

Our Responsible Business Ambitions 2019

Helping you run your world in ever more sustainable ways



AMBITION
2030

centrica

Delivering our Responsible Business Ambitions

Energy is at the heart of homes, businesses and communities and has huge potential to contribute to a more sustainable world.

That's why in 2019, we introduced our 2030 Responsible Business Ambitions ⁽¹⁾ – 15 global goals which set out Centrica's commitment to help our customers run their world in ever more sustainable ways.

Our 2030 Ambitions support the United Nations Sustainable Development Goals and address some of the most challenging issues facing society, in areas where we can have the biggest impact. This includes tackling climate change, driving innovation to make our customers' lives easier, building a more skilled and inclusive workforce and making communities stronger.

Accelerating our climate change Ambitions as part of our focus to enable a lower carbon future and be net zero by 2050, has been a key priority. We've helped our customers reduce their emissions by almost 4% which is equivalent to the annual emissions of 900,000 UK homes, and we've cut our internal carbon footprint by 39% since 2015. Through this action and more, we're proud to have been recognised by CDP as a world leader on climate action and disclosure.

We're heartened to see the progress we've made in our first year, but know there's so much more to do. We have a long journey ahead but by working closely with our customers and partners, we're confident that we will maximise our positive impact and help create a more sustainable world. In doing so, we'll also realise our strategy to satisfy the changing needs of our customers and enable the transition to a lower carbon future.

 Explore more about our Ambitions and Foundations at centrica.com/sustainability

⁽¹⁾ This footnote and other footnotes are available on the back cover.

Our 2030 Responsible Business Ambitions

Helping you run your world in ever more sustainable ways

<p>Our Ambition for Customers Delivering for our customers</p>  <p>9 INDUSTRY, INNOVATION AND INFRASTRUCTURE</p>	<p>Our Ambition for Climate Change Enabling the transition to a lower carbon future</p>  <p>7 AFFORDABLE AND CLEAN ENERGY</p>	<p>Our Ambition for Colleagues Building the workforce of the future</p>  <p>5 GENDER EQUALITY</p>
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Our year in numbers



'A-grade' recognition

as a world leader for action and disclosure on climate change by CDP, the gold standard of corporate environmental transparency

22 innovations

delivered to make our customers' lives easier and more sustainable

17,200 charging points

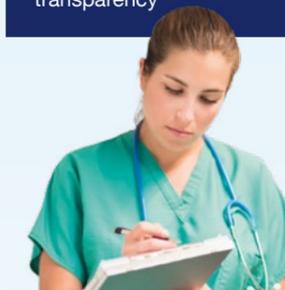
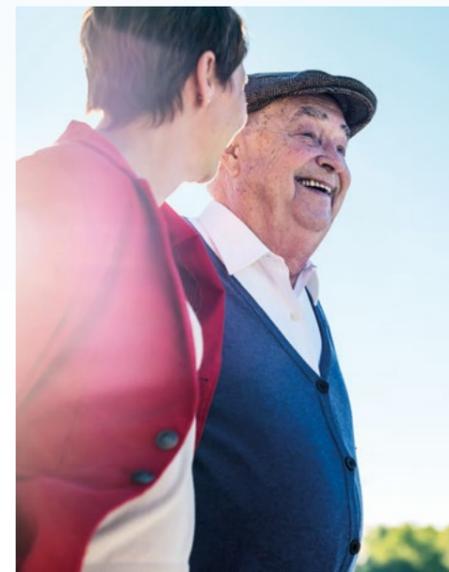
for electric vehicles installed since 2013

Award winners

Working Families' Best for Carers and Eldercare Award and OUTstanding LGBT+ Role Model Lists

Six weeks paid carers' leave policy

introduced to help carers better balance work with caring for loved ones



90 hospitals

using our solutions to save energy, enabling more money to be redirected towards patient care



3.9% reduction

in customer emissions via our services and solutions – equivalent to the annual emissions of 900k UK homes



EV100

joined to accelerate the transition to electric vehicles and electrify our 12,500-strong fleet by 2030

£27.6m

generated for communities through new and distributed energy technologies

Campaign for carers

advocating for the UK Government to introduce statutory carers leave

39%

reduction in internal carbon footprint since 2015



Parker Review

target exceeded to have at least one director of colour on the Board by 2021



11GW

renewable power under management – enough capacity to power 7.5m UK homes



Our Ambition for Customers

Delivering for our customers

Through the latest innovations and a commitment to service, we're making our customers' lives easier.



Why it's important

26m

Opportunity to make a real difference to our 26m customer accounts through our services and solutions

140%

Connected devices are expected to increase to 50bn in 2022 from 2018 levels ⁽²⁾

77%

People who say inefficient customer experiences detract from their quality of life ⁽³⁾

Deliver solutions to make our customers' lives easier

2030 Ambitions	2019 Progress (Year 1)
Help customers understand and manage their energy better	10 Innovations delivered
Give customers peace of mind through tailored propositions and connected technologies	6 Innovations delivered
Develop solutions to help our customers run their worlds	6 Innovations delivered

Key: Progress against Ambitions On track Behind

During 2019, we delivered 22 innovations across our goal areas to transform the way we live, work and move.

As part of this, we:

- signed one of the UK's largest combined green energy contracts supplying over 4,500 Catholic schools and churches;
- developed innovative technologies through our £100 million Centrica Innovations fund which includes investment in Mixergy. Mixergy is a smart hot water system that only heats the amount of water required by adjusting to household routines while storing excess renewable energy from the grid. This improves flexibility and reduces energy use from heat losses by up to 40% a year; and
- introduced and sold 100,000 Hive Radiator Valves which help customers manage the temperature in individual rooms to save energy and improve comfort.

We additionally rolled out existing services and solutions that make our customers' lives easier and more sustainable. Around 1.8 million customers now use Hive connected home products that can be controlled with just a tap on the app – from smart thermostats, plugs, lights and cameras, to contact and motion sensors. Our leadership of the UK's smart meter roll-out was also maintained, with cumulative installs totalling over 7.7 million across homes and businesses, improving bill accuracy and energy management.

“ We bought originally three and then another five... no longer do we have either hot or cold spots within the house as the heating is more even and we only heat rooms which we use at certain times of the day.”

Richard Southgate gave his Hive Radiator Valves a 5-star rating on Trustpilot

Satisfy our customers with excellent service

2030 Ambition	2019 Progress (Year 1)
Make it simpler for people to deal with us in ways that work for them	49% Customers using online account management

Our customers want and deserve a better service. One of the ways we're doing this is through the transformation of our customers' digital experience. We're creating smoother customer journeys, transforming our IT stack to become more flexible and embedding machine-learning automation alongside improved apps. We've also multi-skilled call centre agents in the UK, which has led to first-time resolution rates increasing to 81%.

Actions like these have improved customer satisfaction and resulted in our aggregated net promoter score rising by 5.1 points to +15.1.

Case study

Putting customers at the heart of our digital transformation in the UK

Our customers increasingly want to go online to complete day-to-day tasks and we're trying to make that experience as simple as possible. That's why we've embarked on an ambitious digital transformation programme, identifying customer 'pain points' and creating new online ways of tackling them.

We have three priorities: to ensure that customers can complete 100% of their account management actions online (e.g. a meter reading); to make it easy and simple with fewer steps; and to ensure our online services can be used effectively on any device.

The result has been a faster, slicker website and app offering improved customer experience. For example, we:

- built an entirely new app which has now been downloaded 1.3 million times and rates as 'standout' by the Energy Saving Trust;
- introduced 'Book, Track & Manage' to allow customers to book and monitor British Gas engineer appointments online; and
- enhanced the Hive app with a new 'Heating Offline Troubleshooting' feature which uses simple and interactive visual prompts to help customers regain connection between their boiler, smart thermostat and heating app.

2.9m

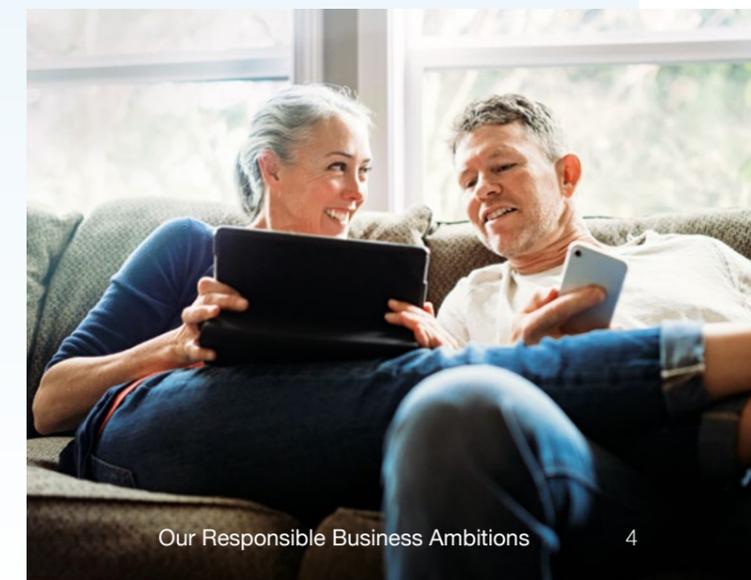
Fewer calls to British Gas contact centres as customers found it easier to deal with us online

58%

Increase in the number of breakdown appointments booked online

“ Our digital transformation programme is focused on delivering simple and easy-to-use customer journeys.”

Sarwjit Sambhi, Chief Executive, Centrica Consumer





Our Ambition for Climate Change

Enabling the transition to a lower carbon future

We're helping to shape a low carbon future by enabling our customers, the energy system and our business to manage energy more sustainably.



Why it's important

<2°C

Global Paris Agreement to limit global warming to well below 2°C and pursue 1.5°C

Net zero

Governments in the UK and Ireland have set targets to achieve net zero by 2050

Rising CO₂

While energy emissions are in decline in the UK and US, global emissions are on the rise

Help our customers reduce emissions in line with Paris goals

2030 Ambition 2019 Progress (Year 1)

Help our customers reduce emissions by 25%, by direct (3%) and indirect action

3.9%⁽⁴⁾

Emissions reduced ▲

Key: Progress against Ambitions ▲ On track ▼ Behind

2.6mtCO₂e

Reduction in customer emissions through services and solutions we delivered in 2019, which is equivalent to the annual emissions of

900,000 UK homes

Over 90% of our carbon emissions arise from our customers, so the greatest contribution we can make to tackle climate change is to help them use energy more sustainably. In 2019, we made strong progress in this area, enabling customers to reduce their emissions by 3.9%.

For example, we:

- continued to grow the infrastructure for a low carbon transport system, having installed over 17,200 electric vehicle (EV) charging points since 2013. We also joined forces with Ford, Volkswagen and other leading car manufacturers to deliver charging installations and energy tariffs at scale; and
- partnered with Budweiser Canada to provide 100% certified renewable power to brew beer from zero carbon sources.

In 2020, British Gas also launched its new 'Green Future' renewable energy tariff. Developed with sustainability experts, Climate Care, it's one of the greenest tariffs on the market offering customers green gas and renewable electricity.



Rated 'A' for world leadership in action and disclosure on climate change by CDP

EV 100

by THE CLIMATE GROUP

Joined EV100 which commits us to accelerate the transition to EV's and electrify our 12,500-strong fleet by 2030



Became signatories of the Task Force on Climate-related Financial Disclosures, ensuring continuous improvement on reporting and management of climate change impact

Enable a decarbonised energy system

2030 Ambition 2019 Progress (Year 1)

Deliver 7GW of flexible, distributed and low carbon technologies as well as provide system access and optimisation services

2.7GW[†]

Flexible, distributed and low carbon capacity ▲

We're helping create a cleaner energy system by pioneering solutions that enhance grid flexibility, support renewables and reduce reliance on fossil fuels. In line with plans during 2019, we delivered 2.7GW[†] of flexible, distributed and low carbon technology – enough capacity to directly charge around 400,000 electric vehicles simultaneously. This was largely achieved through growth in delivery of combined, heat and power (CHP) units in the UK and solar in North America. It also included our agreement with Tokyo Electric Power Company, to use our demand response platform to meet industrial demand more flexibly when the grid is under pressure, which avoids the need to turn on additional generation from fossil fuels.

We additionally provided a route-to-market for renewables with 11GW under management. To further this, we have entered into a long-term Power Purchase Agreement for Intersect Power's Athos Solar I 250MW project, generating clean energy for around 70,000 homes in North America.

Reduce our own emissions in line with Paris goals

2030 Ambition 2019 Progress (Year 4)

Be net zero by 2050 and communicate our pathway to it by 2030

55,145tCO₂e[†]

Internal carbon footprint ▲

Since 2015, we've been repositioning our business away from centralised power generation and oil and gas production, towards providing services and solutions that help our customers run their world in ever more sustainable ways. While we now produce over 80% less carbon than we did a decade ago, our total carbon emissions rose by 31% in 2019 due to increased generation from our upstream assets. As we complete our strategic transformation and deliver our intention to exit oil and gas production by the end of 2020, we fully expect our total carbon emissions to reduce again.

During 2019, our internal carbon footprint of our property, fleet and travel declined by 39% against our 35% reduction target for 2015–25. The reduction was achieved through low carbon fleet initiatives like installing GPS and 'right sizing' vehicles to smaller and more efficient models, delivering property efficiencies across lighting, heating and cooling systems, alongside savings arising from the restructuring of our business.



“ We welcome Centrica's progress in setting targets to reduce customer emissions and developing a path to net zero. We look forward to continuing our engagement on its analysis of resilience to low carbon scenarios and its vision of, and role in, a low carbon future.”

Andy Jones, EOS at Federated Hermes, Co-lead for Centrica under Climate Action 100+

Our Net Zero Heroes

We're in homes, businesses and communities every day to help people manage their energy more sustainably. While we've got a long way to go to get to net zero by 2050, we wanted you to meet some of our Net Zero Heroes and see how together, we're working towards a lower carbon future.



“If everybody can do their little bit, then we'd make a major impact.”

Suzanne

Pioneering local energy markets

Suzanne's participating in the £19 million ⁽⁵⁾ Cornwall Local Energy Market trial, which tests how flexible and smart energy solutions can create a cleaner future for the UK.

Suzanne has had solar panels, battery storage and Hive smart home technologies installed. On sunny days, her solar panels can generate enough energy to fully power her home. And when the sun isn't shining, her battery unit allows her to draw on the renewable energy she's stored, with any remaining energy automatically sold back to the grid via a virtual marketplace enabled by blockchain technology.

Suzanne has been able to cut her reliance on the grid by nearly 50% while ensuring more low carbon energy is available for others to use.

➔ Read more about the trial on page 11

200+ Homes and businesses taking part in the trial

Delivering 100% renewable energy

Sprint, a leading telecommunications company in the US state of Virginia, is seizing the opportunity to take up renewable energy.

Sprint is a sustainability trailblazer in Virginia and following their commitment to become carbon neutral, they've signed a deal with us to serve all of their 800 locations with 100% renewable energy. From retail sites to cell phone towers, the facilities typically use more than 88,000MWh a year so switching to renewables will save over 30,000 tonnes of carbon.

This deal was made possible through our political and regulatory engagement to open-up competition in Virginia's electricity market. We're now helping hundreds of new customers, who like Sprint, want to fulfil their low carbon commitments at a competitive price.

200+ New customers signed up

“Working with Direct Energy allows us to be a leader on renewable energy in Virginia, and work towards attaining carbon neutrality by 2025.”

Chas Peterson, Head of Sprint Procurement and Supply Chain



Creating more sustainable homes

Jag is a father of two in Leeds and after getting a smart meter installed, he was inspired to reduce his family's energy use even further.

After cutting energy consumption via his smart meter, Jag's next step was to get solar panels to give him greener energy and lower bills. He then upgraded to LED bulbs which consumes at least 75% less energy compared to incandescent bulbs.

And finally, Jag installed Hive's smart products throughout the home. In doing so, he can control his heating, lighting, plugs and more, straight from his phone which helps him stay on top of his energy use. For example, customers with the Hive smart thermostat which is the UK's leading smart thermostat, never have to heat an empty home and can save £120 a year.

Jag continues to be on the lookout for new ways to cut his energy usage.

➔ Read more about Hive on page 3 - 4

20% Carbon emissions from heating that can be saved by using the Hive smart thermostat



“My family are reducing their carbon footprint, which is good for me and good for the world.”

Jag

A pathway to net zero



Climate change is the greatest threat facing society. If we are to achieve net zero by 2050, we need to work with governments, regulators and legislators, to ensure we have the right policies in place to decarbonise energy. That's why we've set out key policy recommendations to support a pathway to net zero.

➔ Explore more at centrica.com/netzeropolicy

“It makes me proud that our company's going with electric vehicles. Everyone's got to make a difference and we need to lead by example.”

Aran, British Gas Engineer



Driving down travel emissions

While British Gas engineer, Aran, is here to help customers solve their energy problems, he's also helping tackle climate change by driving an electric vehicle.

We've committed to electrify our 12,500-strong fleet by 2030, having already racked up over a million electric miles from engineers like Aran, who were one of our early electric vehicle (EV) adopters.

In addition to using EV's to cut our own footprint, we're helping others do the same by enabling the EV revolution. We've partnered with global manufacturers like Ford and Volkswagen, to offer new charging installations and tariffs at scale, while collaborating with organisations like the NCP to help provide more convenient public charging spaces. Businesses have also been encouraged to switch their fleet to EVs with the support of our suite of energy solutions, alongside our 100% renewable tariff certified by the Carbon Trust.

17,200 Electric vehicle charge points we've installed since 2013



Our Ambition for Colleagues

Building the workforce of the future

We're developing vital skills and a more inclusive workforce to ensure we deliver for our customers.



Why it's important

STEM skills shortage

Younger generations are not pursuing STEM careers and only a quarter of roles in the UK and US are held by women ⁽⁶⁾

+20%

Diverse companies out perform non-diverse companies ⁽⁷⁾

1 in 7

UK's workforce who are unpaid carers ⁽⁸⁾

Empower people with future skills

2030 Ambition 2019 Progress (Year 1)

Inspire and develop 100,000 people with essential STEM skills

11,409 ⁽⁹⁾ People

Key: Progress against Ambitions On track Behind

We're developing essential STEM (Science, Technology, Engineering and Maths) skills to deliver for our customers. In 2019, we continued to grow the electric vehicle infrastructure by cross-training a hundred of our engineers to install charging points and we'll ramp up training in this area in 2020. Colleagues also advanced their capabilities by completing courses on a range of topics, including digital and leadership, through specialist Learning Academies, apprenticeships and the Career Development Hub. On top of this, mentoring has empowered colleagues to amplify their personal and professional development – from in-house reverse mentoring that pairs early career entrants with experienced colleagues, to cross-sector mentoring via the 30% Club.



Awarded Working Families' Best in Care and Eldercare Award



Leaders ranked in OUTstanding LGBT+ Role Model Lists



Members of The Valuable 500 to champion disability inclusion

Build a more inclusive workplace

2030 Ambitions 2019 Progress (Year 1)

Attract and develop more women into STEM with 40% of STEM recruits to be female

17%

Female STEM recruits

Aspire for senior leadership to reflect the full diversity of our labour markets

29%

Senior gender diversity

10%

Senior ethnic diversity

Help one million carers stay in or return to work via active promotion of carer-positive policies

1,000

Carers supported

Having a diverse workforce that reflects our communities is key to satisfying the changing needs of our customers and enabling a lower carbon future. That's why we are passionate about creating an inclusive workplace where everyone feels motivated and able to reach their full potential.

Towards this in 2019, we:

- launched an ethnicity employee network and continued to be a signatory of Business in the Community's (BITC's) Race at Work Charter to help breakdown barriers to progression;
- sought to inspire the next generation of young girls to explore a career in STEM by working with the Royal Academy of Engineering to tackle gender stereotypes and showcase strong female role models that demonstrate how exciting a career in energy can be;
- rolled out unconscious bias training with interactive workshops for leadership and made further training available to employees; and
- set a new standard for supporting carers in the workplace (see case study).

Despite our efforts, progress against some Ambitions were impacted by business transformation so we hope to make greater progress next year.

Case study

Campaigning for a better future for carers

There are over 6.5 million unpaid carers in the UK which includes our customers and colleagues. While caring for a loved one can be hugely rewarding, it can also be incredibly demanding, and has led to a third of carers having to give up work. People shouldn't have to choose between working and caring – that's why we're working in partnership with Carers UK to ensure that every carer feels recognised, valued and supported.

So, what have we done?

Strengthened our carer-friendly culture

We extended our world-class paid carers leave allowance to up to six weeks in total when matched with annual leave, and continued to enable employees to access support via our 1,000-strong Carers Network and 150-strong Mental Health First Aiders.

Shared best practice with peers

Our leaders wrote to the UK's largest employers, hosted peer learning forums and launched a Carers Brochure to share best practice while encouraging the business community to increase support for working carers.

Campaigned for change

Together, we are advocating for the introduction of statutory carers' leave in the UK which is now on the agenda for the UK Government's future legislative programme and will help millions of carers nationwide. Awareness was also raised of the support carers need with our award-winning 'Share That You Care' film which played in cinemas across the UK.



“We're really proud of what we've achieved this year and look forward to continuing to work with Centrica, to ensure every carer receives the support they need and deserve.”

Helen Walker, Chief Executive, Carers UK



Our Ambition for Communities

Creating stronger communities

By offering our knowledge and expertise, we're empowering communities to take control of their energy and tackle pressing social issues.



Why it's important

£980m

Potential annual energy savings if just 50% of the UK's Industry, Healthcare and Hospitality & Leisure sectors took up distributed energy solutions ⁽¹⁰⁾

**'No experience—
No job'**

Millions of people are prevented from getting on the career ladder, fuelling youth unemployment and the skills shortage

27,000

Our workforce of 27,000 people have the opportunity to volunteer two days a year, sharing and developing vital skills to help good causes

Apply new energy technologies to drive positive change

2030 Ambitions	2019 Progress (Year 1)
Deliver £5bn of value for communities through new and distributed energy technologies	£27.6m Value for communities ▲
Deliver £300m in energy efficiency savings to public and essential services	£2.5m Savings for public and essential services ▲

Key: Progress against Ambitions ▲ On track ▼ Behind

Our services and solutions help communities increase their energy resilience, reduce their environmental impact and unlock financial savings that can be used to build a more productive and prosperous economy for all.

Towards this in 2019, we:

- enabled money from energy savings to be redirected towards patient care by cumulatively installing distributed energy solutions at 90 hospitals globally while working with over 1,300 NHS providers in the UK;
- helped the New York City Housing Authority ensure energy resilience with a package of operation and maintenance, demand response and remote monitoring controls using our PowerRadar™ energy insight and analytics technology; and
- rolled-out technologies like solar and battery storage in over 200 UK homes and businesses as part of the Cornwall Local Energy Market trial. The trial will test how flexible demand, generation and storage can support the grid during peak times, help stimulate the growth of renewables and create opportunities to reduce energy bills.

Case study

Saving energy to boost healthcare resources in Devon

The Royal Devon and Exeter NHS Foundation Trust provides healthcare services to nearly half a million people. Understandably, they want to spend their resources on caring for people rather than paying for energy while achieving their broader sustainability goals.

To help them do that, we're undertaking a £7 million project to install state-of-the-art energy technology at five healthcare sites. This includes a 1.5MW combined heat and power (CHP) unit at Wonford Hospital to generate electricity onsite alongside roof mounted solar panels, LED light fittings, air conditioning upgrades and new energy efficient boilers.

2,200tCO₂e

Annual emissions saved

1,450 vehicles

Equivalent to taking this number of cars off the road



“ This initiative with Centrica is a major part of our approach to reduce the amount of money we spend on energy and utilities, releasing more funds to invest in frontline patient care and other vital functions.”

Robert Steele, Deputy Director of Strategic Capital Planning, Royal Devon & Exeter NHS Foundation Trust

£800,000

Annual savings

Collaborate across sectors to improve local communities

2030 Ambitions	2019 Progress (Year 1)
Encourage our people to share their skills by volunteering over 100,000 days	2,452 Volunteering days ▼
Deliver 2,500 skills development opportunities for young people not in education or employment	362 Young people ▲

We tackle issues our communities and business care passionately about. We invested £167 million in total community contributions ⁽¹¹⁾ during 2019 which includes donations to our flagship charity partners to make life better for carers with Carers UK, help end family homelessness with Focus Ireland and improve the lives of children and their families via the Children's Miracle Network Hospitals in North America. We additionally empowered over 360 young, unemployed people to gain workplace skills through Movement to Work. This brings the overall number of young people helped through the scheme to 1,800 since 2014.

Despite all employees having up to two days paid leave to volunteer, our volunteering days reduced by almost 50% compared to 2018 with participation impacted by the reorganisation of our business.

“ Volunteering to help fight homelessness has been extremely rewarding. It's inspired me to continue to keep using my skills to give back to people in need.”

Lauren Retig, Digital Communications Executive at our Bord Gáis Energy business

£6m

Contributions we've enabled over the course of our flagship charity partnerships for Carers UK, Focus Ireland and the Children's Miracle Network Hospitals

Our Responsible Business Ambitions Scorecard

Progress against our 2030 Responsible Business Ambitions

Our Ambition for Customers: Delivering for our customers

2030 Ambitions	2022 Milestone	2019 (Year 1 Progress)	Status
Help customers understand and manage their energy better	Deliver two innovations	10 innovations	▲
Give customers peace of mind through tailored propositions and connected technologies	Deliver two innovations	6 innovations	▲
Develop solutions to help our customers run their worlds	Deliver two innovations	6 innovations	▲
Make it simpler for people to deal with us in ways that work for them	Support more customers via digital channels	49% of customers using online account management	▲

Our Ambition for Climate Change: Enabling the transition to a lower carbon future

2030 Ambitions	2022 Milestone	2019 (Year 1 Progress)	Status
Help our customers reduce emissions by 25%, by direct (3%) and indirect action (baseline: 2015)	Help our customers reduce emissions by 15%, by direct (2%) and indirect action (baseline: 2015)	3.9% ⁽¹⁾	▲
Deliver 7GW of flexible, distributed and low carbon technologies as well as provide system access and optimisation services	Deliver 4GW of flexible, distributed and low carbon technologies as well as provide system access and optimisation services	2.7GW [†]	▲
Be net zero by 2050 and communicate our pathway to it by 2030	Reduce our internal carbon footprint by 35% by 2025 (baseline: 2015)	55,145tCO ₂ e [†] (39% reduction against baseline)	▲

(1) Direct savings only. We intend to enhance our understanding and disclosure of indirect customer carbon savings relating to decarbonising the energy system and advocating for cleaner energy policies. Read how we are advocating for cleaner energy policies on pages 7 - 8.

† Included in PwC's limited assurance engagement. See centrica.com/assurance for more details.

Our Ambition for Colleagues: Building the workforce of the future

2030 Ambitions	2022 Milestone	2019 (Year 1 Progress)	Status
Inspire and develop 100,000 people with essential STEM (Science, Technology, Engineering and Maths) skills	Inspire and develop 35,000 people with essential STEM skills	11,409 people ⁽²⁾	▲
Attract and develop more women into STEM with 40% of STEM recruits to be female	Attract and develop more women into STEM with 25% of STEM recruits to be female	17%	▼
Aspire for senior leadership to reflect the full diversity of our labour markets	Aspire for 33% female and 10% ethnic minority representation in senior leadership	29% female 10% ethnic minority ⁽³⁾	▼
Help one million carers stay in or return to work via active promotion of carer-positive policies	Actively promote carer-positive policies to help carers stay in or return to work	1,000 carers	▲

(2) May involve double counting if someone has undertaken more than one STEM activity.

(3) Based on 63% of employees who voluntarily disclosed that they are from a Black, Asian, Mixed/Multiple or other ethnic group across the UK and North America, which constitutes the majority of our workforce.

Our Ambition for Communities: Creating stronger communities

2030 Ambitions	2022 Milestone	2019 (Year 1 Progress)	Status
Deliver £5 billion of value for communities through new and distributed energy technologies	Deliver £0.5 billion of value for communities through new and distributed energy technologies	£27.6 million	▲
Deliver £300 million in energy efficiency savings to public and essential services	Deliver £30 million in energy efficiency savings to public and essential services	£2.5 million	▲
Encourage our people to share their skills by volunteering over 100,000 days	Encourage our people to share their skills by volunteering over 20,000 days	2,452 days	▼
Deliver 2,500 skills development opportunities for young people not in education or employment	Deliver 700 skills development opportunities for young people not in education or employment	362 young people	▲

Explore our wider foundational reporting together with over 100 metrics in our online data centre at centrica.com/datacentre

Key: Progress against Ambitions
▲ On track ▼ Behind

Our contribution to the Sustainable Development Goals

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

At Centrica, we're committed to creating a more sustainable world and supporting the SDGs – whether that's by tackling climate change or helping address important social issues. While we contribute to many of the 17 SDGs through our activities, our 2030 Responsible Business Ambitions make a meaningful contribution to four lead SDGs alongside a number of supporting Goals.

Our Ambition for Customers

Lead SDG:



Supporting SDGs:



Why these SDGs are important to us

Everything we do is focused on providing energy services and solutions that satisfy the changing needs of our customers and enable a lower carbon future. With this focus, we have a huge opportunity to use our skills and capabilities to help our 26 million customer accounts run their world in ever more sustainable ways. Underpinning all of this, is our commitment to innovate new offerings and enable energy infrastructure.

2019 examples of how we supported them

- Developed customer offerings that transform the way our customers live, work and move via our £100 million Centrica Innovations fund – from investment in a smart hot water system to electric vehicle solutions
- Progressed the infrastructure for a low carbon transport system by installing over 17,200 electric vehicle charging points since 2013
- Delivered 22 innovations to make our customers' lives easier and more sustainable

Read more on pages 3 – 4

Our Ambition for Climate Change

Lead SDG:



Supporting SDGs:



Climate change is the greatest threat facing society. We're well-placed to reduce energy's impact on the climate and contribute to national and international targets by helping our customers, the energy system and our business to manage energy more sustainably – from providing energy efficiency and green power to homes and businesses, to delivering flexible, distributed and low carbon technologies that create a cleaner energy system.

- Helped customers reduce their carbon emissions by 3.9% through our services and solutions – equivalent to the annual emissions of around 900,000 UK homes
- Delivered 2.7GW of flexible, distributed and low carbon capacity and enabled a further 11GW of renewable power under management
- Ranked 'A' for being a world leader on action and disclosure on climate change by CDP

Read more on pages 5 – 8

Our Ambition for Colleagues

Lead SDG:



Supporting SDGs:



Building a diverse and inclusive workforce that reflects society, is key to satisfying the changing needs of our customers and enabling a lower carbon future. That's why we want to ensure everyone has an equal opportunity to progress their careers, with a particular focus on gender and ethnicity. We foster a more inclusive culture in a number of ways including enhancing best practice policies and targeting skills development.

- Enhanced our world-class carers policy to provide up to six weeks paid leave and campaigned for the UK government to introduce statutory carers leave
- Exceeded the UK Government's Parker Review target to have at least one director of colour on the Board by 2021
- Encouraged girls to explore a career in STEM by working with the Royal Academy of Engineering to showcase strong female role models

Read more on pages 9 – 10

Our Ambition for Communities

Lead SDG:



Supporting SDGs:



Our scale and skills can help create stronger communities. We're giving energy resilience, reduce environmental impact and unlock financial savings that can be used to build a more productive and prosperous economy. And together, we're tackling enduring social issues which include reducing unemployment and skills shortages by providing decent work, training and volunteering.

- Provided distributed energy solutions to 90 hospitals, reducing carbon emissions and unlocking funds that can be redirected towards patient care
- Helped more than 1,800 young, unemployed people gain workplace skills through Movement to Work since 2014
- Contributed £1.4m to support our flagship charity partnerships with Carers UK, Focus Ireland and the Children's Miracle Network Hospitals in North America

Read more on pages 11 – 12

Centrica plc

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centrica.com/sustainability

Footnotes

- (1) Our Ambitions are underpinned by our Responsible Business Foundations to ensure our business operates with integrity.
- (2) Juniper Research, The Internet of Things: Consumer, Industrial & Public Services 2018–2023, 2018.
- (3) Oracle Communications survey, Modern Experiences for Connected Consumers: Creating Digital Customer Engagement, 2018.
- (4) Direct savings only. We intend to enhance our understanding and disclosure of indirect customer carbon savings relating to decarbonising the energy system and advocating for cleaner energy policies.
- † Included in PwC's limited assurance engagement. See centrica.com/assurance for more details.
- (5) Part funded by European Regional Development Funds.
- (6) Science, Technology, Engineering and Maths (STEM). Wise, Campaign for Gender Balance in Science, Technology & Engineering, 2017 and Catalyst, Quick Take: Women in Science, Technology, Engineering and Mathematics, 2018.
- (7) McKinsey & Company, Delivering through diversity, 2018.
- (8) Carers UK, Juggling Work and Unpaid Care, 2019.
- (9) May involve double counting if someone has undertaken more than one STEM activity.
- (10) Centrica Business Solutions, Powering Britain, 2018. See centrica.com/economic-future for more details.
- (11) Comprises of mandatory, voluntary and charitable contributions.