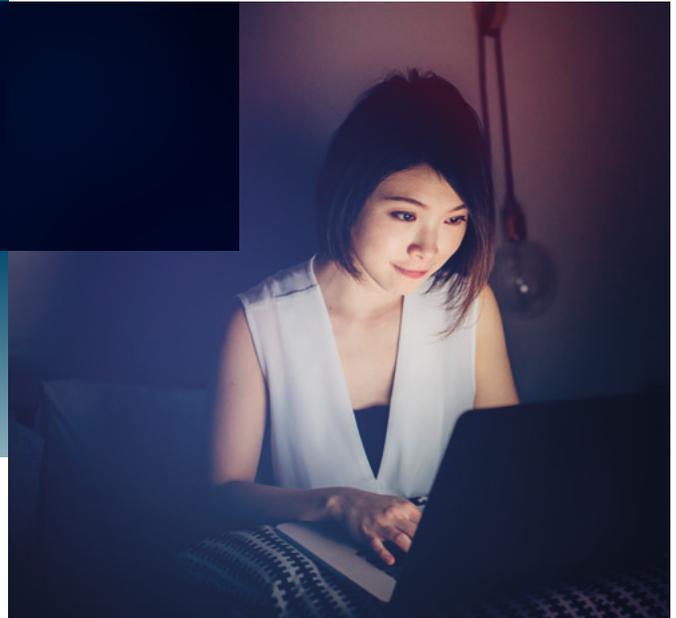


Demonstrating the next phase of our customer-focused strategy

We are transforming our offerings and services through technology and innovation to deliver for the changing needs of our customers and long-term shareholder value.



At Centrica, we are now in the second phase of our transition into a customer-facing, international energy and services company. This is what we set out to be when we unveiled our strategy in 2015 and we are beginning to demonstrate that transition. Our propositions and services are becoming more digitised, more decentralised and are focused on satisfying the changing needs of our customers as we help them to reduce their carbon footprint.

In the following pages, you can explore some of the case studies which demonstrate our transition and show where we have tried to make our purpose a reality in 2018. They provide key snapshots of the work we do across our three business divisions – Centrica Consumer, Centrica Business and Exploration & Production.

As we continue to refocus our business towards the customer, we're acutely conscious that advances in technology are creating new possibilities, almost by the day. So, we're undertaking a digital transformation of our business to make sure that we use technology effectively, both for the benefit of our customers and to make ourselves as efficient as possible.

Our aims in doing this are to improve customer service through innovation (there's a great example of this in our Home Warranty of America case study); to provide greater peace of mind for our customers, such as our Hive family of connected home products; to increase our operational efficiency; to improve our digital fluency – including digital skills training for every employee; to use data more effectively in creating real-time insights; and to put in place a common, robust technology foundation across the Group.

“There is clear evidence that we are starting to build momentum in our customer-facing businesses by providing the type of products and services that our customers value.”

Iain Conn
Group Chief Executive

Advances in technology are putting more choice and control in the hands of our customers. That means our relationship with them is changing. Our role now is to be more of an enabler (as with our customer Sappi, a leading international paper maker) and a partner (our work with Poole Hospital NHS Foundation Trust shows partnership in action).

Our changing role and digital transformation mean that it is essential for us to invest in the energy solutions of tomorrow and help our customers to reduce the amount of carbon they generate through new propositions and the application of advanced technology. The work of Centrica Innovations, our start-up investment arm, in developing an electric vehicle charging system – showcased opposite – is one example of how we are doing this.

We work in a very challenging market. But this is also a very exciting time of change for the energy sector. Our people are inspired and motivated by the new possibilities for serving our customers better. Our colleagues' care and commitment for our customers is demonstrated by how they went the extra mile during the 'Beast from the East'.

Investing in tomorrow's energy solutions for our customers

As technology plays an increasingly important role in meeting the needs of our customers, Centrica Innovations is incubating the new ideas which will become a part of their everyday lives. Centrica Innovations is backing an electric vehicle charging system which is already being used by 200,000 drivers around the world.

Electric vehicles (EV) are the future of road transport and are expected to account for one fifth of all new car sales by 2030. So, it's vital to create the networks and power infrastructure for drivers to recharge their vehicles conveniently – as important as petrol stations are for the cars and vans of today.

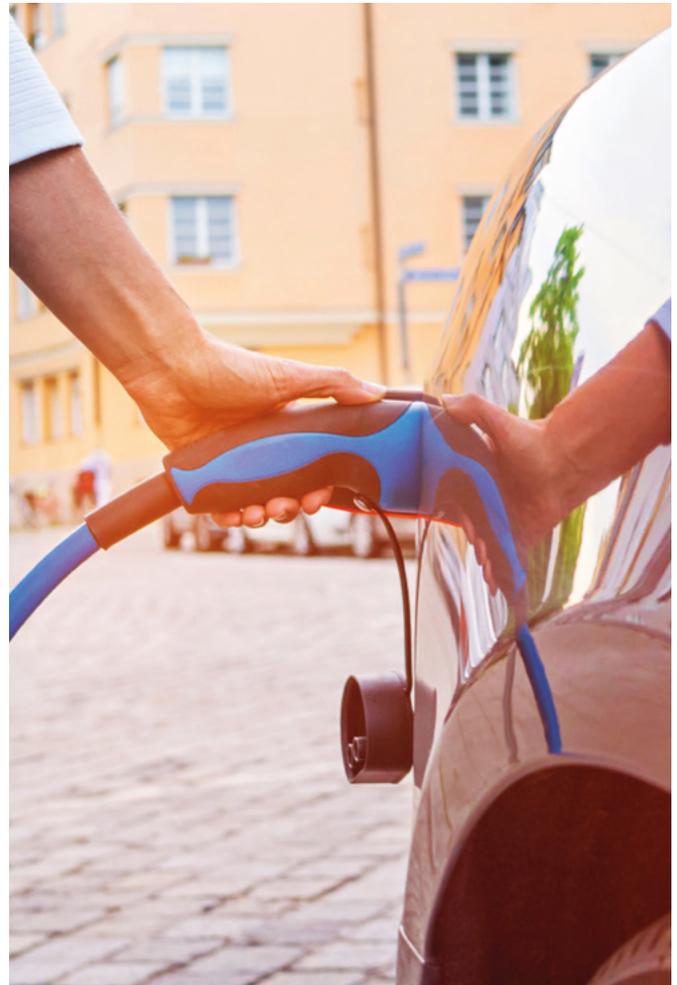
We see this as a potentially profitable area, and that's one of the reasons why Centrica Innovations (CI), our investment arm which specialises in incubating start-ups and innovative solutions, has invested in Driivz, a business which has developed world-class software for managing EV charging systems.

By combining Centrica's ability to install and manage charging networks with the state-of-the-art Driivz software, we can now provide our customers with one of the most effective, end-to-end vehicle charging solutions on the market. We plan to make it even stronger by integrating some of our existing capabilities in system monitoring and power load management with the Driivz system.

“The electric vehicle market is accelerating and Driivz gives us a powerful software tool to manage, operate and maintain charging infrastructure. By incorporating some of our other distributed energy technologies, we will be able to offer one of the most comprehensive charging solutions in the market.”

Charles Cameron
Director of Technology & Engineering, Centrica

 **Find out more on Driivz**
centrica.com/driivzinvestment



200,000

vehicles already using
the Driivz system

20%

EV share of new car
sales by 2030