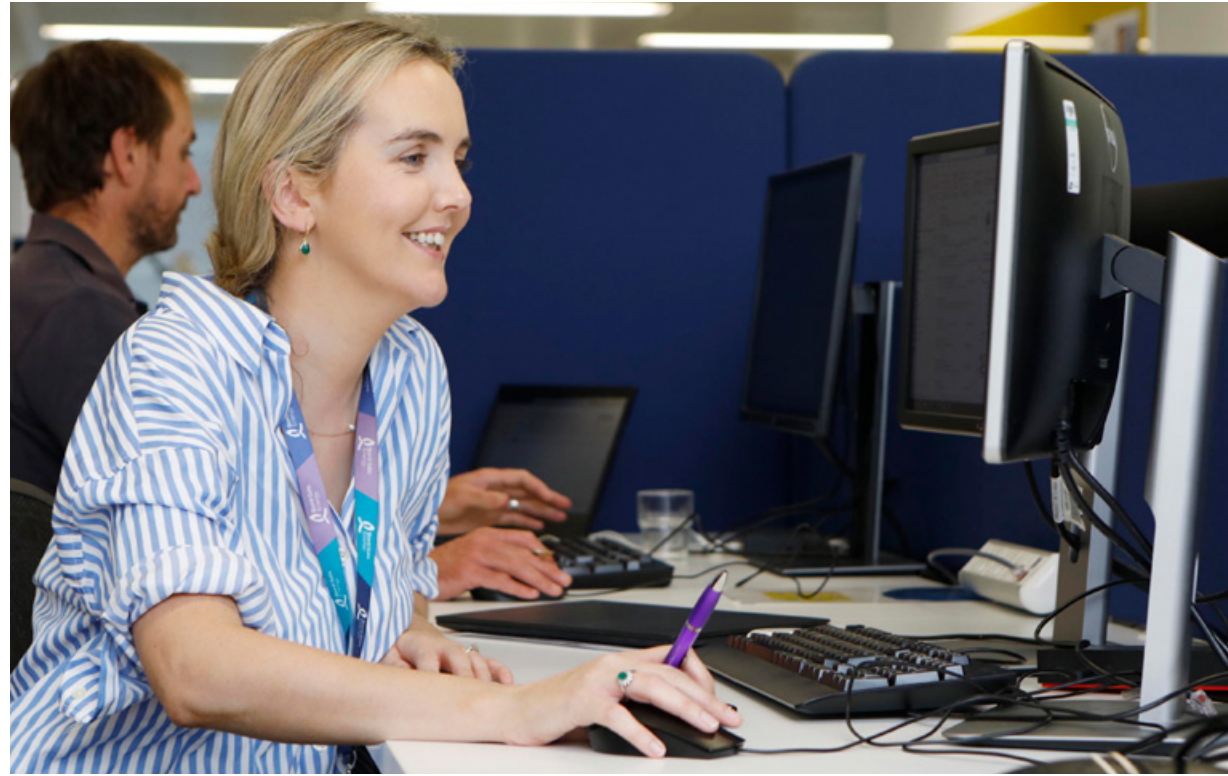
(2) Beyond gender, data is based on voluntary disclosure of 74% ethnic diversity, 45% disability, 51% LGBTQ+ and 3% ex-service. All company relates to everyone who works for Centrica. Senior leaders include colleagues above general management and spans senior leaders, the Centrica Leadership Team and the Board.

**To build a more sustainable future, we need the best team – a diverse mix of people and skills, where different thoughts and ideas can grow, and where everyone feels welcome and able to succeed.**

Towards this in 2021, our leadership team shared an open letter with colleagues that set out our plan for attracting, promoting and retaining more diverse talent. Since then, we've seen strong progress as better recruitment and retention practices provided an initial boost to the majority of our diversity goals which improved by up to 4%. Our performance in 2023 has, however, remained relatively static and indicates that it may take time to deliver systemic change across our business and society. In particular, diversifying senior levels and growing disability representation are areas for us to work on. Attracting more women into engineering is also challenging given our large Field engineering team reflects the existing male-dominated market, which impacts our overall Group performance that would otherwise be on track.

## We're taking action which includes:

- further embedding tailored Diversity, Equity and Inclusion (DE&I) Action Plans and dashboards for each business, with progress reviewed quarterly to drive improvement and accountability;
- expanding talent development programmes to over 150 colleagues from under-represented groups whilst embedding succession planning and diverse shortlisting to strengthen our senior leadership team;
- inspiring more women into engineering through apprenticeships (see goal 4) as we grow diversity among our wider team;
- rolling-out Courageous Conversations about Race training to educate colleagues and help them feel confident to challenge unacceptable behaviour;
- launching our new Shadow Board of diverse colleagues who serve for a 24-month term and regularly meet with leaders to drive colleague-centric decisions; and
- creating a Great Minds programme for launch in 2024 that will help normalise and better support neurodiverse colleagues, whilst encouraging more colleagues to disclose if they have a disability.



Through these activities and more (see pages 31 to 32), we've received external recognition for our efforts including earning a place in The Times Top 50 Employers for Gender Equality.

In 2024, we'll continue to embed our DE&I Action Plans, with a particular focus on improving the representation of colleagues who are women, ethnically diverse or have a disability. We'll also encourage colleagues to share who they are via our ongoing #ThisIsMe campaign, which will enable us to target action and track progress more effectively.

## Hear how we're supporting colleagues



“It’s important that colleagues feel they have a voice, which is why it’s crucial that our diverse Shadow Board truly represents all colleagues and bridges the gap between junior and senior levels. Having been diagnosed with ADHD in 2021, I hope I can bring a unique perspective as a neurodivergent person!”

**Helene Lynch,**

Talent Acquisition Specialist  
& new Shadow Board member



“I’m really proud to have been a part of the Accelerator programme. It’s been really insightful and has armed me with some great skills as well as the opportunity to build a network. I believe I’m better prepared and have increased drive and motivation, to grow and achieve my career aspirations.”

**Daniel Mclean,**

Customer Delivery Manager & Mid-Career  
Black Talent Accelerator Programme participant



“The Courageous Conversations about Race training highlights Centrica’s commitment to diversity and inclusion by encouraging people to recognise and challenge their internal bias and stereotypical beliefs. In doing so, its promoting healthy discussion, allyship and helping people to speak up and speak out to drive an inclusive workplace.”

**Michelle Campbell-Davies,**

Senior Scrum Master & Technical Delivery Lead, alongside  
Co-Chair of VOICE Network (our ethnicity network)



“Centrica’s Pathway to Parenthood support is vital to LGBTQ+ colleagues as it provides equal access to things like IVF and egg/sperm donation, for anyone facing adoption, fertility or surrogacy issues regardless of gender expression or sexuality. Without it, having a family would be unfeasible for many.”

**Catherine Baker,**

Commercial Analyst Graduate  
& Co-Chair of + Network (our LGBTQ+ network)

## OUR STORIES

# BALANCING WORK WITH CARING



## **Eleanor Jones,**

Business Change Manager alongside former carer for dad & grandma

## **Vicky Donovan,**

Business Change Manager alongside former carer for mum & dad

# 2,000

**MEMBERS OF OUR  
CARERS NETWORK**

**Our Carers Network Co-Chairs, talk about why support for working carers is so valuable.**

Being a carer can feel like the greatest pleasure and honour. But at times, it can also feel overwhelming and isolating. Caring has been such a huge part of our lives and whilst we're no longer active carers having sadly said goodbye to loved ones, our experience has undoubtedly shaped us for the better. It's also inspired us to become Network Co-Chairs, because we never want colleagues to have to choose between being a Carer and having a Career.

In our first full year as Co-Chairs, we'll be marking the Networks 20th anniversary later in 2024. Looking back over this period, the Network has undoubtedly been such a vital source of emotional and practical support for us and our colleagues – from creating carers training for line managers and educational events for colleagues, to shaping our industry-leading carers leave policy which provides up to six weeks paid leave when matched with annual leave. And at the start of the year, we were thrilled that all working carers in the UK were given the right to statutory paid carers leave following Centrica's joint-campaign with Carers UK. Support like this is simply life-changing.

As Co-Chairs, it's our privilege to be able to help more and more carers not only stay in work, but thrive.

**GOAL**  
**4**

**BY 2030, WE WANT TO:**

**RECRUIT 3,500 APPRENTICES AND PROVIDE CAREER DEVELOPMENT OPPORTUNITIES FOR UNDER-REPRESENTED GROUPS<sup>(1)</sup>** (2,000 apprentices by the end of 2025)

### 2023 PROGRESS

1,198 apprentices ●

**Key:** Progress against goals ● On track ● Behind

(1) Base year 2021.

## To provide the best service for customers and get to net zero, we need to create thousands of high-quality jobs.

There's a huge opportunity to tap into the talent of under-represented groups to fulfil these roles and deliver a greener, fairer future. Since 2021, we've recruited 1,198 apprentices and helped over 750 trainees professionally qualify in areas like gas and whitegoods. This is slightly behind where we wanted to be as we slowed recruitment in 2023 to focus on operational stability across our customer-facing business. As a result, we welcomed 165 apprentices to our team last year.

# ONE A DAY

**OUR COMMITMENT IS EQUIVALENT TO HIRING AN APPRENTICE EVERY DAY OVER THE NEXT DECADE**

Less hiring opportunity also impacted our Armed Forces Pathway programme which got off to a flying start in 2022 but meant that by the end of 2023, 227 people had been onboarded against our rolling ambition to recruit 500 veterans, reservists, spouses and partners, so it will continue into 2024-25. Meanwhile, progress against our ambition for women to make up 50% of our Smart Energy Apprentices, dipped from 20% to 14% but remains much higher than the national gas engineer average of 0.2% women.

In 2024, we'll continue to breakdown stereotypes and inspire more diversity in engineering through recruitment, marketing and volunteering campaigns as we work to diversify our wider team too. This includes ramping up our apprenticeship intake to get us back on track in the years ahead. We're also encouraging more young people to choose a career in energy. For example, we're supporting Tech She Can's educational programme, Tech We Can, which has directly reached over 60,000 students. And through the Women into Manufacturing and Engineering Raising Aspirations programme, Centrica Energy Storage+ continues to run site visits and talks to help young women and girls view energy as a viable career.

## OUR STORIES

# FROM THE BRITISH ARMY TO BRITISH GAS

## Charlie talks about his transition via the Armed Forces Pathway

I served over eight years in the British Army and was deployed all around the world – from Africa to Nepal. It was a really rewarding career, but as a new father and husband, I wanted more stability for my home life. So when I learnt about Centrica's Armed Forces Pathway programme, the time felt right to start a new chapter.

My Centrica story started on the Pathway's Leadership Placement which provides military service leavers, spouses, partners and high performing athletes, with a job for 9-months to build commercial and business knowledge, with the opportunity of securing a permanent position after. It was a big transition. But with the help of my line manager, Business Mentor and nearly 500-strong Forces Network, I felt well-supported. Key skills like communication, collaboration and problem-solving, were all transferable which enabled me to bridge the gap between my military experience and the corporate world.

I'm pleased to say that I'm now in a permanent position as an Operational Heritage Manager within British Gas. This involves managing five engineers who maintain 200-year old gas lamps, managing contract renewals and billing, as well as protecting and enhancing the heritage of the lamps so that they'll be lighting London for years to come. I've swapped serving in the military to serving our communities, and I couldn't be happier.



“If you're thinking about leaving the military or have left already, you can find a second rewarding career via the Armed Forces Pathway – it's been developed for you, by our Ex-Forces community.”

**Charlie Collins,**  
Operational Heritage Manager

# 500

**OUR AMBITION TO RECRUIT  
VETERANS, RESERVISTS, SPOUSES  
AND PARTNERS 2022-25**

## OUR STORIES

# FROM THE CALL CENTRE TO ENGINEERING

## Lisa shares her journey to become a fully qualified engineer

I've worked at British Gas for 15 years now. I started off in the call centre which I enjoyed but when COVID struck, I found it quite difficult working from home with two young children. It got me thinking about my job and whether I wanted a change. Then I saw that British Gas were recruiting apprenticeships and that they were specifically looking for women. So I thought, "Do you know what, the kids are old enough – just go for it!"

I've never looked back. The training is really interesting and spans a full year, with the focus on getting the job done efficiently and safely. I've been trained to install smart meters so I go into customer homes, take out their old meter, and upgrade it with the newest smart meters.

When I call ahead of a job to let the customer know I'm on my way, I say, "It's Lisa here calling from British Gas", and they say, "Oh, is the engineer on his way?", so I'll say, "No, I am the engineer!" It's quite funny as customers are a bit shocked but they love it. I've always found it easy talking to customers, and it feels good showing them how their smart meter works and how they can use it to save energy.



"I'm loving every minute of being an engineer. Taking on this role has given me the opportunity to build up a life I've always wanted for me and the kids. It's the best thing I've done."

**Lisa Hudson,**  
Smart Energy Engineer

# 50%

**OUR GENDER PARITY AMBITION  
FOR SMART ENERGY  
APPRENTICES BY 2030**

## GOAL 5

### BY 2030, WE WANT TO:

**GIVE 100,000 DAYS TO BUILD INCLUSIVE COMMUNITIES<sup>(1)</sup>**

(35,000 days by the end of 2025)

#### 2023 PROGRESS

20,383 days ●

**Key:** Progress against goals ● On track ● Behind

(1) Base year 2019.

**We're harnessing the passion of our people to build inclusive communities because strong communities, are central to a more sustainable future.**

Volunteering is also a great way to help colleagues develop skills and improve engagement. Although COVID-19 and the energy crisis impacted volunteering in recent years, volunteering has grown from strength-to-strength and is now on track having reached 20,383 days since 2019. As part of this, colleagues gave 7,228 days in 2023. This far exceeded our annual plan of 4,000 days which had been based on doubling our 2022 performance. Substantive gains were largely made possible by fully embedding team targets at the start of the year to help drive and plan volunteering activity, whilst expanding volunteering opportunities

via 'The Big Difference', which is inspiring colleagues to get involved in local causes they care passionately about.

To maintain momentum, we'll continue to expand volunteering opportunities in 2024 including via our Get Set for Positive Energy schools partnership with Team GB and ParalympicsGB (see page 28). This will stand us in good stead for the annual step-up required in the years ahead, which will see us move from 1 in 4 colleagues volunteering in 2023 to 1 in 3 by 2030.

**>3x ANNUAL INCREASE IN VOLUNTEERING DAYS 2022-23**





# CREATING GREENER & FAIRER COMMUNITIES

We support our communities with volunteering, donations and fundraising in three key areas – helping people with their energy today, building a more sustainable energy future for tomorrow, and making a big difference in our local communities every day.

## >£500m

**SPENT SUPPORTING OUR COMMUNITIES IN 2023<sup>(1)</sup>**

## £140m

**DONATED TO HELP CUSTOMERS AND COMMUNITIES WITH THEIR ENERGY BILLS DURING THE ENERGY CRISIS 2022-23**



The independent charity, funded solely by British Gas, has been helping tackle fuel poverty since 2004. They provide grants and fuel vouchers to anyone who's struggling with their energy bills, whilst funding frontline money and energy advice charities across England, Scotland and Wales. We've contributed nearly £200 million in mandatory and voluntary donations to the Trust, which has helped over 700,000 people.



Our impact fund provides grants and expert advice for community initiatives that deliver affordable and sustainable energy solutions for the UK. With money generated from solar panels installed at nearly 270 schools over a decade ago, the fund distributes £600,000 annually in grants of up to £100,000. To date, we've helped 36 community initiatives.



Across the UK, we're supporting local causes that colleagues care passionately about. Following a colleague vote at The Big Difference launch in 2022, we've focused efforts on creating a more sustainable future by tackling poverty, supporting health, and helping children and young people. We do this via our £2 million local fund alongside fundraising and volunteering, bringing much needed support to smaller charities.



To help prevent family homelessness, Bord Gáis Energy teamed up with Focus Ireland in 2015 and have since extended their partnership out to 2025. Through donations and fundraising, the €4.4 million partnership, has so far helped nearly 8,400 family cases who were experiencing homelessness or were at risk of losing their home.

(1) Comprises £409.44 million in mandatory and £88.08 million in voluntary contributions to support vulnerable people with their energy and household bills which includes the Warm Home Discount and Energy Company Obligation, alongside £4.05 million in charitable donations.

# PROVIDING SUPPORT ACROSS THE UK

We supported around 1,000 good causes in 2023 - here are just some examples of how we helped our local communities...

## 1,200 hours

Donated by around 200 volunteers at Groundwork events across Wales to help create a healthier planet for current and future generations, with activities including planting trees, litter picking and more. Groundwork is among 600 charities funded through The Big Difference.

## £2,000

Awarded to inclusive football club, Rossvale City Under 13's, for buying new kit and equipment. The club from Glasgow have since gone on to win the Under 13's Scottish Youth FA Cup, and are one of 450 local sports clubs actively supported by our colleagues and us.

## £50,000

Energy for Tomorrow grant awarded to the National Communities Resource Centre to run an environmentally-focused youth education programme. Three cohorts of people from low-income communities have already learnt personal development and employability skills, as well as implemented environmental projects in their local community. Nine new community initiatives were supported by our impact fund in 2023.

## £223,000

British Gas Energy Trust grant enabled the Bromley-By-Bow Centre to provide advice and support for people facing difficulties paying their energy bills, which has benefitted over 1,600 people. More than 40 organisations are funded via the Trust, ensuring help at the heart of communities.



## OUR STORIES

## 20 YEARS OF ENERGY SUPPORT

Together with the British Gas Energy Trust, hear how we're on a mission to help people in or at risk of fuel poverty.

We're working with the Trust to ensure it can be a lifeline to anyone who's struggling with their energy bills, irrespective of whether they're a British Gas customer or not. This has seen us invest nearly £200 million in the Trust over the last two decades, helping over 700,000 people so far.

The Trust does this by funding over 40 money and energy advice projects at the heart of communities in areas with the greatest social need, alongside national charities like Scope, RNIB, Mencap and others, that support vulnerable people disproportionately impacted by rising energy costs. They also provide energy debt write-off grants and emergency fuel vouchers directly to struggling households. This targeted approach coupled with a step-up in funding to respond to COVID-19 and the cost of living crisis, has trebled the number of people supported in the last four years.

# 77%

**BENEFICIARIES WHO  
AGREED/STRONGLY AGREED  
THAT THEY NOW FEEL MORE  
FINANCIALLY STABLE**

(1) View the Oxford Economics Report at [centrica.com/oxfordeconomics](https://centrica.com/oxfordeconomics)



Support like this is invaluable and eases the stress of being in debt and helps grow life-long money and energy management skills that has a knock-on impact. Oxford Economics<sup>(1)</sup> found that for every £1 spent by the Trust last year, it yielded £5.50 in social value. And over the last four years, this amounts to £264 million of positive social impact through improved wellbeing alongside broader economic benefits including additional tax revenue and savings for the NHS.

“Thank you so much for your help, it really does mean a lot to me and my young daughter to have our debt resolved... my shoulders feel a little bit lighter!”

**A British Gas Energy Trust beneficiary**

## OUR STORIES

# BACKING MORE SUSTAINABLE COMMUNITIES

**Atherton Cricket Club were bowled over when they received support from our Energy for Tomorrow (EfT) social impact fund.**

Atherton Cricket Club is a family-orientated sports club established in 1872. Whilst they've a rich history, they're not stuck in the past, and are keen to future-proof the club with their net zero plan.

To progress this plan, the club applied for grant funding from Energy for Tomorrow in 2023 and were awarded £80,000 alongside a package of expert advice. This facilitated the installation of a heat pump to replace the outdated oil heating system, alongside solar panels and battery storage facilities.

“The grant and overall support EfT has provided is ground-breaking and allows us to make the most significant step in our decarbonisation journey.”

**Tony Gredecki,**  
Club Chairman



Not only have these technologies helped reduce the club's carbon footprint but it's allowed them to reinvest the money they've saved on energy, in activities and events for the community. It's also enabled them to extend their opening hours and welcome more community members from Atherton and the surrounding areas. With the ex-coal mining town facing social infrastructure challenges and one of the highest levels of fuel poverty in the region, the club is more than a sports venue; it's a vibrant and inclusive hub for the community and related events including charity fundraisers, fun-days and music festivals.

In 2024, colleagues from across our business will support these events by volunteering to raise awareness about how Atherton can save energy and money though decarbonising their homes.

# £80,000

**AWARDED IN GRANT FUNDING**

## OUR STORIES

# POWERING COMMUNITIES BEHIND OUR OLYMPIC AND PARALYMPIC ATHLETES

Through our five-year partnership with Team GB and ParalympicsGB, we're empowering young people and athletes to make a positive difference.

Together as part of the partnership, we've launched Get Set for Positive Energy, which aims to reach 1 million children and their families across the UK.

To kick-start the initiative, we're providing free curriculum linked resources that introduce primary school students to renewable energy and sustainable living, whilst encouraging them to get involved in our competition to design a sustainable school of the future. The lucky winner receives a £15,000 British Gas Positive Energy Grant to bring their ambition to life and make their school a happier, healthier and greener place to be. Grants of £2,500 are awarded to four runners up.

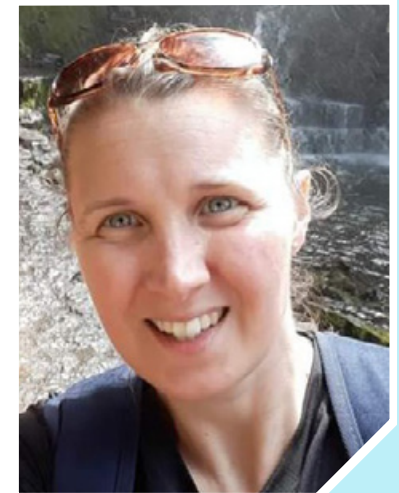
We'll additionally collaborate with primary schools around the UK to inspire the next generation to take positive action. For example, our passionate volunteers are all set to run workshops that help young people understand the role they can play to make greener choices as well as build healthier habits.

And in the lead up to the Paris 2024 Games, our volunteers are taking part in a once in a lifetime opportunity at the Kitting Out Days. This is where athletes and support teams collect their Team GB and ParalympicsGB kit!

It's just the start of our partnership so stay tuned for more.

“As a family we all love the Olympics and Paralympics. So when an opportunity came up to be part of it via the Kitting Out Days, I jumped at it. I don't know who's more excited, me or my children.”

**Marie Hawker,**  
Customer Delivery Manager



# +1,000

**HOURS TO BE VOLUNTEERED  
AT KITTING OUT DAYS**

# OUR FOUNDATIONS

Our People & Planet Plan is underpinned by strong foundations that ensure we act fairly and ethically

- Customers **30**
- Colleagues **31**
- Communities **32**
- Environment **33**



# OUR FOUNDATIONS

## Customers

We've taken decisive steps to secure a stronger service for customers. For example, in 2023, we invested in engineer training and customer service systems, whilst recruiting 700 additional customer contact roles in the UK as part of our aim to move all call centre resource onshore. Compared to 2022, these operational improvements have contributed to our British Gas Services Engineer Net Promoter Score (NPS) rising by seven points to +71 and our British Gas Energy Touchpoint NPS gaining four points to +17, alongside a reduction in complaints. In Bord Gáis Energy complaints similarly reduced over the course of the year but against a backdrop of challenging conditions, our Journey NPS declined by one point to +18 despite a five point improvement in the second half of 2023. Meanwhile, at Centrica Business Solutions, customer concern for high energy bills and complexity relating to government support schemes led to an increase in complaints. Despite this, customer service delivery remained strong with energy supply Touchpoint NPS improving by one point to +32. See page 41 for more.

# £140m

**THE LARGEST VOLUNTARY SUPPORT PACKAGE PROVIDED BY AN ENERGY SUPPLIER IN THE UK AND IRELAND**



In recognition that energy bills remain a worry, we continued to help customers through the energy crisis. In 2023, we more than doubled our energy support fund to total £140 million. This included £84 million being committed during 2023 for distribution mainly via British Gas and the British Gas Energy Trust (see pages 24 to 26), alongside €3 million in energy bill support managed by Bord Gáis Energy and charity partners like Focus Ireland. This is in addition to the hundreds of millions of pounds we already provide in energy bill support each year through initiatives like the Warm Home Discount and the Energy Company Obligation.

Having worked so hard to help customers through the crisis, we were deeply saddened about the lack of empathy and respect shown by some contractors employed to install prepayment meters under warrant. We immediately paused installations and whilst our investigation resulted in no systemic issues being identified, we introduced improvements including bringing the installation of prepayment meters in-house. We've no immediate plans to restart involuntary installations but we will seek permission from Ofgem if we do.

## Colleagues

It's important that colleagues feel safe, engaged and rewarded. Although we had no colleague fatalities in 2023, a member of the public tragically lost their life in a road traffic accident involving one of our Dyno Franchisees. We also had one Tier 1 process safety gas release at a Spirit Energy asset, resulting in our process safety incident frequency rate increasing from zero to 0.09 per 200,000 hours worked. Our total recordable injury frequency rate did, however, improve by 25% to 0.84 per 200,000 hours worked with incidents mainly relating to slips, trips and musculoskeletal injuries. We continue to focus on keeping safety front-of-mind by reinforcing a strong safety culture, which in 2023 included improving new starter, safety and role-specific training.

Alongside physical health, we're always mindful of wider wellbeing. So we ran campaigns that talked about the importance of being open about mental health whilst encouraging use of our comprehensive suite of support which includes a company-funded benefit healthcare plan for all, a wellbeing app, and our 120-strong network of mental health first aiders. In recognition of the cost of living crisis, we also introduced a Colleague Support Foundation to provide dedicated money advice and grants. And in the first six months of the Foundation being in place, we'd provided colleagues with grants totalling around £100,000 – from funeral costs, to food costs.



READ MORE IN OUR HEALTH & WELLBEING STATEMENT AT [centrica.com/wellbeing](https://centrica.com/wellbeing)

## TIER 1 LEADER

**RANKED IN THE CCLA MENTAL  
HEALTH BENCHMARK UK**



“I am a manager, a parent to a daughter who struggles with anxiety, and having never suffered with anxiety myself, the menopause has started to produce anxiety symptoms. It is great how much support Centrica offer around mental health.”

**A colleague**



We maintained focus on fair reward practices – whether that’s paying at least the Real Living Wage in the UK and upholding equal pay, or working to reduce pay gaps. Our gender pay gap continued to be largely driven by more men working in higher paid jobs like engineering, coupled with more women working in valued but lower paid jobs such as customer service. In 2023, our median gender pay gap improved by 9% to 14%. Our ethnicity pay gap, which we publish voluntarily, is due to similar factors as the gender pay gap, and increased by 1% to 11% median. We’re fully committed to reducing our pay gaps over time as we help transform our business, sector and society (see pages 16 to 22).

 **READ MORE IN OUR GENDER & ETHNICITY PAY STATEMENT AT**  
[centrica.com/pay](https://centrica.com/pay)

Action like this is key to colleague engagement. In 2023, our engagement score improved by 0.3 points to 7.7/10, with gains driven by the value we place on recognition and growing our colleagues, as well as a stronger belief in our purpose and strategy. This was on track with our annual goal and is approaching top quartile performance for our sector. With engagement being fundamental to our productivity and our success, we’ll target top quartile performance in 2024 by striving to provide a more inclusive and fulfilling place to work.

# 7.7/10

**COLLEAGUE ENGAGEMENT**

## Communities and ethics

Our Code and Our Values set out the standards we expect for anyone who works for us or with us. This ensures we operate with integrity and in a way that benefits our communities. At the heart of Our Code is our commitment to uphold and protect human rights. We therefore take action to ensure colleagues and workers in our supply chain are safeguarded from abuses through activities like risk-based training and ongoing due diligence, alongside monitoring of supplier selection and renewal. If suppliers receive a high-risk rating relating to the country where they operate or the products/services provided, we consider appropriate action which may involve conducting a third-party audit to better understand the level of risk. Where concerns are identified, we work with suppliers to raise standards, and if they can’t or won’t improve, we may end the relationship and report any abuse.

In 2023, we ramped up our audit programme by conducting 20 on-the-ground site inspections and over 6,500 remote worker surveys. These spanned workwear and manufacturing as well as solar panels, battery systems, smart meters and wider electrical products across Bangladesh, Cambodia, China, Hong Kong, India, Pakistan, the Netherlands and the UK. Whilst we’ve not identified any specific instances of modern slavery, we agreed 142 improvement opportunities with suppliers to help raise standards across labour as well as health and safety practices. The majority of actions have now been completed and the rest are planned to finalise in 2024.

 **READ MORE IN OUR MODERN SLAVERY STATEMENT AT**  
[centrica.com/modernslavery](https://centrica.com/modernslavery)

Our Code additionally provides clear guidance on bribery and corruption. We prohibit any improper payments, including facilitation payments regardless of value or jurisdiction, and exchange gifts and hospitality responsibly, declaring them on a register. Anti-bribery training is also provided for higher risk roles and our Financial Crime team run third-party risk management screening. A register is used to record and manage potential or actual conflicts of interest.

During 2023, 96% of colleagues completed refresher training on Our Code and confirmed they'd uphold its principles. If anyone suspects Our Code is being contravened, we provide a confidential 24/7 Speak Up helpline. In 2023, we had 1.4 reports of concern per 100 colleagues which broadly aligns with the external benchmark of 1.5, demonstrating that colleagues feel safe to speak up. Reports mainly related to perceived unfair treatment and fraud. All reports were investigated by the Ethics and Compliance team, with quarterly monitoring via the Safety, Environment and Sustainability Committee as well as the Audit and Risk Committee, with matters as appropriate, brought to the attention of the Board.

# 96%

**COLLEAGUES COMPLETING  
OUR CODE TRAINING**



## Environment

Monitoring and managing our wider environmental impact is crucial. Our water consumption remained relatively steady during 2022-23, increasing by 6% to 335,512m<sup>3</sup>. Waste decreased by 19% to 15,161 tonnes due to a reduction in decommissioning works and process enhancements in 2023 compared to 2022.

# OUR GOVERNANCE

Robustly managing all that we do

- Governance **35**
- Sustainable Development Goals (SDGs) **36**
- Key Performance Indicators (KPIs) **38**



# OUR GOVERNANCE

**Environmental, social and governance (ESG) matters are fully embedded and managed across the business.**

The Board has direct responsibility for ESG and are supported in this duty by a series of Board-level and executive-level committees. They're principally supported by the Safety, Environment and Sustainability Committee, which is chaired by an independent Non-Executive Director and typically reviews related information three times a year. The Board is further aided by the Audit and Risk Committee in reviewing stated matters quarterly. Meanwhile, the Remuneration Committee meets four times a year and ensures that activities like customer satisfaction and climate change, are adequately incorporated in incentive plans for Executive Directors alongside key colleagues. Each Committee maintains oversight over content raised and discussed as frequently as required at Centrica Leadership Team meetings, which are usually held eight times a year.

To grow capability in 2023, the Board underwent deep-dive sessions on greenwashing, responsible sourcing and evolving ESG regulation. Following the Board's self-evaluation supported by Lintstock, a corporate advisory firm specialising in Board performance evaluations, it was felt that overall, the Board was performing effectively and the Committees were effective in supporting the Board. The evaluation identified some areas which could benefit from increased focus, which will be amongst the key priorities for the Board in the year ahead.



 **READ MORE IN THE ANNUAL REPORT & ACCOUNTS' SECTION ON GOVERNANCE AND THE TASK FORCE ON CLIMATE RELATED FINANCIAL DISCLOSURES AT [centrica.com/ar23](https://centrica.com/ar23)**

# SUSTAINABLE DEVELOPMENT GOALS

In 2015, the United Nations launched 17 Sustainable Development Goals (SDGs). They call on government, businesses and others, to take meaningful action on the biggest issues facing people and planet by 2030.

We're committed to creating a more sustainable future and therefore fully support the SDGs – whether that's by building a more inclusive team or fighting climate change.

Whilst we contribute to many of the SDGs, our People & Planet Plan makes a meaningful contribution to three lead SDGs alongside several supporting Goals which are outlined on the following page. Over the next decade, we'll continue to work closely with our stakeholders to further shape our contribution to society.



## WHY THESE SDGs ARE IMPORTANT

## EXAMPLES OF OUR CONTRIBUTION IN 2023

### PLANET

#### Lead SDGs



#### Supporting SDGs



Climate change is one of the greatest challenges facing the world. We've a key role to play in helping the transition to net zero and are fully committed to contributing to national and international targets. Towards this, we're focused on supporting every customer to live sustainably by providing affordable services and solutions that'll help them be net zero by 2050 at the latest, whilst working to become a net zero business ourselves by 2045.

- Produced nearly 70% less carbon than a decade ago following our strategic transformation away from most of our carbon intensive energy assets, to provide energy, services and solutions that energise a greener, fairer future.
- Provided a route-to-market for renewables with 13GW under our management – enough to power around 12 million homes.
- Cumulatively installed around 3,000 heat pumps, making us a lead player in the UK's heat pump market.

### PEOPLE

#### Lead SDGs



#### Supporting SDGs



To meet the needs of our customers, we need a team with a range of skills and experience, who feel motivated and able to deliver for our customers. That's why by 2030, we want to create an engaged team that reflects the full diversity of our communities, recruit 3,500 apprentices and provide skills development opportunities for under-represented groups, whilst inspiring colleagues to give 100,000 days to local communities.

- Worked to create a more inclusive team – from acting on feedback from our Shadow Board of diverse colleagues, to providing talent and development opportunities for over 150 people from under-represented groups.
- Inspired more diversity in engineering with 14% of our Smart Energy Apprentices being women – higher than the 0.2% of gas safe registered engineers.
- Made a big difference in local communities by volunteering over 7,200 days - trebling 2022 performance.

# OUR KEY PERFORMANCE INDICATORS

**Our robust and transparent reporting across key performance indicators (KPIs), enables us to monitor performance and take action.**

In 2023, we engaged DNV Business Assurance Services UK Limited (DNV) to conduct an independent limited assurance engagement using the International Standard on Assurance Engagements (ISAE) 3000 (Revised): 'Assurance Engagements Other Than Audits or Reviews of Historical Financial Information'. DNV has provided an unqualified opinion in relation to four KPIs that are identified with the symbol '†' and feature on page 40. It's important to read the responsible business information in our annual report in the context of DNV's full limited assurance statement and Centrica's Basis of Reporting, which are available at [centrica.com/assurance](https://centrica.com/assurance).



VIEW OVER 150 METRICS IN OUR DATA CENTRE AND EXPLORE OUR SASB SUBMISSION AT [centrica.com/performanceandreports](https://centrica.com/performanceandreports)



## 10+ YEARS

**WE'VE ACHIEVED LIMITED ASSURANCE  
OVER OUR CLIMATE METRICS EVERY  
YEAR SINCE 2012**

## PROGRESS AGAINST OUR PEOPLE & PLANET PLAN

Key: Progress against goals ● On track ● Behind

Goal	Milestone	2023 Progress	2022 Progress
<p>Create an engaged team that reflects the full diversity of the communities we serve by 2030 – this means all company and senior leaders to be<sup>(i)</sup>:</p> <ul style="list-style-type: none"> <li>• 48% women</li> <li>• 18% ethnically diverse</li> <li>• 20% disability</li> <li>• 3% LGBTQ+</li> <li>• 4% ex-service</li> </ul>	<p>By the end of 2025:</p> <ul style="list-style-type: none"> <li>• 40% women</li> <li>• 16% ethnically diverse</li> <li>• 10% disability</li> <li>• 3% LGBTQ+</li> <li>• 3% ex-service</li> </ul>	<p><b>All company:</b><sup>(ii)</sup></p> <ul style="list-style-type: none"> <li>• <b>30% women</b> <span style="color: blue;">●</span></li> <li>– <b>41% excluding</b> <span style="color: orange;">●</span></li> <li><b>Field engineers</b></li> <li>• <b>15% ethnically diverse</b> <span style="color: orange;">●</span></li> <li>• <b>3% disability</b> <span style="color: blue;">●</span></li> <li>• <b>3% LGBTQ+</b> <span style="color: orange;">●</span></li> <li>• <b>2% ex-service</b> <span style="color: orange;">●</span></li> </ul> <p><b>Senior leaders:</b><sup>(iii)</sup></p> <ul style="list-style-type: none"> <li>• <b>32% women</b> <span style="color: blue;">●</span></li> <li>– <b>32% excluding</b> <span style="color: blue;">●</span></li> <li><b>Field engineers</b></li> <li>• <b>9% ethnically diverse</b> <span style="color: blue;">●</span></li> <li>• <b>2% disability</b> <span style="color: blue;">●</span></li> <li>• <b>2% LGBTQ+</b> <span style="color: orange;">●</span></li> <li>• <b>2% ex-service</b> <span style="color: orange;">●</span></li> </ul>	<p>All company:<sup>(iii)</sup></p> <ul style="list-style-type: none"> <li>• 30% women <span style="color: orange;">●</span></li> <li>– 41% excluding <span style="color: orange;">●</span></li> <li>Field engineers</li> <li>• 14% ethnically diverse <span style="color: orange;">●</span></li> <li>• 3% disability <span style="color: blue;">●</span></li> <li>• 3% LGBTQ+ <span style="color: orange;">●</span></li> <li>• 2% ex-service <span style="color: blue;">●</span></li> </ul> <p>Senior leaders:<sup>(iii)</sup></p> <ul style="list-style-type: none"> <li>• 33% women <span style="color: orange;">●</span></li> <li>– 32% excluding <span style="color: orange;">●</span></li> <li>Field engineers</li> <li>• 9% ethnically diverse <span style="color: blue;">●</span></li> <li>• 3% disability <span style="color: blue;">●</span></li> <li>• 0% LGBTQ+ <span style="color: blue;">●</span></li> <li>• 3% ex-service <span style="color: orange;">●</span></li> </ul>
Recruit 3,500 apprentices and provide career development opportunities for under-represented groups by 2030 (base year 2021)	2,000 apprentices by the end of 2025	<b>1,198 apprentices</b> <span style="color: blue;">●</span>	1,033 apprentices <span style="color: orange;">●</span>
Inspire colleagues to give 100,000 days to build inclusive communities by 2030 (base year 2019)	35,000 days by the end of 2025	<b>20,383 days</b> <span style="color: orange;">●</span>	13,155 days <sup>(iii)</sup> <span style="color: blue;">●</span>
Help our customers be net zero by 2050 <sup>(iv)</sup> (base year 2019)	28% greenhouse gas (GHG) intensity reduction by the end of 2030	<b>10% reduction</b> <span style="color: orange;">●</span>	6% reduction <span style="color: blue;">●</span>
Be a net zero business by 2045 <sup>(v)</sup> (base year 2019)	40% GHG reduction by the end of 2034	<b>21% reduction</b> <span style="color: orange;">●</span>	5% reduction <sup>(iii)(vi)</sup> <span style="color: orange;">●</span>

(i) Updated at the start of 2023 to align with newly released 2021 Census data for working populations.

(ii) Beyond gender, Centrica's 2023 performance is based on colleague voluntary disclosure of 74% ethnic diversity, 45% disability, 51% LGBTQ+ and 3% ex-service. For 2022, this was 72% ethnic diversity, 40% disability, 47% LGBTQ+ and 2% ex-service. All company relates to everyone who works for Centrica. Senior leaders include colleagues above general management and spans senior leaders, the Centrica Leadership Team and the Board.

(iii) Restated due to availability of improved data.

(iv) Net zero goal measures the GHG intensity intensity of our customers' energy use including electricity and gas with a 2019 base year of 183gCO<sub>2</sub>e/kWh, normalised to reflect acquisitions and divestments in line with changes in Group customer base. Target aligned to the Paris Agreement and based on science to limit global warming, corresponding to a well below 2°C pathway initially and 1.5°C by mid-century.

(v) Net zero goal measures scope 1 (direct) and 2 (indirect) GHG emissions based on operator boundary. Comprises emissions from all operated assets. Non-operated nuclear emissions are excluded. Target is normalised to reflect acquisitions and divestments in line with changes in Group structure against a 2019 base year of 2,132,680mtCO<sub>2</sub>e. It's also aligned to the Paris Agreement and based on science to limit global warming, corresponding to a well below 2°C pathway initially and 1.5°C by mid-century.

(vi) Previous figure included in DNV's limited assurance scope for the Annual Report 2022 was 6%. See [centrica.com/performanceandreporting](https://centrica.com/performanceandreporting) for our 2022 Basis of Reporting and DNV's 2022 Assurance Statement.



## PROGRESS AGAINST OUR FOUNDATIONS

### PLANET

Metric	2023	2022	What's next
<b>GREENHOUSE GAS (GHG) AND ENERGY</b>			
Total GHG emissions (scope 1 and 2) <sup>(i)</sup>	<b>1,681,475tCO<sub>2</sub>e</b> <sup>(ii)†</sup>	2,009,885tCO <sub>2</sub> e <sup>(iii)(iv)(v)</sup>	Measure and reduce our emissions through our People & Planet Plan by focusing on being a net zero business by 2045 and helping our customers be net zero by 2050
Scope 1 emissions	<b>1,674,829tCO<sub>2</sub>e</b> <sup>(vi)†</sup>	2,004,693tCO <sub>2</sub> e <sup>(iv)(v)(vii)</sup>	
Scope 2 emissions	<b>6,647tCO<sub>2</sub>e</b> <sup>(viii)†</sup>	5,193tCO <sub>2</sub> e <sup>(iv)(v)(ix)</sup>	
Scope 3 emissions <sup>(x)</sup>	<b>21,180,922tCO<sub>2</sub>e</b>	24,330,208tCO <sub>2</sub> e	
Total GHG intensity by revenue <sup>(xii)</sup>	<b>64tCO<sub>2</sub>e/£m</b> <sup>(xii)</sup>	85tCO <sub>2</sub> e/£m <sup>(xiii)</sup>	Analyse the impact of our strategy on decoupling GHG emissions from value creation
Total energy use	<b>7,437,652,380kWh</b> <sup>(xiv)†</sup>	9,047,097,047kWh <sup>(v)(xv)</sup>	Remain focused on energy efficiency as we strive to be a net zero business by 2045
<b>WATER, WASTE AND NON-COMPLIANCE</b>			
Total water use	<b>335,512m<sup>3</sup></b>	317,760m <sup>3</sup>	Effectively monitor, manage and reduce our water use and waste production, as well as our incidence of environmental non-compliance
Total waste generated	<b>15,161 tonnes</b>	18,686 tonnes	
Environmental non-compliance <sup>(xvi)</sup>	<b>12</b>	22	

Reporting is based on operator boundary which is the more commonly used approach for reporting environmental matters. Non-operated nuclear emissions are excluded.

† Included in DNV's independent limited assurance report. See page 38 or [centrica.com/assurance](https://centrica.com/assurance) for more.

(i) Comprises scope 1 and scope 2 emissions as defined by the Greenhouse Gas Protocol.

(ii) Comprises UK 547,542tCO<sub>2</sub>e and non-UK 1,133,933tCO<sub>2</sub>e.

(iii) Comprises UK 726,891tCO<sub>2</sub>e and non-UK 1,282,994tCO<sub>2</sub>e.

(iv) Restated due to availability of improved data.

(v) Included in DNV's limited assurance scope for the Annual Report 2022. See [centrica.com/performanceandreporting](https://centrica.com/performanceandreporting) for our 2022 Basis of Reporting and DNV's 2022 Assurance Statement. Previous figures included in DNV's limited assurance scope include total GHG emissions 2,007,655tCO<sub>2</sub>e, scope 1 1,994,153tCO<sub>2</sub>e and scope 2 13,502tCO<sub>2</sub>e.

(vi) Comprises UK 542,244tCO<sub>2</sub>e and non-UK 1,132,585tCO<sub>2</sub>e.

(vii) Comprises UK 722,810tCO<sub>2</sub>e and non-UK 1,281,883tCO<sub>2</sub>e.

(viii) Market-based, comprises UK 5,299tCO<sub>2</sub>e and non-UK 1,348tCO<sub>2</sub>e. Location-based is 17,041tCO<sub>2</sub>e.

(ix) Market-based, comprises UK 4,082tCO<sub>2</sub>e and non-UK 1,111tCO<sub>2</sub>e. Location-based is 16,275tCO<sub>2</sub>e.

(x) Includes emissions from the following scope 3 categories defined by the Greenhouse Gas Protocol: purchased goods and services, capital goods, fuel and energy-related activities, waste generated in operations, business travel, employee commuting, upstream and downstream transportation and distribution, use of sold product and investments. All emissions are calculated in line with the methodologies set out by the Greenhouse Gas Protocol's technical guidance, apart from working from home emissions which are based on methodology set out in EcoAct's homeworking emissions whitepaper. Other categories spanning upstream leased assets, processing of sold products, end-of-life treatment of sold product, downstream leased assets and franchises, are not included because they are not relevant to our business.

(xi) Carbon intensity of revenue is employed as our intensity measure because it is the most meaningful intensity measure for our diverse business and is the most widely used and understood measure for climate-related stakeholders such as CDP. Based on statutory revenue.

(xii) Comprises UK 25tCO<sub>2</sub>e/£m and non-UK 267tCO<sub>2</sub>e/£m.

(xiii) Comprises UK 42tCO<sub>2</sub>e/£m and non-UK 203tCO<sub>2</sub>e/£m.

(xiv) Comprises UK & Offshore 1,654,616,311kWh and non-UK energy use 5,783,036,069kWh.

(xv) Comprises UK & Offshore 2,394,832,533kWh and non-UK energy use 6,652,264,514kWh.

(xvi) Includes breaches of environmental authorisation including permit, licence and consent coupled with wider environmental legislation where we are either required to notify the regulator or where an authority or regulator is involved. The majority of incidents relate to offshore activities.

## PROGRESS AGAINST OUR FOUNDATIONS

### PEOPLE

Metric	2023	2022	What's next
<b>CUSTOMERS</b>			
British Gas Services & Solutions – Services Engineer Net Promoter Score (NPS) <sup>(i)</sup>	<b>+71</b>	+64	Deliver energy, services and solutions that energise a greener, fairer future for all
British Gas Energy – Energy Touchpoint NPS <sup>(ii)</sup>	<b>+17</b>	+13	
Bord Gáis Energy – Journey NPS <sup>(iii)</sup>	<b>+18</b>	+19	
Centrica Business Solutions – Energy supply Touchpoint NPS <sup>(iv)</sup>	<b>+32</b>	+31	
British Gas Services & Solutions – Services complaints per customer <sup>(v)</sup>	<b>6.0%</b>	7.0%	Maintain focus on driving down complaints by improving customer experience
British Gas Energy – Energy complaints per customer <sup>(vi)</sup>	<b>13.3%</b>	14.4%	
Bord Gáis Energy – Complaints per customer <sup>(vii)</sup>	<b>1.7%</b>	2.2%	
Centrica Business Solutions – Energy supply complaints per customer <sup>(vii)</sup>	<b>12.2%</b>	9.1%	
Customer support provided during the energy crisis (cumulative) <sup>(viii)</sup>	<b>£140m</b>	£53m	Ensure customers in vulnerable circumstances receive the help they need with their energy bills during the energy crisis and beyond
Customer safety incident frequency rate per 1,000,000 jobs completed	<b>2.82</b>	3.64	Keep customers safe by following controls and encouraging customers to maintain distance from work areas

(i) Measured independently, through individual questionnaires, the customer's willingness to recommend British Gas following a gas engineer visit.

(ii) Measured independently, through individual questionnaires, the customer's willingness to recommend British Gas Energy following contact.

(iii) Weighted NPS for the main customer interaction channels.

(iv) Measured independently, through individual questionnaires and the customer's willingness to recommend.

(v) Total complaints, measured as any expression of dissatisfaction where we identify material distress, inconvenience or financial loss, as a percentage of average customers over the year.

(vi) Total complaints, measured as an expression of dissatisfaction in line with submissions made to Ofgem, as a percentage of average customers over the year.

(vii) Total complaints, measured as any oral or written expression of dissatisfaction, as a percentage of average customers over the year.

(viii) Forms part of our total community contributions in the Communities section on page 43.

## PROGRESS AGAINST OUR FOUNDATIONS

Metric	2023	2022	What's next
<b>COLLEAGUES</b>			
Colleague engagement <sup>(i)</sup>	<b>7.7</b>	7.4	Strive to achieve top quartile performance by connecting colleagues with our purpose and strategy, whilst supporting them to be their best
Gender pay gap <sup>(ii)</sup>	<b>14% median 15% mean</b>	23% median 15% mean	Reduce our pay gaps by building a diverse and inclusive team through our People & Planet Plan and associated Diversity, Equity and Inclusion Action Plans
Gender bonus gap <sup>(iii)</sup>	<b>14% median 36% mean</b>	12% median 30% mean	
Ethnicity pay gap <sup>(ii)(iv)</sup>	<b>11% median 2% mean</b>	10% median 3% mean	
Ethnicity bonus gap <sup>(iii)(v)</sup>	<b>25% median 4% mean</b>	23% median 0% mean	
Retention	<b>90%</b>	88%	Improve retention through our focus on talent development whilst providing a supportive and inclusive culture
Absence <sup>(v)</sup>	<b>10 days</b>	10 days	Reduce absence through good management practices alongside proactive support and education via our health and wellbeing suite of support
Total recordable injury frequency rate (TRIFR) per 200,000 hours worked	<b>0.84</b>	1.12	Drive down TRIFR and LTIFR by keeping safety front-of-mind and reinforcing a strong safety culture whilst advancing controls and monitoring
Lost time incident frequency rate (LTIFR) per 200,000 hours worked	<b>0.44</b>	0.67	
Process safety incident frequency rate (Tier 1 and 2) per 200,000 hours worked	<b>0.09</b>	0	Continue to ensure robust operational controls and operator competencies, timely safety-critical maintenance programmes and effective performance management
Significant process safety events (Tier 1)	<b>1</b>	0	
Fatalities	<b>1</b>	1	Return to zero fatalities

(i) Colleague engagement methodology has changed from percentage favourable to an average score out of 10, measuring how colleagues feel about the Company.

(ii) Based on hourly rates of pay for all employees at full pay (including bonus and allowances) at the snapshot dates of 5 April 2022 and 2023. Read our Gender and Ethnicity Pay Statement to find out more at [centrica.com/pay](https://centrica.com/pay).

(iii) Includes anyone receiving a bonus during the 12-month period leading up to the pay gap snapshot date and who are still employed on the snapshot date.

(iv) Based on 74% of colleagues in 2023 and 70% of colleagues in 2022, who confirmed whether they are from a Black, Asian or Mixed/Multiple ethnic group.

(v) Relates to absence from sickness rather than wider forms of absence such as bereavement.

## PROGRESS AGAINST OUR FOUNDATIONS

Metric	2023	2022	What's next
<b>COMMUNITIES</b>			
Total community contributions	<b>£501.6 million <sup>(i)</sup></b>	£293.5 million <sup>(ii)</sup>	Make a big difference in our local communities – from helping people with their energy bills and energy efficiency, to volunteering and fundraising for causes that colleagues care passionately about
On the ground site audits completed	<b>20</b>	9	Continue to monitor and raise standards across our supply chain to reduce risk and guard against modern slavery, focusing on enhancing engagement and controls
Sites completing remote worker surveys	<b>13</b>	6	
Colleagues committed to Our Code	<b>96%</b>	98%	Ensure all colleagues uphold Our Code as part of our commitment to doing the right thing and acting with integrity

(i) Comprises £409.4 million in mandatory and £88.1 million in voluntary contributions to support vulnerable customers and colleagues, alongside £4.0 million in charitable donations which includes £0.21 million in contributions from third parties such as colleague fundraising. Sum of constituent parts is lower than total due to rounding. Voluntary category extended to include colleagues following the introduction of our Colleague Support Foundation.

(ii) Restated due to availability of improved data. Comprises £243.8 million in mandatory and £45.1 million in voluntary contributions to support vulnerable customers, alongside £4.5 million in charitable donations which includes £0.23 million in contributions from third parties such as colleague fundraising. Sum of constituent parts is lower than total due to rounding.

## **CENTRICA PLC**

Registered office:

Millstream

Maidenhead Road

Windsor

Berkshire

SL4 5GD

Company registered  
in England and Wales

No. 3033654

**[centrica.com/peopleandplanet](https://centrica.com/peopleandplanet)**

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