

How we engage with key stakeholders



Stakeholder group	How we engage	Stakeholder priority issues	Our response
Customers	<ul style="list-style-type: none"> - Direct feedback through daily interactions with customers via call centres, websites and social media - Formal customer panels through our Customer Board and Business Engagement Panel - Focus groups, workshops and interviews - Surveys and online forums 	<ul style="list-style-type: none"> - Energy prices and affordability - Profitability - Improve customer service - Transparency of tariffs and bills 	<p>While we had to increase UK residential energy prices to ensure profitability and Centrica's ability to continue to secure energy supplies, we were the first energy company to reduce prices following changes proposed to ECO in December 2013.</p> <p>British Gas invested in IT systems that will give customers a better service in the long-term and enhanced our mobile apps to give customers better access to their accounts (see CR update).</p> <p>In the UK, we now offer four distinct tariffs all with a fixed standing charge and single unit rate that are clearly shown on customers' bills.</p>
Government	<ul style="list-style-type: none"> - Consultation responses - Direct engagements with government and regulator representatives - Engagement with politicians 	<ul style="list-style-type: none"> - Electricity Market Reform - Securing gas supplies for the UK - Competitive retail markets - Affordability - Energy efficiency in homes and businesses 	<p>We engaged closely with Government and parliamentarians in the UK on key policies relating to our upstream business such as boosting the UK power sector, onshore and offshore gas production and securing gas supplies from overseas. Downstream, we highlighted the benefits of competitive markets, demonstrated the makeup of customers' bills and how best to deliver energy efficiency to consumers in the UK.</p> <p>Across our North American markets, we encouraged regulators and legislators to expand competitive markets and support smart meter deployment. In Texas, we continued to advocate for the benefits of demand response and time-of-use products as a solution to resource adequacy challenges in the state.</p>
Investors including SRIs	<ul style="list-style-type: none"> - Direct engagements - Investor seminars - Multi-stakeholder workshops - Performance and strategy briefings 	<ul style="list-style-type: none"> - Financial performance - Risk of price controls and political intervention in the UK energy market - Public concern around energy prices - Environmental risks and community relations for upstream operations 	<p>As part of our ongoing shareholder engagement and financial reporting, we brief investors about our engagement with government and regulators on key issues. In the UK these include price control, which we believe is not the answer in a competitive market, changes to environmental and social policies together with their impact on bills, market reform and competition.</p> <p>We also held a round table for investors on natural gas from shale including how we and our partners manage any potential social and environmental impacts.</p> <p>See our 2013 Annual Report and Accounts.</p>
Employees	<ul style="list-style-type: none"> - One-on-one discussions with line managers - Training, focus groups and workshops - In house social media platforms - 2013 Group-wide employee survey 	<ul style="list-style-type: none"> - Development and career progression - Taking action from the employee survey - Reward and recognition 	<p>Our overall engagement score improved to 4.81 out of 6. We are putting in place plans that respond to employee feedback and will further help us improve our performance.</p> <p>British Gas invested £17.7m to deliver around 69,000 training days to engineers and in Direct Energy 389 employees took part in programmes to develop current and emerging leaders.</p>

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NGOs	<ul style="list-style-type: none"> - Direct engagements including during planning consultations - Strategic partnerships - Stakeholder workshops - External panel, CR Advisory Group, set up in 2011 	<ul style="list-style-type: none"> - Transition to low carbon and renewable energy - Support customers to reduce energy consumption - Fuel poverty and vulnerability - Fair and transparent pricing 	<p>Our Lincs offshore wind farm became fully operational. Because wind power is intermittent, gas-fired power stations - which can be turned on and off quickly - will remain an important part of the fuel mix.</p> <p>The products we installed in UK homes since 2010 equates to taking 668,000 cars off the road. We have installed 1.3m smart meters in the UK since 2009, which give customers greater awareness and control over their energy usage.</p> <p>We continued to support more vulnerable customers than any other energy supplier in the UK. In North America we donated US\$600,000 (£365,510) through the Neighbor-to-Neighbor bill assistance programme.</p>
Suppliers	<ul style="list-style-type: none"> - One-on-one discussions, account reviews and site visits - CR supplier assessments - Supplier forums and collaborative initiatives - 'Voice of the Supplier' survey 	<ul style="list-style-type: none"> - Supplier relationship management - Increased collaboration and innovation with suppliers - Supplier incentives for high CR performance 	<p>We sought the views of our strategic suppliers through our 'Voice of the Supplier' survey. We are responding to their feedback directly and agreeing action plans on key improvement areas.</p> <p>We held two supplier forums to share our vision and challenges as well as best practices on responsible procurement.</p>
Communities	<ul style="list-style-type: none"> - Regular and ad hoc meetings with charities and local community partners - Public consultations - Employee volunteering 	<ul style="list-style-type: none"> - Minimising local impact of our operations - Community investment - Skills and employment 	<p>Group Operating Principles have been developed for onshore gas exploration and extraction, which provide a framework for protecting local communities and the environment where we or our partners operate.</p> <p>In 2013, we contributed £392.4m to local communities, charities and customers to tackle social and environmental issues. Of this, over £380m went to supporting 1.8m vulnerable households in the UK through mandatory programmes. We also provided over 1,200 apprenticeships across the business.</p>
Trade unions	<p>Formal consultation, national quarterly meetings and regular local meetings</p> <p>Informal regular and ad-hoc meetings</p> <p>Informing local representatives about matters that affect their members</p>	<p>Annual pay negotiations and collective bargaining</p> <p>Call centre working conditions</p>	<p>We have engaged with trade unions on collective pay agreements: In North America we filed for conciliation with UNIFOR following reluctance from the union to enter dialogue; a strong partnership approach with trade unions in the UK enabled both pay negotiations and a number of restructures to be delivered successfully.</p> <p>British Gas became the first employer to sign up to the UNISON Contact Centre Charter which establishes a set of standards for the working environment for contact centre employees.</p>