



Workforce Disclosure Initiative

WDI Survey

Centrica

COMPANY DETAILS

Reporting period

Question Number	Question Text	Question Tier	Privacy setting of Answer	Scoring Information	Answer Criteria
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	Start date		Mandatory Public		0
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01 January 2020

	End date		Mandatory Public		0
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31 December 2020

1 GOVERNANCE

Governance structure and management

Question Number	Question Text	Question Tier	Privacy setting of Answer	Scoring Information	Answer Criteria
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1.1	Which workforce-related topics are subject to Board level oversight (Board members and committees), if any? Select all that apply.	F	Mandatory Public	Rule 1 (1 point)	Yes/No
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All of the following items will be selected via the online submission.

- Attracting and retaining workers - selected
- Diversity and Inclusion – selected
- Forced labour, modern slavery and Human trafficking – selected
- Gender pay equity – selected
- Grievance and whistle blowing processes - selected
- Human Resources - selected
- Human rights – selected
- Mental health in the workplace - selected
- Occupational health and safety – selected
- Responsible sourcing – selected
- Training and development – selected
- Wage levels / living wages – selected
- Worker engagement – selected
- Other

1.2	Identify the Board members and committees and/or executive management positions with governance responsibility for workforce matters in the company's direct operations and supply chains. State their remit of responsibility.	F	Mandatory Public	Rule 1 (1 point)	150 word limit
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The Board ultimately has responsibility for all workforce matters. The Board is supported in this duty by a number of Committees and forums including the Safety, Environment and Sustainability Committee (SESC) and the Centrica Leadership Team (CLT), which reviews the majority of issues set out in Q1.1 such as attracting and retaining workers, human resources, diversity and inclusion, gender pay equity, training and development, wage levels/living wages, worker engagement, forced labour/trafficking/modern slavery, human rights, mental health, occupational health and safety, responsible sourcing, grievance and whistle blowing, with the latter two also going to the Audit and Risk Committee. Meanwhile, the Nominations Committee also reviews attracting and retaining workers in senior roles to ensure strong succession planning, whilst the Remuneration Committee predominantly covers gender pay equity and wage levels/living wages.

1.3	Describe how information on workforce matters is integrated into governance processes, and how this informs company strategic planning.	F	Mandatory Public	Rule 1 (1 point)	250 word limit
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The Board has overall responsibility for the company's workforce and regularly considers issues such as culture and restructuring. To ensure good governance, members of the Board additionally sit on relevant people-focused Committees and receive minutes, actions and updates. For example in 2020, workforce issues were primarily managed through SESC meetings which typically meets three times a year, alongside the CLT which meets 11 times a year, to review strategy and performance related to workforce matters. Both the SESC and CLT will at least annually review and approve the forward business schedule comprising of key priority areas and standing items for the year, such as progress against diversity targets and engagement, which have been proposed by the Group Heads for Responsible Business, Responsible Sourcing, Talent, Resourcing, Learning and Colleague Experience amongst others, alongside the Group HR Director and the Group General Counsel and Company Secretary. The Committee receives reports from Internal Audit and Risk on the adequacy of systems to identify and manage risks and opportunities related to people, whilst tabling key areas of focus like human rights and skills with any pertinent issues including engagement and action against modern slavery, being recommended to the Board for consideration. The Board additionally receives updates from Committee Chairs on issues discussed at SECS and the Remuneration Committee amongst others. This assists the Board in overseeing issues like diversity alongside remuneration and incentive plans, whilst the Nominations Committee assists with succession planning.

Performance incentives

Question Number	Question Text	Question Tier	Privacy setting of Answer	Scoring Information	Answer Criteria
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1.4	How does the company assess and incentivise the performance of those with governance responsibility (identified at Q1.2) for workforce matters, such as those identified at Q1.1? Include relevant KPIs and weighting in compensation or remuneration schemes.	F	PUBLIC	Rule 1 (1 point)	250 word limit
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Effectiveness of governing workforce matters is tied to leaders' performance evaluations and remuneration. Effectiveness of workforce matters is monitored as a whole and can also be linked to specific KPI performance – for example in 2020, our diversity and inclusion goals as well KPIs like process safety incident frequency rate, employee engagement, Our Code compliance and whistle blowing, were overseen by the SESC, CLT and Audit and Risk Committee for latter two, senior succession planning was overseen by Nominations Committee and gender and ethnicity pay equity was overseen by the Remuneration Committee. The Board additionally reviews workforce matters like modern slavery risk and wider KPIs as needed. At least once a

year, the Committees review their performance over these issues and associated KPIs, alongside their constitution and Terms of Reference, to ensure they're operating at maximum effectiveness and annually report how they've discharged responsibilities to the Executive Committee and the Board, together with any recommended changes. The effectiveness of the Board and its members were further evaluated in 2020 via internal evaluation and supported by Independent Audit Limited, with recommendations made to ensure continuous improvement and value. The effectiveness of Board members and senior executives responsible for workforce matters are then formally taken into consideration in annual reviews which determines performance rating and bonus. In particular, the long-term incentive scheme for executives is tied to three workforce KPIs which accounts for 22% of the scheme and spans process safety incident frequency rate, total recordable injury frequency rate and employee engagement.

Delegating authority

Question Number	Question Text	Question Tier	Privacy setting of Answer	Scoring Information	Answer Criteria
1.5	How does the company organise the day-to-day management of workforce matters, including within supply chains, to delegate responsibility for managing risks to workers' rights to the relevant business functions and senior managers, and beyond?	F	PUBLIC	Rule 1 (1 point)	250 word limit

Responsibility for actioning strategic decisions agreed by the SESC, CLT, Audit and Risk Committee, Nominations Committee, Remuneration Committee and Board, are delegated to the people-focused leadership teams such as the Chief Operating Officer British Gas, Group Head of Colleague Experience, the Human Resources Director, and embedded by respective senior managers across workforce issues including risk, and subsequently cascaded to the wider team. This includes teams working across HR, Talent, Reward, Diversity and Inclusion, Learning, Development and Resourcing, Internal Communications, Procurement, Health and Safety, Responsible Business and Ethics & Compliance, to deliver positive change that can help our colleagues and business flourish. Information and activities applicable to our people are cascaded and embedded via a variety of methods. These methods can include communications from leaders on email or at events such as leader-led townhalls, news articles, online modular training, policy updates and conversations between a line manager and their team.

Human rights policy commitment

Question Number	Question Text	Question Tier	Privacy setting of Answer	Scoring Information	Answer Criteria
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1.6	Which public commitments on human rights has the company made? Select all that apply from the drop-down list.	F	Mandatory Public	Rule 3 (1 point for Yes)	Drop down list
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- A commitment to respect all internationally recognised human rights that is approved at Board level – selected
- A commitment to prohibiting, identifying, and preventing forced labour, modern slavery and human trafficking in its operations and supply chains - selected
- A commitment to provide a remedy where it has caused or contributed to adverse human rights impacts affecting/linked to its business operations and relationships - selected

1.6a	For each commitment, provide a link to or attach the relevant public documents.	F	Mandatory Public	Rule 3 (1 point for Yes)	URL/doc upload
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- Respecting human rights – [Our Code](#)
- Forced labour, modern slavery and human trafficking – [Modern Slavery Statement](#)
- Providing a remedy - [United Nations Global Compact – Communication on Progress](#)

2 RISK ASSESSMENT AND HUMAN RIGHTS DUE DILIGENCE

Human rights and due diligence

Question Number	Question Text	Question Tier	Privacy setting of Answer	Scoring Information	Answer Criteria
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2.1	Does the company conduct ongoing human rights due diligence to identify, prevent, mitigate and account for human rights risks and adverse impacts?	F	Mandatory Public	Rule 3 (1 point for Yes)	Yes/No
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Yes

2.1a	If yes, please provide more information	F	Mandatory Public	Rule 3 (1 point for Yes)	250 word limit
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We conduct ongoing human rights due diligence to identify, prevent, mitigate and account for human rights risks and adverse impacts. These processes are aligned to internationally agreed standards such as the International Labour Organisation core conventions, the UN Global Compact and the UN Guiding Principles on Business and Human Rights, spanning our direct and indirect operations across the markets in which we operate. In our direct operations, we have a low level of risk with robust policies, processes and practices in place including various HR processes to ensure the right to work alongside the right working conditions, together with training and awareness campaigns. We focus efforts in our supply chain where human rights risk is greatest and use third party sustainability platforms, alongside country and commodity risk rating tools, to undertake due diligence during onboarding and subsequent evaluations. If a supplier is flagged as higher risk, we'll evaluate the issue further by undertaking a site inspection or remote worker surveys, to ensure we've a better understanding. As necessary, due diligence findings are always shared with relevant personnel to determine appropriate action - whether that's working with suppliers to create action plans to raise standards or terminating our relationship and reporting the abuse. Depending on the findings, Procurement may also flag higher risks with relevant risk teams and commercial leaders including up to the Board. We also work with organisations like Solar Energy UK to share and develop due diligence.

More information is in our [Modern Slavery Statement](#).

Risks and Opportunities

Question Number	Question Text	Question Tier	Privacy setting of Answer	Scoring Information	Answer Criteria
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2.2	Describe the company's process for identifying and assessing workforce risks and opportunities in its direct operations. Include how the company's human rights due diligence activities inform the process.	F	PUBLIC	Rule 1 (1 point)	250 word limit
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The Board, Audit Committee and SESC are responsible for identifying and prioritising risks and opportunities (R&O), as well as setting objectives and targets for managing them. Meetings evaluate Group strategy with regard to the external economic, competitive, regulatory and policy context, including workforce risks. The process to review R&O involves the HR Risk and Governance Manager collating inputs from risk representatives to review and identify themes for monitoring/mitigation, with risks arising from human rights due diligence fed in by the Modern Slavery Steering Group. In 2020, the SESC acted as an escalation route for risks and presented to the Group Enterprise Risk (ERM) team quarterly. Risks are managed through our ERM process which addresses 0-3-year risks. Longer term risks are assessed annually via our Board strategic planning process. Each risk and related controls are assessed and reported according to Our Approach to Enterprise Risk Management and published in our Annual Report's Principal Risks and Uncertainties which is aligned to Group Priorities (centrica.com/ar20, pages 34-42). We continually evolve our people strategy to seize opportunities and achieve our strategic priority to have empowered colleagues. As part of this, our People & Planet Plan goals were introduced to grow a more inclusive culture with the skills needed for net zero. Using the UN SDGs as our guide and undertaking a materiality assessment based on internal and external feedback via interviews and research, these issues were identified by the Responsible Business team in partnership with business leaders, as areas to make the greatest difference.

2.3	Describe the company's process for identifying and assessing workforce risks and opportunities in its supply chain, if different from 2.2. Include how the company's human rights due diligence activities inform the process.	F	PUBLIC	Rule 1 (1 point)	250 word limit
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The same process set out in Q2.2 applies for the supply chain for identifying and assessing workforce R&O, regarding the funnelling of identified R&O into the Group's ERM process. However, a number of processes to identify and reduce risk whilst maximising opportunities across our supply chain are additionally pertinent to share. For example, we risk rate suppliers on an ongoing basis using a country and sector risk segmentation tool that considers the product or service being offered alongside any risks such as human rights. Suppliers identified as potentially high risk are subject to a further, enhanced risk assessment which considers their sustainability standards including labour and workers' rights. Suppliers that continue to be categorised as high risk, are flagged to receive a site visit from a third-party auditor to review their human rights, labour, and health and safety practices. During this process, workers in our supply chain are observed and any contacts made via the anonymous third-party worker helpline provided by an independent audit firm or via our separate remote worker surveys, are considered in our assessment. If the supplier fails to meet our standards, we may terminate our relationship or seize the opportunity to work together and raise standards. The Director of Global Business Services, Risk and Control, has responsibility for ensuring a responsible supply chain and embedding this commitment via Procurement Managers. Procurement Managers are trained to identify R&O and additionally work to spot these in their ongoing supplier engagements.

2.4	Identify three workforce opportunities for the business relating to the company's direct operations and/or supply chain.	F	Mandatory Public	Rule 4 (max 3 points)	Table (150 word limit)
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Business opportunities	Description
Opportunity 1	Diversity & inclusion - To build a more sustainable future, we need the best team – a team with a diverse mix of people, skills and perspectives, where everyone feels welcome and able to succeed. Building a diverse workforce for the future and advancing our culture of inclusion to ensure we reflect the full diversity of the communities will serve, will not only help us attract and retain a talented team who feel motivated, engaged and are able to achieve their full potential, but it'll strengthen our ability to provide services and solutions that meet the diverse needs of our customers and build inclusive products.
Opportunity 2	Building skills - Skills development is critical to helping communities recover from the economic difficulties created by COVID-19, and for leading the green recovery. That's why we're increasing development opportunities for colleagues and helping under-represented groups grow their skills. And by developing our colleagues' skills, they'll not only feel able to thrive in their careers but they'll be able to use their green skills to grow a more sustainable future and ultimately achieve our purpose of helping our customers live sustainably, simply and affordably.
Opportunity 3	Employee engagement - Having good employee engagement helps increase productivity while reducing unplanned employee turnover, attrition, and absence. In doing so, we can attract and retain a happy and healthy workforce to deliver for our customers.

2.5	What action has the company taken, or intends to take, to ensure these opportunities add value to the company? If none, please explain why not and any plans to do so in the future.	F	PUBLIC	Rule 4 (max 3 points)	Table (250 word limit)
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Business opportunities	Action taken to capitalise on identified opportunities
Opportunity 1	<p>Diversity & inclusion (D&I) - We want to build a more inclusive team by supporting every colleague to be themselves and better serve our customers. We support the recommendations of the UK's Hampton Alexander Review (now the FTSE Women Leaders' Review) and Parker Review targets in relation to gender and ethnic diversity and towards this, we're advancing action with the introduction of our People & Planet Plan. Through the Plan, we'll accelerate diversity at all levels to ensure we reflect the full diversity of our communities by 2030, which means aiming to be 47% female, 14% ethnic minority, 15% disability, 3% LGBTQ+ and 3% ex-service in line with Census data. These goals are challenging and ambitious, but aiming high is the right approach to deliver the change we all want and need. As part of this, we need to strengthen our attraction, development and retention processes. This includes making access to opportunities fairer by challenging recruiters to draw up gender balanced shortlists and interview panels as well as providing access to mentoring. And we'll focus on creating a culture that promotes and values difference by setting up a Shadow Board of diverse colleagues to meet with leaders and drive inclusion, run listening sessions with colleagues and engage our employee diversity networks to continually improve our approach, whilst rolling out mandated unconscious bias training for all including new joiners and evolving policy positions to support a more inclusive culture. We also want to echo this focus in our supply chain.</p>
Opportunity 2	<p>Building skills – Having the right blend of skills is essential for providing an excellent service that helps our customers live sustainably, simply and affordably both today and tomorrow. And with a fundamental shift in skills and training needed to get to net zero, we're well placed to build on our current position and grow thousands of green collar jobs via our world-class training academies as well as cross-skilling colleagues. For example, our engineers possess a myriad of skills that can be utilised in the energy transition, and we're already starting to cross-skill them to fit electric vehicle charge points and heat pumps. We're also tapping into under-represented groups to grow a more diverse mix of talent needed for a fairer and more sustainable future. This can be demonstrated by our commitment to recruit 3,500 apprentices by 2030, with the ambition for 50% to be female. And having targeted women seeking a career change during COVID-19, we're so far on track with this goal. We're additionally working with over 500 schools via TechWeCan to develop essential STEM (Science, Technology, Engineering and Maths) skills to grow our talent pipeline among under-represented groups, and have helped over 1,800 young people not in education, employment or training, to learn new skills. Meanwhile, we're continuing to provide a broad range of mentoring and development offerings to all colleagues via our Career Development Hub and Workday training.</p>

Opportunity 3	<p>Employee engagement – We’ve been through years of business reorganisation and combined with COVID-19, this has naturally affected engagement levels. We want all of our colleagues to feel happy and motivated because it’s good for their wellbeing, and it’ll help boost productivity and retention whilst reducing absence. We’re listening to colleagues and taking action on key issues they’re concerned about such as feeling connected to our strategy and leaders alongside broader issues of importance like D&I and flexible working. We’ve implemented improvements such as running monthly townhalls led by leaders to talk about who they are and help bring to life our strategy, as well as providing the opportunity to ask questions and have open and honest conversations about the business. And in addition to our annual engagement survey, we run pulse surveys and focus groups to enable a continuous dialogue which ensures we can adjust plans and adapt to colleague needs. For example, our dedicated focus groups on D&I led to the co-creation of an enhanced D&I strategy. We also held sessions on flexible working and subsequently bought in our ‘Flexible First’ approach to help colleagues better balance work with personal commitments by choosing when they want to work from home or come into the office to connect and collaborate. And in recognition of the challenges colleagues face, we’ve strengthened wellbeing support to encourage colleagues to take preventative steps via our 130-strong network of Mental Health First Aiders, the ‘Unmind’ mental health app and more.</p>
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2.6	What are the company’s salient human rights issues relating to workers’ rights in the company’s value chain?	F	Mandatory Public	Rule 4 (max 3 points)	Table
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Salient human rights issues	Description (250 words)	Location
Issue 1	<p>Health and safety – At Centrica, we recognise that our operations have the potential to result in personal injury – from engineers working at one of our energy assets or travelling on the road to help our customers homes and businesses run smoothly, or colleagues working in the office. We’re therefore committed to having a strong safety culture because keeping our people safe is a core foundation of how we do business. Significant HSE events could have regulatory, financial and reputational repercussions that would adversely affect some, or all, of our brands and businesses. And in our supply chain, the risk of not protecting workers is greatest in operations where machinery is involved such as factories, and in higher risk countries which typically include Bangladesh, Cambodia, China and Pakistan.</p>	<ul style="list-style-type: none"> - Direct operations - First tier supplier - Second tier and below supplier
Issue 2	<p>Forced labour - Centrica has a zero-tolerance approach to modern slavery but as with most companies, there is always a risk of forced labour in our supply chain and operations. Based on their associated jurisdictional and industry risk, the following areas are at most risk and include suppliers that provide technology, solar and electric vehicle products or manufacture garments, as well as workers who provide us with facilities management services onsite. The risk covers workers in higher risk countries like Bangladesh and China. Given the rising risk of modern slavery over the last decade, all companies are required to publish an annual statement on whether they’ve identified any modern slavery issues together with the steps they are taking to mitigate risk.</p>	<ul style="list-style-type: none"> - Direct operations - First tier supplier - Second tier and below supplier
Issue 3	<p>Discrimination and harassment – Its essential that our people and partners respect diversity and provide an inclusive workplace that’s free from harassment and discrimination. Whilst we pride ourselves on being an inclusive place to work, we know there’s always more we can do to reduce risk which is why we need to maintain a continued focus on ending all forms of discrimination, racism, sexism, ageism or any other factor, that may hinder a person’s ability to be themselves and be treated fairly, irrespective of whether discrimination is conscious or unconscious. Within our supply chain, there’s also the risk that workers may be discriminated against on the basis of their gender, sex, race and religion amongst other factors. Workers most at risk include those who may appear more vulnerable, such as women, young people and migrants.</p>	<ul style="list-style-type: none"> - Direct operations - First tier supplier - Second tier and below supplier

2.7	How did consultations with workers and/or worker representative bodies, including trade unions, help the company identify these salient human rights issues? State the stakeholders consulted.	F	Mandatory Public	Rule 4 (max 3 points)	Table
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Salient human rights issues	Consultations with workers and other stakeholders (250 word limit)
Issue 1	<p>Health and safety - Within our business, we've a HSE management system that include policies, standards and procedures to protect colleagues and third parties, invest in training, and engage regularly with agencies such as the Oil and Gas Authority and UK HSE, to ensure we understand and comply with legislative/regulatory requirements. We regularly engage with lead UK trade unions colleagues are members such as GMB, Unite, Prospect and Unison, who are an integral part of creating and updating HSE policies and procedures, helping investigate incidents, conducting inspections and providing input to address risk areas or tools needed. Union representatives also receive HSE reports. Moreover, colleagues are engaged directly in face-to-face forums and an online portal to capture feedback, including our 'Involve Me' forum to input on safety workwear and practices. In our supply chain, we work with external sustainability supply chain experts, to review the risk for new and strategic suppliers to identify problem areas. If needed, we then use an independent auditor for a site visit to provide a clearer picture of the risk to determine action, which may include an action plan to raise standards or ending our relationship and reporting the abuse. Views of supply chain workers are also considered via the independent helpline and remote worker surveys. Meanwhile, ethical and trade organisations like the Responsible Sourcing Council and Institute of Business Ethics, enable us to stay abreast of insights to continually inform our identification and mitigation of HSE risk.</p>
Issue 2	<p>Forced labour - Internal and external stakeholder views are essential in aiding our identification of forced labour as a risk area. For example, our external supply chain experts review and rate the risk of forced labour for all new and strategic suppliers which enables us to identify whether further action is needed. If required, we then use an independent auditor to conduct a site inspection, whose views are vital in providing a clearer picture of the potential or actual level of risk and helps determine appropriate action – this may include working with the supplier to establish an action plan to raise standards or ending our relationship and reporting the abuse. The views of workers in our supply chain via the independent modern slavery helpline, remote worker surveys and via our own confidential Speak Up helpline available to colleagues and third parties, are also fed into the process. Meanwhile, we partner with ethical and trade organisations such as the Responsible Sourcing Council, the Institute of Business Ethics and the Hope for Justice/Slave Free Alliance Utilities Modern Slavery Working Group, to stay abreast of wider insights and continually inform our approach to both identifying and mitigating the risk of forced labour in our direct and indirect operations. Additionally, our internal Modern Slavery Steering Group, comprised of representatives from Legal, Procurement, HR, Procurement, Ethics & Compliance, Internal Audit and Responsible Business, are key to identifying potential risk areas across our business and supply chain to investigate.</p>

Issue 3	<p>Discrimination and harassment - We consult internal and external stakeholders to identify discrimination and harassment risk. We listened to external stakeholders highlighting the need to eradicate discrimination and harassment as demonstrated by the UN Sustainable Development Goals as well as 'Me Too' and 'Black Lives Matter' movements amongst others. We also encouraged colleagues to speak up via their line manager, HR, employee representative, trade union or anonymous Speak Up helpline, to help us better understand the risk and take action. Employee feedback from focus groups, engagement surveys and our employee-led diversity Networks, further enables us to understand issues that affect colleagues so we can respond. Trade Unions and worker representatives like Unison and Unite, remain a key part of the process to ensure we resolve issues and evolve best practice. We've similar processes as HSE and forced labour to identify discrimination and harassment in our supply chain. External supply chain experts review and risk rate new and strategic suppliers for discrimination and harassment, in addition to our D&I onboarding questions. We use an independent auditor to provide site inspections for higher risk suppliers, whose views provide clarity and helps determine appropriate action – from establishing an action plan, to terminating our relationship and reporting the abuse. Views of supply chain workers are also considered via the independent helpline and remote worker surveys. Meanwhile, we partner with ethical or trade organisations such as the Responsible Sourcing Council, to stay abreast of insights and ensure we maintain sound practices.</p>
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2.8	What action has the company taken, or intends to take, to prevent and mitigate salient human rights issues identified?	I	PUBLIC	Rule 4 (max 3 points)	Table
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Salient human rights issues	Action taken by the company (250 word count limit)
Issue 1	<p>Health and safety - Within our business, we have HSE management system that include policies, standards and procedures to help protect colleagues and third parties by clearly setting out ways of working safely. These are available to colleagues and as needed, rolled into targeted training modules and awareness campaigns. Colleagues also undertake the annual Our Code training which includes the commitment to a safe and healthy workplace. Colleagues are encouraged to speak up about concerns to their line manager or via the Speak Up helpline, so that suspected issues are investigated, and appropriate action taken. We also engage agencies such as the Oil and Gas Authority and UK HSE, to ensure we understand and comply with legislative/regulatory requirements and incorporate insights to ensure our approach remains robust. Due diligence is additionally undertaken over suppliers to reduce risk. This includes risk rating all new and strategic suppliers to determine the level of risk and if needed, conducting a site inspection or remote worker surveys by an independent auditor to gain a clearer picture of the level of risk and further action to be taken to reduce risk – whether that’s working with the supplier to implement an action plan, or terminating our relationship and reporting the abuse. All suppliers are required to uphold clauses in supplier contracts to ensure the health and safety of workers, while our labour toolkit encourages adoption of strong practices. All Procurement Managers and relevant staff, additionally receive specific training to prevent and drive down incidents.</p>
Issue 2	<p>Forced labour - A number of steps are in place to mitigate forced labour risk. We undertake due diligence of suppliers to reduce risk which includes risk rating all new and strategic suppliers to determine risk and if needed, conducting a site inspection and remote worker surveys by an independent auditor, to better understand the risk and any action needed to reduce it – whether that’s working with the supplier to create an action plan, or terminating our relationship and reporting the abuse. All suppliers are also required to uphold clauses in supplier contracts to ensure a zero-tolerance approach to modern slavery whilst toolkits are provided to help their adoption of strong labour practices. Training is a vital part of mitigating risk and so all Procurement Managers alongside relevant staff such as HR and our Local Heroes network, receive specific training to spot the signs of Modern Slavery in supplier networks and how to report it. Within our wider business, we aim to educate and raise awareness of modern slavery by requiring all colleagues to undertake the annual Our Code training which includes a commitment to uphold human rights, run awareness campaigns and encourage colleagues to raise concerns via our independent Speak Up helpline so issues can be investigated, and remedial action taken. Meanwhile, we partner with organisations like the Hope for Justice/Slave Free Alliance Utilities Modern Slavery Working Group and Solar Energy UK, to share best practice and collaborate to end modern slavery together.</p>

Issue 3	Discrimination and harassment - Internally, Our Code sets out the requirement for colleagues to support a diverse and inclusive culture that's fair and free from discrimination and harassment. We require all colleagues to complete training and declare that they'll uphold this commitment annually, while encouraging them to raise any concerns to line managers or via the anonymous Speak Up helpline. Building off of this, enhanced awareness raising is a vital part of mitigating risk so we run initiatives such as unconscious bias training, discuss the issue at townhalls and hold focus groups to help us better understand and end discrimination. We have also set People & Planet Plan goals to build a more inclusive workplace with targets to drive greater representation as well as create a culture that prioritises fairness and tackles discrimination and harassment. In our supply chain, we undertake due diligence to reduce risk which includes risk rating all new and strategic suppliers to determine risk and if needed, conducting a site inspection and remote worker surveys by an independent auditor, to gain a clearer picture of the risk and any further action required to reduce risk – whether that's working with the supplier to put in place an action plan, or terminating our relationship and reporting the abuse. All suppliers are also required to uphold clauses in supplier contracts to respect diversity and inclusion. Collaboration with organisations such as the Responsible Sourcing Council and trade unions are engaged as needed, to further these causes through open dialogue.
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Remediation and effectiveness of actions in the direct operations

Question Number	Question Text	Question Tier	Privacy setting of Answer	Scoring Information	Answer Criteria
2.9	Provide an example of how the company has monitored the effectiveness of actions taken to address negative impacts on the human rights of workers in the reporting period, including by consulting with impacted workers and any lessons learned.	I	PUBLIC	Rule 1 (1 point)	250 word limit

Whilst we've never knowingly caused or contributed to human rights abuses, we're mandated to state if we have together with how we're monitoring and protecting workers via the 2015 Modern Slavery Act. One of the ways we assess performance is via our risk score for suppliers and in 2020, we assessed a further 63 strategic and higher risk suppliers which resulted in a sustainability risk score of 54 (low risk). This is better than the multi-industry average of 45 (medium risk). If during this process, a supplier receives a medium or high-risk rating, it can be challenging to truly understand the issue given suppliers are often based worldwide. To overcome this, we conduct independent site inspections and consult workers onsite and via the independent helpline and remote worker surveys, which helps us gain greater insights and the ability to tackle issues via a collaborative action plan. In 2020, we undertook five site inspections in the Bangladesh, Cambodia, China and Pakistan. As a result of the action plan alongside our

ongoing support, all suppliers have been able to raise standards across health and safety practices identified. In 2020-21, we have worked to build on our approach by further strengthening sustainability clauses in supplier contracts, collaborating more with suppliers to help provide guidance on best practice, and broadened our assessment into new business areas to reduce risk.

2.10	What action has the company taken to identify and eliminate child labour across its value chain?	I	PUBLIC	Rule 1 (1 point)	250 word limit
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As part of our continued focus on respecting human rights as set out in Our Code, we prohibit child labour across our operations and supply chain. This also forms a core part of our United Nations Global Compact commitment. We'll never knowingly use or work with anyone who uses child labour. This is embedded via the annual Our Code training for colleagues as well as in online and face-to-face training for Procurement colleagues. We further ensure the rights of children are protected via responsible procurement clauses in supplier contracts alongside conditions set out in our Responsible Sourcing Policy. Moreover, we undertake onboarding due diligence on child labour risk and any site visits or remote worker surveys undertaken by an independent third-party, will always review labour practices and ensure no child labour is being used through the use of age verification measures amongst other methods. And by partnering with organisations like the Responsible Sourcing Council and the Hope for Justice/Slave Free Alliance Utilities Modern Slavery Working Group, this enables us to share our approach with peers as well as continuously stay abreast and embed best practice in our approach to prohibiting child labour. From our due diligence checks and engagement with others, we believe our approach to identify and prohibit child labour is robust. We've not uncovered any instances of child labour across our value chain.

Find out more in [Our Code](#), our [United Nations Global Compact Communication on Progress](#) and our [Responsible Sourcing Policy](#).

2.11	Is prison labour used in the company's value chain?	I	PUBLIC	Not scored	Yes/no
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No

2.11b	If No, state why not and any plans to do so in the future	I	PUBLIC	Not scored	250 word limit
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Our Code sets out high standards for us our partners such as respecting and upholding human rights. This includes not using forced labour in our direct or indirect operations across our value chain, such as prison labour. We undertake robust HR checks on our direct workforce and carry out due diligence to guard against risk in our supply chain, including through actions such as embedding safeguards in supplier contracts, using sustainability experts and auditors to evaluate and monitor suppliers as well as rolling out remote worker surveys to directly hear from supply chain workers to better understand their working conditions. We understand there's a higher risk of forced labour in our solar supply chain and have partnered with industry bodies to work together and enhance transparency as well as mitigate risk (see Q10.5). We have no plans to retract our policy on not using prison labour.

2.12	Describe any workforce surveillance measures used to monitor workers, and how the company ensures this does not have a disproportionate impact on workers' right to privacy. If the company does not conduct any form of workforce surveillance, state this.	I	PUBLIC	Rule 1 (1 point)	250 word limit
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We respect people's right to privacy and only use surveillance when it's needed to protect colleagues and customers amongst others, as well as uphold regulatory requirements. For example, surveillance helps ensure great customer service - from monitoring calls to support coaching and performance management alongside compliance with regulatory obligations, to tracking our vehicles to provide estimated engineer arrival times as well as supporting safe driving standards and preserving evidence if needed in legal proceedings. We further protect and advance colleague wellbeing with monitoring of site access which also limits access to restricted areas and guarantees evidence if needed in legal proceedings, alongside monitoring of health and safety records in line with regulation. We additionally monitor computer and phone use to counter loss of sensitive internal and external data through unintentional or malicious intent by internal or external parties, or unlawful and inappropriate use of systems. To safeguard privacy, monitoring is focused on wide workforce populations rather than individuals, and we're fully transparent with colleagues about surveillance and why it's needed via tailored communications. And in line with regulatory obligations, we'll only store the information for as long as needed whilst ensuring robust safeguards to only allow specific access for personnel managing the issue – whether that's Group Security, Health and Safety, or others. When introducing or enhancing surveillance, the respective business team and Data Privacy Team carefully reviews the requirement and safeguards. We'll also engage colleagues and trade unions to seek views and shape the implementation plan as needed.

Response to Covid-19

Question Number	Question Text	Question Tier	Privacy setting of Answer	Scoring Information	Answer Criteria
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2.13	Describe your approach to ensuring workforce, supply chain and business resilience in the event of COVID-19, including how workforce issues are being considered in recovery plans post-COVID-19?	F	PUBLIC	Rule 1 (1 point)	250 word limit
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Robust processes have enabled resilient performance whilst protecting workers and keeping customers and communities warm, safe and supplied with energy and services. Pre-existing pandemic plans helped us act quickly, with implementation and refinement via our cross-business Crisis

Management Framework that has a Chair with delegated authority from the Group Chief Executive, to enable timely decisions and regular updates shared with the Board.

With trade unions and colleagues, we collaborated to develop risk assessments and operating protocols as well as temporary changes to policies such as holiday carryover. At the start of COVID-19, all non-essential activity like heating installation and servicing were halted but have largely restarted with safeguards like PPE. We also safeguarded job concerns including ensuring access to homeworking, flexibility to adjust working hours to accommodate caring responsibilities, amended policies to ensure COVID-related absence didn't impact pay, and maintained employee pay regardless of returns from the job retention scheme. To protect our supplier workforce, we made part-payments to select PPE suppliers to ensure appropriate cash-flow to pay their workforce and completed online questionnaires alongside worker phone interviews.

We've subsequently introduced our People & Planet Plan to create a fairer and more sustainable future by advancing net zero and building the diverse and inclusive team that'll help us get there. We also introduced a Flexible First approach that lets colleagues combine the flexibility of home working alongside collaboration time in the office. Additionally, we're working more closely with suppliers to tackle social and environmental issues.

3 WORKFORCE COMPOSITION

Structure and location of direct operations

Question Number	Question Text	Question Tier	Privacy setting of Answer	Scoring Information	Answer Criteria
3.1	Provide the total number of employees in the company's direct operations.	F	Mandatory Public	Rule 1 (1 point)	0

25,049 comprising of 23,069 employees, 113 fixed term employees and 1,876 2nd party contingent workers

Note: We cannot 100% match the 2020 reported headcount in the Annual Report due to live HR system. We therefore have to use data that is currently in the HR system for all calculations for 2020.

Provide the percentage (%) of total employees in the company's direct operations in each of the company's significant operating locations.

Question Number	Question Text	Question Tier	Privacy setting of Answer	Scoring Information	Answer Criteria
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3.2	Please enter the details in the following table	F	Mandatory Public		Table
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Significant operating location	Percentage (%) of total employees in the direct operations
Group/Global	100
UK	83
Europe	87
North America	13

3.2a	Please define what a "significant operating location" is for your company.	F	Mandatory Public	Not scored	150 word limit
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We define a 'significant operating location' as a country or region where we have the strongest presence in terms of brands, colleagues and revenue. For example, British Gas and Hive are based in the UK, Bord Gais Energy in Ireland and Direct Energy in North America which we divested in January 2021, whilst Centrica Business Solutions spans the majority of these countries and more. Our Europe operations include UK, Ireland, Netherlands, Germany, Belgium, Denmark, Norway and Sweden, with the majority of employees located in the UK and then Ireland. Our North America operations include Canada and the United States of America, with the majority of employees in the United States. Group/Global has been provided to easily share aggregated performance for following related questions, given the importance of transparently sharing our overall company performance.

3.2b	How many operating locations does your company have in total in your direct operations?	F	Mandatory Public	Not scored	50 word limit
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We've direct operations in 13 countries which includes the UK, Ireland, Netherlands, Germany, Belgium, Denmark, Norway, Sweden, Canada, United States of America, India, Mexico and Singapore. Across these countries, we have over 100 specific sites, the vast majority of which are based in the UK and United States of America.

3.3	Provide the number and/or percentage (%) of the company's employees on each contract type as a proportion of the total direct operations workforce.	F	Mandatory Public	Rule 8 (max 3 points)	Table
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Contract type	Total number of employees on each contract type	Percentage (%) of all direct operations employees on each contract type
Indefinite/permanent employees	n/a	92
Fixed-term/temporary employees	n/a	0.47
Full-time employees	n/a	90
Part-time employees	n/a	10
Non-guaranteed hours employees (casual workers, on-call employees, zero-hours contracts)	n/a	0

3.4	Provide the gender balance (as a percentage (%)) for each contract type in Q3,3, as well as the overall gender breakdown of your direct operations workforce.	F	Mandatory Public	Rule 9 (max 4 points)	Table
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Contract type	Female (%) of employees on each contract type	Male (%) of employees on each contract type	Non-binary (%) of employees on each contract type
Indefinite/permanent employees	28	72	0
Fixed-term/temporary employees	31	69	0
Full-time employees	23	77	0
Part-time employees	76	24	0
Non-guaranteed hours employees (casual workers, on-call employees, zero-hours contracts)	0	0	0
Total direct operations workforce	28	72	0

3.5	Provide the total number and/or percentage (%) of the company's other direct operations workers as a proportion of the total direct operations workforce.	F	Mandatory Public	Rule 8 (max 2 points)	Table
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Contract type	Total number of employees on each contract type	Percentage (%) of all direct operations employees on each contract type
Contractors (independent, self-employed)	599	2
Agency workers (e.g. labour agency, recruitment agency workers)	1,268	5
Franchisee workers	0	0
Other workers (e.g. subcontracted service workers, third-party workers)	0	0

3.6	Provide the gender balance (as a percentage ((%) of the figures presented at 3.5) for each contract types.	I	PUBLIC	Rule 9 (max 2 points)	Table
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Contract type	Female (%) for each contract type	Male (%) for each contract type	Non-binary (%) for each contract type
Contractors (independent, self-employed)	n/a	n/a	n/a
Agency workers (e.g. labour agency, recruitment agency workers)	n/a	n/a	n/a
Franchisee workers	n/a	n/a	n/a
Other workers (e.g. subcontracted service workers, third-party workers)	n/a	n/a	n/a

Note: We do not hold diversity data for contractors and have therefore not completed the table.

3.7	Scope of disclosure (relates to 3.5-3.7)	Mandatory Public	Not scored	Dropdown
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- domestic operations/HQ only
- all significant operating locations
- ≤25% of direct operations workforce – selected**
- 26%-50% of direct operations workforce
- 51%-75% of direct operations workforce
- ≥76% of direct operations workforce
- All direct operations workforce – selected

3.8	Has the proportion of workers on contingent contracts (i.e. fixed-term/temporary employees, contractors, agency workers and/or other workers) increased or decreased substantively over the last reporting period?	I	PUBLIC	Not scored	Yes/No
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No

3.8b	If no, state if there is likely to be a change in the use of contingent workers in the future.	I	PUBLIC	Not scored	150 words
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The proportion of second party contract workers remained steady at 7.5% compared to 7.7% at the end of 2020. We have no plans to change use of contingent workers in the future.

4 DIVERSITY AND INCLUSION

Monitoring diversity and inclusion

Question Number	Question Text	Question Tier	Privacy setting of Answer	Scoring Information	Answer Criteria
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4.1	What action has the company taken, or intends to take, to improve diversity and inclusion? State any time-bound diversity and inclusion targets and/or KPIs set and progress achieved, as applicable. Attach or upload documents or policies as relevant.	PUBLIC		250 word limit
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To build a more sustainable future, we need a diverse mix of people and skills, where everyone feels welcome and able to succeed. That's why in 2020, we co-created an enhanced action plan with colleagues - broadening inclusion goals, making access to opportunities fairer and creating a culture that promotes and values difference. Goals include creating a team that's 47% female, 14% ethnicity, 15% disability, 3% LGBTQ+ and 3% ex-service by 2030 in line with Census data to reflect our communities (2022 milestones: 30%, 13%, 1%, 1%, 1% respectively). We're also getting more women into engineering by recruiting 3,500 apprentices by 2030 (2022 milestone: 1,000), with the ambition for 50% to be female. These goals are ambitious but aiming high is the right approach. We're on track with all goals bar overall female representation which is challenging given our sector is traditionally male. Steps to build a more inclusive team further includes diverse shortlists and unconscious bias training, expanding reverse mentoring and setting up a 'Shadow Board' of diverse colleagues. We're seeing signs of success, such as creating a world-class carers leave allowance providing up to six weeks paid leave when matched with annual leave with estimated financial benefits of ~£1.8m annually by avoiding unplanned absences, presenteeism and recruitment costs. We share goal performance with colleagues quarterly and seek feedback through focus groups amongst other channels to update plans. In 2021, the Board achieved gender parity and the Parker Review target to have at least one member of colour.

Uploads: [Diversity, Respect and Inclusion Policy \(full document\)](#) and [People & Planet Plan Update 2020 \(pages 3-6, 7-14\)](#)

4.2	Provide the percentage (%) of the company's total direct operations workforce within each age category.	F	Mandatory Public	Rule 4 (max 2 points)	Table
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Age group	Percentage (%) of total direct operations workforce
<30 years old	15
30-50 years old	66
>50 years old	19

Note: This is percentage of all employees as we do not hold D&I data for contingent workers.

Provide the percentage (%) of the company's total direct operations workforce by race or ethnicity.

Question Number	Question Text	Question Tier	Privacy setting of Answer	Scoring Information	Answer Criteria
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4.3	Please enter the details in the following table	C	PUBLIC	2 points	Table
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Race or ethnicity category	Percentage (%) of total direct operations workforce
Ethnic minority	13

Note: We only collect ethnicity data for colleagues in the UK and US.

4.4	Provide the percentage (%) of the company's total direct operations workforce in leadership positions by gender.	F	Mandatory Public	Rule 10 (max 4 points)	Table
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Seniority level	Percentage (%) of total direct operations workforce	Female (%) at each seniority level	Male (%) at each seniority level	Non-binary (%) at each seniority level
Board	0.04	44	56	0
Executive committee (senior executives, C-Suite)	0.08	19	81	0
Senior management (any position/individual who directly reports to the Executive committee)	0.48	39	61	0

Provide the percentage (%) of the company's total direct operations workforce in leadership positions by race or ethnicity.

Question Number	Question Text	Question Tier	Privacy setting of Answer	Scoring Information	Answer Criteria
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4.5	Please enter the details in the following table		PUBLIC		Table
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Race or ethnicity category	Board (%)	Executive committee (senior executives, C-Suite) (%)	Senior management (any position/individual who directly reports to the Executive committee) (%)
Ethnic minority	11	10	13

4.6	What action has the company taken, or intends to take, to increase diversity in leadership positions? Include details on senior leadership training and mentoring opportunities provided and uptake among under-represented demographic groups, as applicable.	C	PUBLIC	Rule 1 (1 point)	250 word limit
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We've broadened our diversity strategy to create the diverse company we all want and need to succeed. We set goals for all levels including senior management, to reflect the full diversity of our communities with 47% female, 14% ethnicity, 15% disability, 3% LGBTQ+ and 3% ex-service by 2030 in line with Census data. At the heart of achieving these goals, is advancing our culture of inclusion in all we do. Succession planning is used to grow a more inclusive talent pipeline and monitored on an ongoing basis by the HR Director, overseen by Senior HR Managers and reviewed periodically by the Board. Plans are adjusted as needed and enabled through initiatives like diverse shortlists by recruiters, anonymous screening, and targeted in-house training. For example, we leverage high potential talent programmes and secondments to support mid-career women and ethnic minorities amongst others, whilst mentoring empowers colleagues to amplify personal and professional development and we've over 100 colleagues participating in reverse mentoring with strong feedback on its effectiveness. Training effectiveness is monitored and measured, with programmes adjusted if they don't perform as expected. We've developed bespoke talent programmes to support women in leadership and a talent acceleration programme to support under-represented groups. Additionally, our flexible working practices and carer-friendly policies, enable many senior leaders to progress

careers whilst balancing family or further educational commitments. Efforts like these have helped us achieve the Parker Review and Hampton Alexander targets, by having at least one member of colour and a gender parity Board.

4.7	Provide the rate of internal hires (as percentage (%) of total internal hires) by gender.	I	PUBLIC	Rule 4 (max 3 points)	Table
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Gender	Internal hire rate (%)
Female	36
Male	64
Non-binary	0

Provide the rate of internal hires (as percentage (%) of total internal hires) by race or ethnicity.

Question Number	Question Text	Question Tier	Privacy setting of Answer	Scoring Information	Answer Criteria
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4.8	Please enter the details in the following table	C	PUBLIC		Table
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Race or ethnicity category	Internal hire rate (%)
Ethnic minority	18

4.9	Scope of disclosure (relates to Q4.2-4.8): - what part(s) of the business does this data cover? - if providing ethnicity data, state the source of the ethnicity categories used in Q4.4 or provide more information on how the categories are defined if using an internal classification system - If the company is restricted from collecting data on employees' age, race or ethnicity, state which jurisdictions this restriction applies to.	PUBLIC	Not scored	250 word limit
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Data relating to gender and age spans all workers across the business. Meanwhile, ethnicity data encapsulates information from colleagues on a voluntary basis for those based in the UK and US, which is where the majority of our workforce was based in 2020. We do not collect diversity data for contingent workers.

4.10	Does the company collect any other categories of diversity data, if any? Select all that apply from the drop down list. - Sexual orientation - Gender identity - Disability - Religion and belief - Other	PUBLIC	Rule 1 (1 point)	Drop down
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- Sexual orientation
- Gender identity
- Disability
- Other

4.10a	For each category selected, provide evidence that this data has been collected.	PUBLIC	Rule 1 (1 point)	250 word limit
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As part of our People & Planet Plan to create a more inclusive team that reflects the diversity of our communities, its essential that we understand who works for us and how we can improve representation. Towards this, we track gender, gender identity, ethnicity, disability, sexuality, ex-service personnel and carers across the Group. Tracking is conducted through our HR management system, Workday, whilst others are tracked via dedicated employee diversity networks. Regarding Q4.10, when tracking gender representation, we provide the option for people to assign their gender. And towards our 2022 People & Planet Plan milestone of 30% female as we journey to gender parity by 2030, we were behind where we wanted to be at the end of 2020 with 28%. Across the Group, 0.2% of people chose not to declare their gender. In 2020, disability representation was 1% (on track) against our 2022 milestone of 4% and 2030 goal of 15% whilst LGBTQ+ was 1% (on track) against 2022 milestone and 2030 ambition of 3%. We track other data such as whether colleagues are ex-service personnel via the employee network and in 2020, we had 1% of colleagues (on track)

against our 3% 2022 milestone and 2030 ambition. Carers are also captured via a carers register managed by the carers network which enables us to drive awareness of the support available to help better balance work alongside caring responsibilities and in 2020, over 1,500 carers were registered.

Parental leave

Question Number	Question Text	Question Tier	Privacy setting of Answer	Scoring Information	Answer Criteria
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4.11	Does the company have a shared parental leave policy that exceeds the statutory minimum requirements?	F	PUBLIC	Not scored (150 word count limit)	Yes/No
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No

4.11a	If no, state why not, including if this is due to the fact that the statutory minimum is considered generous enough or if it's not due to that, any plans to implement such a policy in the future.	F	PUBLIC	Not scored (150 word count limit)	Yes/No
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We've set out what colleagues are entitled to in our Group-wide Parents and Family Leave Policy, which is supported by toolkits created by HR and the Centrica Working Parents Network, to help managers and colleagues' access and understand entitlements as well as remind users of the key stages of the process. The policy spans maternity leave, adoption, shared parental leave and more. Our policy currently meets the statutory legal requirements for shared parental leave which is considered sufficiently generous although we always review key policies like this on an at least annual basis, to ensure our position meets the changing needs of our colleagues, our customers, and our business. Our position may therefore change in the future. In 2020, we saw nearly 90 males take one of more parental leave days which was largely echoed by the same amount of females, totalling nearly 2,000 days.

Discrimination and harassment

Question Number	Question Text	Question Tier	Privacy setting of Answer	Scoring Information	Answer Criteria
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4.12	Does the company have a public policy on discrimination and harassment, or similar?	F	Mandatory Public	Rule 3 (1 point for Yes)	Yes/No
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Yes

4.12a	Does the company have a public policy on discrimination and harassment, or similar?	F	Mandatory Public	Rule 3 (1 point for Yes)	URL/doc link
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[Diversity, Respect and Inclusion Policy](#)

4.13	Provide the number of discrimination and harassment incidents reported and resolved in the reporting period.	C	PUBLIC		Table
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Discrimination and harassment incidents reported	Discrimination and harassment incidents resolved
176	176

5 WORKFORCE WAGE LEVELS AND PAY GAPS

Pay gaps and pay ratios

Question Number	Question Text	Question Tier	Privacy setting of Answer	Scoring Information	Answer Criteria
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5.1	Provide the CEO to median worker pay ratio.	F	PUBLIC	Rule 5 (max 1 points) (150 word count limit)	Table
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CEO- median worker pay ratio	Explanation [not scored, 150 words]
15:1	Our 2020 median pay ratio is 15:1 which is down from 29:1 in 2019, due to Chris O'Shea's base salary and pension contributions being less than the previous Chief Executive, while the total remuneration for the identified colleague at each percentile level has increased. Chris O'Shea also took a voluntary salary reduction of £100,000 as Chief Executive in 2020, which resulted in lower earnings during the year. The Company has used its gender pay gap data (Option B in the Directors' Reporting Regulations) to determine the employees with remuneration packages that sit at the lower, median and upper quartile positions across the UK workforce. This is deemed the most appropriate methodology for us as a business given the different pension and benefit arrangements across the diverse UK workforce.

5.2	Provide the company's median gender pay gap for the company's domestic operations.	I	PUBLIC	Rule 5 (max 1 points) (150 word count limit)	Table
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Gender pay gap (%)	Explanation (not scored)
35%	Our UK gender pay gap in 2020 was 35% median, up from 30% the previous year and is based on the mandated methodology to calculate in the UK. Like many companies with roles rooted in STEM, our gap is primarily driven by a greater number of men in higher paid roles like gas and electrical engineering which make up a significant proportion of our workforce, coupled with more women working in roles such as customer service and administration which are essential to our business but are less specialist and lower paid. We are working to reduce the gap but believe it will take time for the positive impact of our diversity and inclusion action plan to transform our business, sector and society. We do not have an equal pay issue, demonstrated by our negligible 0.4% median equal pay gap.

5.3	Provide the company's median ethnicity pay gap for the company's domestic operations.	C	PUBLIC	Rule 5 (max 1 points) (150 word count limit)	Table
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Ethnicity pay gap (%)	Explanation (not scored)
14%	We voluntarily published our UK ethnicity pay gap in 2020 for the first time using the gender pay gap methodology. The gap is 14% median and driven by an under-representation of ethnic minority colleagues in higher paid roles like engineering, with an over-representation in lower paid jobs like customer service and junior Information Systems roles. Reporting is based on 65% of colleagues disclosing their ethnicity which is statistically viable but limits accuracy as well as our ability to fully understand and tailor action to close the gap. That's why we run self-identification campaigns called 'Count Me In' to encourage more colleagues to share their ethnicity. And as part of our partnership with Change the Race Ratio, a campaign to increase race and ethnic diversity, we want more companies to publish their pay gaps and action plans to drive transparency and collective insight. Median equal pay gap was negligible at 0.2%.

5.4	What action has the company taken, or intends to take, to reduce pay ratios and gaps? State any KPIs and progress towards these, as applicable.	I	PUBLIC	Rule 1 (1 point)	250 word limit
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We're striving to reduce pay ratios and gaps but recognise it'll take time for the positive impact of our action to transform our business, sector and society. We're focused on 1) accelerating diversity and advancing our culture of inclusion at all levels to reflect the full diversity of our communities with 47% female, 14% ethnicity, 15% disability, 3% LGBTQ+ and 3% ex-service by 2030 in line with Census data, 2) getting more women into engineering by recruiting 3,500 apprentices by 2030 with the ambition for 50% to be female, 3) making access to opportunities fairer including strengthening recruitment processes to mitigate bias and inspire more colleagues into mentoring and reverse mentoring to grow the skills of diverse talent alongside developing a diverse talent pipeline with organisations like TechWeCan, 4) creating a culture that promotes and values difference by setting up a Shadow Board of diverse colleagues to meet leaders and drive continuous improvement as well as tackling bias with mandated unconscious bias training, 5) evolving policies to help people be their best which includes empowering carers to take six weeks paid leave when matched with annual leave so that they can better manage work alongside caring responsibilities and rolling out our 'Flexible First' approach that enables colleagues to find the right balance between home working and collaboration time in the office as well as shifting work patterns wherever possible, and 6) continuing to use Hay Job Evaluation Methodology to underpin our pay structures to ensure fairness in these processes.

Wage levels

Question Number	Question Text	Question Tier	Privacy setting of Answer	Scoring Information	Answer Criteria
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5.5	Provide the percentage (%) of female and male employees in the bottom, lower middle, upper middle, and upper pay quartiles.	F	PUBLIC	Rule 4 (max 4 points)	Table
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Pay quartile	% Female	% Male
Upper	17	83
Upper-middle	10	90
Lower-middle	23	77
Bottom	53	47

5.6	What is the percentage (%) of male and female employees, as a total of the direct operations workforce, whose basic salary is equal to the legal minimum wage, or just above?	C	PUBLIC	Rule 4 (max 2 points)	Table
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Female (%)	Male (%)
1	1

Question Number	Question Text	Question Tier	Privacy setting of Answer	Scoring Information	Answer Criteria
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5.7	To what extent does the company pay its employees a living wage or above? Select one option from the drop-down list as applicable.	I	PUBLIC	Rule 1 (1 point)	Dropdown
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- Not in any direct operations
- 1 location only – selected**
- More than 1 location
- All global operations

5.8	Provide more detail, including the company's methodology used for determining whether at least a living wage is paid.	I	PUBLIC	Rule 1 (1 point)	250 word limit
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In 2015, we signed up to be a Living Wage Employer which commits us to pay at least the Living Wage to over 20,000 people in the UK and is where the vast majority of our workforce is based. To ensure we deliver this commitment, this pay principle is enshrined in Our Code and related HR policies. From a practical perspective, it's also embedded in our HR pay systems and processes to prevent colleagues being paid below the Living Wage. This includes having checks undertaken by HR Operations alongside rules/alerts in our HR management system, Workday. More broadly, we use the Hay Job Evaluation Methodology to standardise our approach to job grading and reward when benchmarked against peers, to ensure fair pay across our global operations. We also consult with colleagues individually and via collective consultation through negotiation with trade unions and/or employee representatives, so that everyone has the opportunity to share feedback and provide alternative proposals. All of these processes are reviewed at least annually by HR centrally, to ensure we pay our people fairly and uphold the Living Wage in the UK.

5.9	How is the company working to improve wage levels for its contractors and other workers, if not already paying at least a living wage? Include details on the methodology used to assess wage levels.	I	PUBLIC	Rule 1 (1 point)	250 word limit
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We operate fair and transparent reward and recognition processes that are supportive of employment rights, development and fair wages. In countries that do not operate a formal living wage, we pay at least the minimum wage or a fair representation of the prevailing sector wage, and will comply with the laws on fair wages in the countries in which we operate. We engage various organisations such as third-party expert resource at resource agencies, civil society organisations and trade unions as needed. As a signatory to the Living Wage, we also ask that our suppliers uphold this commitment to safeguard workers in our supply chain which is set out in our Responsible Sourcing Policy and supplier contracts.

6 STABILITY

Employee turnover rates

Question Number	Question Text	Question Tier	Privacy setting of Answer	Scoring Information	Answer Criteria
6.1	Provide the total, involuntary and voluntary employee turnover rates (as a percentage (%)) during the reporting period and for female and male employees.	F	Mandatory Public	Rule 10 (max 4 points)	Table

Turnover category	Total turnover rate (%) of all direct operations	Turnover rate (%) for female workers	Turnover rate (%) for male workers
Involuntary	7	7	6
Voluntary	8	8	8

6.2	Provide the number and rate (as a percentage (%)) of employee turnover by contract type (if no employees on any one of the contract types, state "n/a").	I	PUBLIC	Rule 4 (max 2 points)	Table
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Contract type	Total turnover rate (%)
Indefinite/permanent employees	15
Fixed-term/temporary contract employees	32

Changes to employee turnover rates

Question Number	Question Text	Question Tier	Privacy setting of Answer	Scoring Information	Answer Criteria
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6.3	Describe how the company's turnover rate has changed significantly since the last reporting period and explain any increase or decrease for any particular category of workers. If turnover has remained stable, state this.	I	PUBLIC	Rule 1 (1 point)	150 word limit
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During 2020-21, we underwent a strategic restructure and headcount reduction to simplify our business and make it more modern and sustainable. This enables us to serve our customers with the flexibility they expect and create a workplace that's fairer for everyone. We negotiated over 7,000 different contract variations into a more coherent structure of terms and have reduced our UK headcount by approximately 1,100, using our discretionary redundancy terms which are far more generous than the statutory minimum. Losses were felt across operating geographies, job profiles

and contract types. As a result of this large-scale change, we recognise that retention levels may be lower than sector or industry averages. As we emerge from COVID-19 alongside years of business transformation, we have a big opportunity to rebuild engagement which we'll do by focusing on connecting colleagues with our new purpose while creating a more inclusive, supportive and stable place to work.

7 TRAINING AND DEVELOPMENT

Training and development strategy

Question Number	Question Text	Question Tier	Privacy setting of Answer	Scoring Information	Answer Criteria
7.1	Describe the company's strategy for developing the skills and capabilities of employees. State the KPIs as applicable.	F	PUBLIC	Rule 1 (1 point)	250 word limit

Effective learning and development opportunities are key to build the right capabilities for colleagues to be their best and deliver for customers. All colleagues are offered voluntary and mandatory training opportunities delivered through multiple formats across specific skills relevant to them. For example, we offer modular learning online via our Learning and Development and Career Hubs on areas such as digital skills and leadership, bitesize mandatory training via our HR Workday system for issues like customer service or HSE, longer-term training through our world-class British Gas Training Academies and Centrica graduate programme so we can plug key skills for a greener future and meet customer needs. We offer a range of different apprenticeships across the organisation funded by the apprenticeship levy, and provide investment to support colleagues in working towards professional qualifications to develop the skills we need to run and grow our business. We also fund event or course attendance across all issues where applicable. Internal and external mentoring and reverse mentoring schemes alongside executive coaching are viewed as central to our training and development ecosystem. Timing of training can vary with some offerings being available on-demand via online modules in our Career Hubs which enables everyone to progress their personal development plan when and how they want, while others will have an annual controlled intake such as our British Gas engineering apprenticeships at Training Academies. Efficacy of training is evaluated according to the type of training – from NPS and other satisfaction measures, to return on investment and retention.

7.2	How does the company identify and address skills gaps and training need on an ongoing basis? Provide details on how consulting with workers and/or worker representative bodies informs the process, as applicable.	F	Mandatory Public	Rule 1 (1 point)	250 word limit
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Identifying the skills to deliver now and in the future is essential. Skills gaps and training are identified through colleague and line manager quarterly performance reviews, with development materials accessed via methods in Q7.1. For larger strategic projects and future skills priorities, our HR Director, works closely with leaders on an ongoing basis to address needs. We also seek feedback from stakeholders like colleagues and trade unions including employee networks and the annual engagement survey, to focus action and ensure their views are considered when developing or altering offerings through focus groups, surveys and meetings. We know a diverse and inclusive team is central to having the skills we need to deliver for our customers and achieve net zero which is why as part of our People & Planet Plan, we'll create a team that reflects the full diversity of our communities by aiming for 47% women, 14% ethnicity, 15% disability, 3% LGBTQ+ and 3% ex-service by 2030, in line with Census data. We're also looking to accelerate green skills to drive the energy transition by recruiting 3,500 apprentices by 2030 with the ambition for 50% to be female. Goals are reviewed by leaders and Board Committees throughout the year to ensure we remain on track and adapt plans if performance or needs change. Having recently introduced our goals, it's too early for meaningful improvements although we've seen a significant uptick in female apprentices following a targeted recruitment campaign for those seeking a career change during COVID-19.

Tracking training and development

Question Number	Question Text	Question Tier	Privacy setting of Answer	Scoring Information	Answer Criteria
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7.3	Provide the average number of hours of training provided to employees (on an FTE basis) by gender (female and male only).	I	PUBLIC	Rule 4 (max 2 points)	Table
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Female average FTE training hours	Male average FTE training hours
-	-

Note: The data available to us means that we are unable to complete this field but we will look to do so in future years.

7.4	Describe two example trainings provided to employees to develop or upgrade their skills in line with their existing or a new role.	I	PUBLIC	Rule 6 (max 2 points)	Table
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Job function/role	Example of training programme provided (150 words)
Engineer	To get to net zero by 2050, we've a number of goals to ramp up sustainable technologies such as installing 100,000 electric vehicle charge points a year, delivering up to 20,000 heat pumps a year, and doubling the number of Hive heating customers to 2.5 million by 2025. To do this, we need to expand capability and so we've started to cross-train service and repair engineers to install electric vehicles and heat pumps amongst other things. By the end of 2021, we hope to have cross-trained 400 more of our 7,500 engineers in the UK. We may one day need all of our engineers to have this capability so we'll continue to ramp up cross-training opportunities given its success in helping engineers expand their skill set whilst giving customers services and solutions that help them live sustainably, simply and affordably.
Reverse mentoring	It can be hard to develop soft skills as well as an understanding for those with different experiences and skills. So we've rolled out reverse mentoring which pairs senior leaders with junior colleagues, to share their experiences and skills, and learn from one another. We now have over 100 colleagues participating in the scheme which includes members of our Centrica Leadership Team and Group Chief Executive. The initiative has been used to support the development of under-represented groups including ethnic minorities and females. Success is measured via quantitative and qualitative feedback which has been overwhelmingly positive in helping develop core skills to excel in their job and progress their careers. Over 65% of colleagues have said it's surpassed their expectations. Following its success, we're rolling out the scheme to even more colleagues.

7.5	Provide the average number of hours of training provided to employees (on an FTE basis) by contract type (if no employees on any one of the contract types, state "n/a").	F	PUBLIC	Rule 4 (max 2 points)	Table
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Contract type	Average number of FTE training hours
Indefinite/permanent employees	8
Fixed-term/temporary contract employees	3

7.6	Describe any differences in access to training and development opportunities between the company's indefinite/permanent employees and its fixed-term/temporary employees, contractors and other direct operations workers.	I	PUBLIC	Rule 1 (1 point)	250 word limit
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Colleagues of all types alongside contractors and other direct operations workers, typically have access to the same training and development opportunities from the very outset of their employment with us. For example, all colleagues including fixed term/temporary workers and contractors, have access to our HR management system, Workday, to undertake all sorts of training including inductions and refresher training alongside new skills content. Induction modules can be specific to the area of the business or type of role, but all colleagues will need to undertake the relevant induction training for their area of the business to ensure they can do their job well. One of the key differences for contractors in how they are treated, is in instances where a learning request to upskill involves enrolment onto a course that requires a financial contribution. This is because contractors are typically enlisted on the underlying assumption that they should already have the skills they need to do the job, and so these requests are dealt with on a case-by-case basis to ensure we fully understand the requirement and can be confident of a return on investment. Another difference is that in some front-line areas like customer service or engineering, learning time is often scheduled in to enable easier completion of mandatory elements. However, all colleagues are generally encouraged to dip in and out of learning content over and above scheduled periods set aside for mandatory learning requirements.

7.7	How does the company measure the impact of its training programmes on business productivity and worker satisfaction?	F	PUBLIC	Rule 1 (1 point)	250 word limit
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Ensuring training does what it's intended to do is essential. That's why core offerings are assessed for their impact on business productivity and colleague satisfaction. Quantitative and qualitative measures are used to track impact and varies according to the training delivered. For example, digital learning modules in our HR management system involve a test at the end either via the module itself or in follow-up face-to-face sessions, which we use to judge success because we know that if they pass, the key learnings have been understood. All digital modules are also star-rated by colleagues in real-time, so we understand which modules are working well and which can be improved. Star-ratings are reviewed at least annually, and insights used to enhance training the following year. Meanwhile in contact centres, our 'Be Brilliant' training to deliver an excellent service is run and following completion, team leaders monitor success by observing their team's effectiveness on-the-ground and provide programme feedback to ensure its constantly tweaked to better serve the needs of customers. Customer-facing coaching sessions are additionally rolled out as needed. For classroom-based learning, we use the standard Kirkpatrick Model of learning evaluation which includes post course evaluation. Apprentices are fully assessed to ensure they attain the required national, Government standards and we monitor compliance in real-time. Across these and more, we work with stakeholders and sponsors to identify what 'good' looks like and which specific measures are best to monitor productivity which includes return on investment, customer NPS and employee engagement.

8 HEALTH, SAFETY AND WELLBEING

Occupational health and safety

Question Number	Question Text	Question Tier	Privacy setting of Answer	Scoring Information	Answer Criteria
8.1	Describe the company's strategy for identifying and managing health and safety risks and hazards in the workplace, including through audits, training and the provision of personal protective equipment. State the KPIs as applicable.	F	Mandatory Public	Rule 1 (1 point)	250 word limit

Workplace health and safety (H&S) risks are managed through Group-wide policies, standards, operating procedures, risk assessments and controls that align with legal and regulatory requirements across jurisdictions. These are available in appropriate languages and accessible formats. Systems of work and controls prescribe safe ways to work including permits, pre-task checks and PPE. Workers receive a HSE induction and job-specific training whilst field workers are trained to conduct onsite risk assessments. Their managers perform periodic inspections, track refresher training, conduct 'Toolbox Talks' and discuss issues with their teams to maintain high standards. Each business has a H&S management system, risk register and dedicated H&S professionals to support operations as well as perform first line of defence. Observations, incidents and actions are recorded in a central system with incidents investigated and corrective actions agreed/tracked. For significant incidents, lessons learned are shared Group-wide to mitigate recurrence. We operate industrial hygiene surveillance programmes for specific risks including noise, vibration, heat and dust. A dedicated H&S assurance team run annual audits to independently assess compliance with regulations, internal standards and systems. Business divisions and the Board review monthly KPIs like total recordable injury frequency rate and vehicle accident rate to ensure good governance. The policy, standards and management systems are periodically reviewed and updated according to regulatory changes, risks, audit findings and performance. Business unit changes or new activities require early engagement with H&S teams to ensure hazards are identified and controlled.

8.2	Does the company consult with workers and/or worker representative bodies when developing and evaluating health and safety policies and practices?	F	PUBLIC	Rule 3 (1 point for Yes)	Yes/No
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Yes

8.2a	If yes, provide more details	F	PUBLIC	Rule 3 (1 point for Yes)	250 word limit
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We regularly engage with lead UK trade unions colleagues are members such as GMB, Unite, Prospect and Unison, who are an integral part of creating and updating HSE policies and procedures, helping investigate incidents, conducting inspections and providing input to address risk areas or tools needed. Workers are consulted when devising or updating policies and practices. Examples include engagement with UK Trade Union Safety Representatives who receive HSE reports as well as reviews and observes investigation of incidents involving their members so that they can input into procedural changes. We also run worker consultations, trials and feedback loops for business division specific initiatives that address specific issues, such as improving field worker posture to help prevent future musculoskeletal injuries or in the design of racking systems for field-worker vans. Dedicated H&S professionals within each business division maintain their management system, risk assessments, controls and procedures, with input from their operating colleagues to ensure they remain robust and effective. Our open-door policy and two-way communication, supported by regular meetings, enables us to collaborate with unions in an effective way that ensures the safety of colleagues.

Provide the total number and/or rate of work-related injuries or ill health (excluding fatalities), as well as the change in the number of incidents since the last reporting period, for employees for each of the company's significant operating locations.

Question Number	Question Text	Question Tier	Privacy setting of Answer	Scoring Information	Answer Criteria
8.3	Please enter the details in the following table	F	Mandatory Public		Table

Significant operating location	Number of work-related injuries or ill health (excluding fatalities)	Change in the number of incidents since the last reporting period	Rate (%)	How rate is calculated
Global/Group	951	-700	3.65	No of Injuries + No of Ill Healths (MAT)*200000/Hrs Worked (MAT)
UK	899	-672	3.99	No of Injuries + No of Ill Healths (MAT)*200000/Hrs Worked (MAT)
Europe	8	-12	1.51	No of Injuries + No of Ill Healths (MAT)*200000/Hrs Worked (MAT)
North America	44	-23	1.49	No of Injuries + No of Ill Healths (MAT)*200000/Hrs Worked (MAT)

Provide the total number and/or rate of fatalities as a result of work-related injury, as well as the change in the number of incidents since the last reporting period, for employees for each of the company's significant operating locations.

Question Number	Question Text	Question Tier	Privacy setting of Answer	Scoring Information	Answer Criteria
8.4	Please enter the details in the following table	F	Mandatory Public		Table

Significant operating location	Number of fatalities as a result of work-related injury	Change in the number of incidents since the last reporting period	Rate (%)	How rate is calculated
Global/Group	0	0	0.00	No of Fatalities (MAT) * 200000 /Hrs Worked (MAT)
UK	0	0	0.00	No of Fatalities (MAT) * 200000 /Hrs Worked (MAT)
Europe	0	0	0.00	No of Fatalities (MAT) * 200000 /Hrs Worked (MAT)
North America	0	0	0.00	No of Fatalities (MAT) * 200000 /Hrs Worked (MAT)

Provide the total number and/or rate of work-related injuries or ill health (excluding fatalities), as well as the change in the number of incidents since the last reporting period, for other direct operations workers for each of the company's significant operating locations.

Question Number	Question Text	Question Tier	Privacy setting of Answer	Scoring Information	Answer Criteria
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8.5	Please enter the details in the following table	F	PUBLIC		Table
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Significant operating location	Number of work-related injuries or ill health (excluding fatalities) for other direct operations workers	Change in the number of incidents since the last reporting period	Rate (%)	How rate is calculated
Global/Group	114	-112	3.00	=No of Injuries + No of Ill Healths (MAT)*200000/Hrs Worked (MAT)
UK	110	-186	3.10	=No of Injuries + No of Ill Healths (MAT)*200000/Hrs Worked (MAT)
Europe	4	-2	1.76	=No of Injuries + No of Ill Healths (MAT)*200000/Hrs Worked (MAT)
North America	0	-8	0	=No of Injuries + No of Ill Healths (MAT)*200000/Hrs Worked (MAT)

Provide the of total number and/or rate of fatalities as a result of work-related injury, as well as the change in the number of incidents since the last reporting period, for other direct operations workers for each of the company's significant operating locations (if none, state.

Question Number	Question Text	Question Tier	Privacy setting of Answer	Scoring Information	Answer Criteria
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8.6	Please enter the details in the following table	F	PUBLIC		Table
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	Number of fatalities as a result of work-related injury for other direct operations workers	Change in the number of incidents since the last reporting period	Rate (%)	How rate is calculated
Global	00	0	0.00	No of Fatalities (MAT) * 200000 /Hrs Worked (MAT)
UK	0	0	0.00	No of Fatalities (MAT) * 200000 /Hrs Worked (MAT)
Europe	0	0	0.00	No of Fatalities (MAT) * 200000 /Hrs Worked (MAT)
North America	0	0	0.00	No of Fatalities (MAT) * 200000 /Hrs Worked (MAT)

8.7	Scope of disclosure (relates to Q8.6-8.8)	PUBLIC	Not scored	Dropdown
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- Contractors (e.g. independent, self-employed) – selected
- Agency workers (e.g. labour agency, recruitment agency workers) – selected
- Franchisee workers – selected
- Other workers (e.g. subcontracted service workers, third-party contract workers)

Mental health risks and safeguarding

Question Number	Question Text	Question Tier	Privacy setting of Answer	Scoring Information	Answer Criteria
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8.8	Does the company monitor and report on employee mental health and well-being, such as sick days due to mental health?	F	PUBLIC	Not scored	Yes/No
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Yes

8.8a	If yes, provide more details	F	PUBLIC	Rule 2 (1 point)	250 words
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Looking after colleague mental health is a key focus and encapsulates a persons' psychological, emotional and social well-being. We encourage colleagues to speak up if they need help and advise them to take time out if they're struggling. Absence is recorded in our Workday HR management system which, enables colleagues to trigger further support via our various health support services. Time out can vary according to the needs of the situation and is agreed between the manager and individual, in line with our sick leave policy. Colleagues are supported back into work when they feel able with the option of a phased return to ensure they don't take on too much too soon. Mental health absence is closely monitored centrally via tracking of the number of incidences, which is reviewed throughout the year and used to identify trends as well as help target relevant action such as signposting support available via our comprehensive suite of mental health support services.

8.9	Does the company integrate mental health safeguarding into job design and workplace conditions?	C	PUBLIC	Not scored	Yes/No
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Yes

8.9a	Does the company integrate mental health safeguarding into job design and workplace conditions?	C	PUBLIC	Rule 2 (1 point)	250 words
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We consider the effect of physical and mental health when designing roles and adopt 'good work' principles. At the outset of designing a job or when a job changes, we strive to ensure fair hours and patterns of work as well as access to flexible and meaningful work. If we look to change working

practices, we seek the views of key stakeholders such as those from colleagues and trade unions. Through engagement, we're able to fully consider all potential impacts and use their feedback to further shape and strengthen proposals, to create a solution that works for everyone. For example, following consultation during 2020-21, we launched our 'Flexible First' approach to working in response to colleague feedback. Flexible First lets colleagues combine the flexibility and convenience of working at home alongside time in the office to connect and collaborate. So rather than having to work in the office every day, this new way of working helps colleagues better balance work with personal lives which supports wellbeing and lowers carbon footprint. Any changes to working practices are closely monitored to ensure they work in practice. In these instances, we seek direct feedback and evaluate wider metrics such as engagement, productivity and retention wherever possible. Our workplace also aims to provide the best working environment possible in terms of design and cleanliness, by harnessing natural light, greenery, ergonomic desks, healthy food options and fitness incentives amongst other initiatives.

8.10	Identify the company's operating locations, business lines and workforce demographics where physical and/or mental health and safety risks and injuries are reported to be higher, and any processes in place to address problem areas.	F	PUBLIC	Rule 1 (1 point)	250 word limit
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Incidence of mental health is spread relatively evenly across jurisdictions but is slightly higher in the UK. This even spread is likely due to our Group-wide campaigns to raise awareness about the importance of being open about mental health and proactively seeking help, with role-modelling from the Group Chief Executive. It's also likely due to our global population being affected by the pandemic as well as business reorganisation in equal measure. And during 2020-21, we've seen incidence of mental health issues increase because of these factors. Regarding the slightly higher reports of UK mental health incidence, we believe this is largely because the UK has a mature culture of people feeling able to raise issues and take time out if they need it. Our data shows no meaningful trends in relation to particular roles and incidence of mental health reports, although this is something we always monitor so that we can target action effectively if things change. To reduce incidence and care for colleague's mental health, we've strengthened our ecosystem of support including a 24/7 My Care support line, the 'Unmind' app, our 130-strong network of Mental Health First Aiders, and the introduction of a Healthcare Plan for all which supports colleagues to access care should the NHS waiting time have an impact on their health and ability to work. We also run campaigns to educate colleagues that everyone is on a spectrum of mental health, encourage them to talk openly about mental health, and signpost extra support.

Worker wellbeing

Question Number	Question Text	Question Tier	Privacy setting of Answer	Scoring Information	Answer Criteria
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8.11	Does the company offer a health and well-being programme?	I	Mandatory Public	Not scored	Yes/No
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Yes

8.11a	If yes, provide an example of how the company has improved workers' wellbeing and how the company can evidence this.	I	Mandatory Public	Rule 2 (1 point)	150 words
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Our 130-strong Mental Health First Aiders (MHFA) are trained by accredited MHFA instructors, and are there to signpost colleagues to the most appropriate support available. Feedback has been overwhelmingly positive, with those affected feeling huge relief to have someone they can talk with confidentially, without burdening friends and family. And having someone to discuss what support is available and how to access it, has helped colleagues feel more confident about seeking further support. We have a programme of Mental Health for Leaders to support them to better identify and support colleagues who look like they may need a helping hand but aren't able to ask for it. As a result of these initiatives, we've seen an increase in the reporting of mental health incidence which we see as a positive because it shows that more people feel comfortable to talk about their mental health and importantly seek support.

Response to Covid-19

Question Number	Question Text	Question Tier	Privacy setting of Answer	Scoring Information	Answer Criteria
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8.12	What measures does the company have in place to ensure that workers who are unwell take sick leave, and other necessary leave, and are protected economically if they need to do so?	F	Mandatory Public	Rule 1 (1 point)	500 word limit
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If colleagues are unwell, we provide sick leave and other necessary leave, to ensure they're financially protected in their time of need and won't be penalised for taking absence that goes beyond local government requirements. Our sick pay relates to absence of more than one day if a colleague is unwell and specifically includes generous protections such as enhanced Company Sick Pay and Group Income Protection Schemes. By logging sick leave in our Workday HR management system, we can formalise the process and ensure colleagues receive the relevant help they may need. For example, all sickness absences are passed to our MyHealth Case Management team to assess/triage each absence within 24/48 hours, and depending upon the nature of sickness, will drive further interventions via our MyHealth suite of support to ensure appropriate treatment or action

is provided with underlying issues identified and addressed wherever possible. It's in everyone's interest for the employee to get better so the line manager will also have guided conversations with them at key stages of absence, to see how they're doing and monitor when and how they're best to come back to work. This may include a phased return so that they don't take on too much too soon. Other appropriate absences that may be relevant in these instances and can also be taken at the relevant time, include bereavement leave and carers leave, whereby we provide world-class support of up to six weeks paid leave when matched with annual leave to help better balance work with caring responsibilities. For the duration of the pandemic, we've also temporarily amended our policies to ensure that any COVID-related absence doesn't have a detrimental impact on colleagues' pay and includes ensuring that those who need to self-isolate are not financially impacted.

8.13	Which workers are covered? Select all that apply from the drop-down list.	F	Mandatory Public	Rule 1 (1 point)	Dropdown
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- Indefinite/Permanent employees – selected
- Fixed-term/temporary employees – selected
- Non-guaranteed hours employees (e.g. casual workers, on-call employees, zero-hours contracts/on-call employees)
- Contractors (e.g. independent, self-employed) – selected
- Agency workers (e.g. labour agency, recruitment agency workers)
- Franchisee workers – selected
- Other workers (e.g. subcontracted service workers, third-party contract workers)

8.14	What steps, if any, is the company taking to protect the physical and mental health of its workforce during the COVID-19 crisis, including their safe return to the workplace? Where new health and safety policies have been introduced in response to COVID-19, state whether these will remain in place beyond the current pandemic period.	I	PUBLIC	Rule 1 (1 point)	500 word limit
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We have a culture of health and wellbeing (mental, physical, emotional and financial) which provides the right support at the right time. During the pandemic, we strengthened this process by 1) launching a new mobile-friendly one-stop-shop site for colleagues to access the latest information and guidance about our support suite as well as COVID-19, 2) diversified our 130-strong Mental Health First Aiders' Network to support colleagues remotely; 3) worked to build a more open culture to raise awareness and encourage colleagues to speak up and access support via communications from senior leaders including our Group Chief Executive, diversity network leaders and more; 4) better signposted support available through channels like our virtual townhalls, leader newsletters and webinars to boost take-up of support such as the 'Unmind' wellbeing app and healthcare plans, 5) encouraged people to stay active with virtual gym sessions, gym membership incentives as well as active fundraising challenges in aid of our charity partners, 6) partnered with the Trussell Trust to provide an avenue for colleagues to contribute to their communities by helping those most in need receive vital support from food banks, with 95% of British Gas

engineers said they felt good about making a difference, and 7) rolled-out a 'Flexible First' approach to working when restrictions fully lifted in 2021, enabling colleagues to choose how they want to work by creating their own balance between office and home working.

We also aimed to safeguard colleague concerns about their job which can affect mental health. For example, we 1) gave employees who didn't already have homeworking facilities the ability to work from home and the flexibility to adjust working hours/days to accommodate caring responsibilities, 2) supported those who wanted to take part in the Emergency Volunteer Programme or military deployment, 3) temporarily amended policies to ensure that any COVID-related absence didn't have a detrimental impact on colleagues' pay, 4) offered colleagues flexible working if they were required to self-isolate following a foreign holiday to reduce any impact on employees and their pay, and 5) maintained employee pay at 100% regardless of what came back from the job retention scheme.

Physical health was additionally protected. We did this by 1) transitioning to remote working for site-based colleagues at the start of the pandemic and made sure everyone had the tools they needed, 2) ensured sites adhered to government's safety guidelines for colleagues who had to work onsite, 3) all field workers serving customers' homes and businesses were/are supplied with PPE and operate in a way that aligns to the guidance alongside risk assessments devised in collaboration with colleagues and trade unions, to keep themselves and our customers safe, and 4) undertook individual health assessments for each engineer to ensure appropriate protocols are in place and for engineers categorised as vulnerable, we additionally modify their work so that they can work from home and support colleagues remotely.

9 WORKER VOICE AND REPRESENTATION

Freedom of association and collective bargaining

Question Number	Question Text	Question Tier	Privacy setting of Answer	Scoring Information	Answer Criteria
9.1	Describe the company's process for consulting with workers, their representative bodies and trade unions, as applicable, and other steps to secure workers' rights to freedom of association and collective bargaining.	F	PUBLIC	Rule 1 (1 point)	250 word limit

Working in partnership with trade unions is essential to achieve business objectives that benefit colleagues, customers and wider society. During 2020-21, we continued to uphold the right for all colleagues to be trade union members. We worked with trade unions and supported employed trade union representatives with facilities time and time off, to maintain an open and transparent dialogue. In-person and virtual meetings were held,

alongside accessible consultations and negotiations on statutory and voluntary issues at a local and national basis. For example, we have six collective bargaining units in the UK with their own collective arrangements/recognition agreements. Under those agreements, we hold national and local councils which meet regularly to engage and consult on matters. In January 2021, we established the Centrica Joint Council, a strategic forum which meets bi-annually and brings together our Chief Executive, members of our senior leadership teams and National Energy Officers from recognised trade unions. Engagement via these methods cover a range of matters across the business including ways of working, proposed large-scale organisational and contractual changes, mitigation of redundancies and achieving fair award agreements in pay negotiations. Engagement enables us to shape and implement outcomes to these issues, with the aim of creating a fairer future for everyone in the business whilst giving customers the service they want and need. Outcomes from consultations, meetings and engagement sessions are shared with colleagues in numerous ways, including via trade union representatives, National Energy Officers, townhalls hosted by leadership, meetings with line managers and intranet sites.

9.2	Provide the percentage (%) of employees covered by collective bargaining agreements for all locations in the direct operations	F	Mandatory Public	Rule 1 (1 point)	0
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71%

9.3	Scope of disclosure (relates to Q9.2)		Mandatory Public	Not scored	Dropdown
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- Domestic operations/HQ only
- All significant operating locations
- ≤25% of direct operations workforce
- 26%-50% of direct operations workforce
- 51%-75% of direct operations workforce
- ≥76% of direct operations workforce**
- All direct operations workforce - selected

Provide the percentage (%) of employees covered by collective bargaining agreements by each of the company's significant operating locations.

Question Number	Question Text	Question Tier	Privacy setting of Answer	Scoring Information	Answer Criteria
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9.4	Please enter the details in the following table	I	PUBLIC		Table
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Significant operating location	Percentage (%) of employees in each location covered by collective bargaining agreements
Global/Group	71
UK	85
Europe	34
North America	-

Note: Unable to retrospectively source North America data following divestment of Direct Energy in January 2021.

9.5	How does the company secure the rights of other direct operations workers to collective bargaining?	F	PUBLIC	Rule 1 (1 point)	250 word limit
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The right of third-party workers to take up trade union membership is enshrined in Our Code and supported through our membership of the United Nations Global Compact, as well as our commitment to the UN Guiding Principles on Business and Human Rights. We therefore ensure that third party workers, including those in our supply chain, are enabled to enjoy these same rights through collective rights clauses in supplier contracts as set out in our Responsible Sourcing Policy. Those who uphold this right and are committed to cascading them within their own supply chains, are incentivised with the award or renewal of a contract, given this is one of the key principles for being able to do business with us. Compliance is monitored via our risk processes for supplier onboarding which includes a detailed analysis of labour practice managed by Procurement Managers, and if categorised as higher risk, we undertake further review processes such as undertaking a site inspection or remote worker surveys, with relevant questions to test the right to collective bargaining is in place. Further information is available in [Our Code](#), [UNGC Communication and Progress](#) and [Responsible Sourcing Policy](#).

9.6	Has the company identified any risks or restrictions to employees' right to freedom of association or collective bargaining in any of its direct operations?	I	PUBLIC	Not scored	Yes/No
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No

9.6b	If no, provide an example of action taken to prevent risks or restrictions, including through engagement with workers and/or worker representative bodies, as applicable	I	PUBLIC	Rule 2 (1 point)	250 word count
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We believe the processes we have in place are sufficient in protecting the right to freedom of association and collective bargaining across our direct operations. For example, Our Code, sets out our commitment to uphold collective bargaining which we do through our joint working framework with trade unions, whereby we endeavour to have positive and productive relationships to reach solutions that work for colleagues, customers and our business. Through our active participation in this process, we're able to role model our support and raise awareness of the opportunities for colleagues to get involved and have their voices heard via a range of channels such as townhalls, leadership updates, working parties, consultations and more. Colleagues are additionally made aware of this right to participate via Our Code annual refresher training in which they're required to uphold its principles. Should anyone have any concerns that freedom of association and collective bargaining isn't being honoured, we provide an anonymous 24/7 Speak Up helpline, which would enable us to investigate the concern and take appropriate action to rectify. Freedom of association and collective bargaining is also rigorously protected in our supply chain. This stipulation forms a core part of the tender and onboarding due diligence. If any concerns come to light that collective bargaining and freedom of association isn't being upheld, we'll collaborate with the supplier to conduct further audits and implement action plans for improvement.

Worker voice

Question Number	Question Text	Question Tier	Privacy setting of Answer	Scoring Information	Answer Criteria
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9.7	Describe the mechanism(s) for enabling workers' participation in corporate decision making, such as worker representation on the Board, having a Non-Executive Director with responsibility for employee engagement, town hall meetings etc.	F	PUBLIC	Rule 1 (1 point)	250 word limit
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The Board knows that having an engaged workforce is vital to delivering our strategy. So we engage, listen and respond to employee feedback, to improve how we do business. In 2020, Joan Gillman continued her role as the Employee Champion, and held a hundred listening sessions to hear about the cultural 'blockers' and 'pain points' colleagues were experiencing, and ensured their voices were heard in the Boardroom on issues like empowerment, wellbeing and talent. Joan also worked to improve the Board's understanding of employee concerns, including their desire to feel more connected to strategy, purpose and leaders. As an outcome, our Group Chief Executive hosts frequent townhalls and enlists the help of senior managers and others, to be more visible and bring the company's strategy and purpose to life. The townhalls have been a big hit with colleagues attending in high numbers and provide an opportunity for asking questions as well as sharing their views to shape future decisions. And following the impact of the COVID-19 and the Black Lives Matter movement amongst others in 2020, the townhalls, listening sessions and employee networks,

provided a valuable forum to listen to colleagues' experiences and co-create a plan to achieve a more diverse and inclusive team. As part of this, we set up a Shadow Board of diverse colleagues in late 2021, to meet with leaders and provide strategic feedback for improvement. Joan stepped down from the Board in 2021 and engagement is currently considered the collective joint responsibility of the Board.

9.8	How does the company obtain worker feedback? Provide the percentage (%) of employees who participated in the company's most recent engagement survey and the level of satisfaction indicated	F	Mandatory Public	Rule 1 (1 point)	250 word limit
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We run an annual employee engagement survey to understand what we're doing well and where we can improve. The reorganisation of our business contributed to our engagement score declining by 1% to 42% favourable in 2020. This was based on 42% of our global workforce completing and was down from 67% in 2019, with participation impacted by reorganisation. Colleagues have been through significant change and we want to improve their experience by connecting them with our new purpose and leaders, whilst creating a more inclusive and supportive place to work. These core themes were identified at a Group-level and an action plan developed. Engagement feedback split by business, department and team, are also shared with leaders to create more tailored action plans locally. At a Group-level, employee feedback has been the key driver in implementing frequent townhalls hosted by the Group Chief Executive on an at least monthly basis to give greater understanding of our purpose, how the company is doing, discuss key issues of the day and enable a deeper relationship with leaders. To complement the 2020 annual survey feedback, we run quarterly 'pulse' surveys to monitor progress so that we can adjust action. Feedback can additionally be sought via focus groups on issues like skills or inclusion via networks and the Shadow Board. This ensures leaders receive a continuous feed of thoughts and feelings, enabling them to understand the big questions colleagues want answered, what they're concerned or care about, and implement action to address it.

9.9	Provide one example of how workers have influenced decision making on an issue of substance in the reporting period.	C	PUBLIC	Rule 1 (1 point)	250 word limit
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In 2020, we wanted to refresh our purpose to reflect who we are today and provide a stronger vision for the future – something that would speak to the heart of what our customers want, inspire and galvanise colleagues to give their all and act as a north star for our strategy, whilst driving positive impact for stakeholders over the long term. And so we set out on a journey to co-create it with stakeholders. We had more than 300 conversations with colleagues and customers who said they wanted us to be a better customer champion, support a more secure future by solving problems for their homes and businesses, and help create a more sustainable world. Using this feedback, over 9,000 customers and colleagues selected our new purpose to be: 'Helping you live sustainably, simply and affordably'. By involving our colleagues in this process from start-to-finish as we defined the most fundamental question of who we are and want to be as a business, we believe our purpose not only resonates more deeply with colleagues and makes them feel like they've a stake in our company, but provides a clear direction and motivates them to be their best.

Grievance mechanisms

Question Number	Question Text	Question Tier	Privacy setting of Answer	Scoring Information	Answer Criteria
10.1	Provide details of the channel(s)/mechanism(s) through which employees can raise complaints or concerns, including how these operate and how workers were consulted on the design of the mechanism(s).	F	Mandatory Public	Rule 1 (1 point)	250 word limit

Our Group Grievance Policy encourages colleagues to report any grievances. We attempt to resolve grievances informally in the first instance, but where they can't be resolved informally, we follow a formal process. The process involves writing a formal letter and being invited by their line manager to a grievance meeting (with representation if required), to discuss and seek resolution. The employee has the right to appeal if they're unhappy with the outcome. A record of the grievance and outcome is kept on the employee's file. The process draws on best practice HR protocols and is shaped via trade union and colleague input. The HR team manages the process and monitors the number of contacts made as a lead KPI. Colleagues are also encouraged to report any concerns regarding instances of malpractice, human rights abuse or discrimination to their line manager, HR manager or via our Speak Up online and phone-based helpline. To remove barriers to reporting incidents, the Speak Up helpline is an independent service and enables concerns to be reported anonymously. The process is managed by the Ethics and Compliance team who also track and report on the number of reports made per 100 employees. The process has been devised according to best practice protocols and employee engagement. All grievances are investigated, appropriate action taken, and any learning incorporated into business strategy to prevent issues arising again – this may involve the HR or Ethics and Compliance team engaging business division or department leaders, to improve work practices.

10.2	Is the channel(s)/mechanism(s) identified in 10.1 accessible to the company's contractors, agency and other workers (e.g. subcontracted service workers, third-party contract workers)?	I	PUBLIC	Rule 3 (1 point for Yes)	Yes/No
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Yes

10.2a	If yes, provide more details (see guidance for what details to include)	I	PUBLIC	Rule 3 (1 point for Yes)	250 words
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Our channels for reporting concerns are accessible to all company workers including contractors, agency and other third-party workers. For example, it's vital that the company always acts fairly and with integrity, so we ensure that anyone can report an issue they're concerned about – whether they're a direct employee, contractor, agency staff, business partner, customer or member of the public. While some routes to reporting the potential contravention such as via a line manager or member of HR, may not be applicable to some of these groups, anyone can access the confidential 24/7 Speak Up helpline to report their concerns and they have the option to remain anonymous if preferred. Throughout the year, we ensure that access to the channel/mechanism works in practice by monitoring the number of contacts made, testing the channels and continuously embedding strong signposting on relevant platforms and channels to ensure good awareness.

10.3	Does the company assess the effectiveness of its grievance mechanism(s) against the criteria in Principle 31 of the UN Guiding Principles on Business and Human Rights (that is, whether the mechanism(s) is legitimate, accessible, predictable, equitable, transparent, and compatible with human rights)?	F	PUBLIC	Rule 3 (1 point for Yes)	Yes/No
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Yes

10.3a	If yes, provide more details (see guidance for what details to include)	F	PUBLIC	Rule 3 (1 point for Yes)	(250 words)
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Effectiveness of our grievance mechanisms is assessed against the criteria in Principle 31 of the UN Guiding Principles on Business and Human Rights, in that it's legitimate, accessible, predictable, equitable, transparent and compatible with human rights. Through feedback and usage rates, we know colleagues are aware of, have access to and trust the process. If levels drop or we notice colleagues querying/challenging processes, we can respond by improving process or clarity of it. In the past, we noticed a decline in reports so we raised awareness and access by enhancing Our Code annual training and ensuring its completion, running a campaign on the importance of speaking up, and improving general signposting. This helped address deficiencies and ensured a strong system to support colleagues and our business uphold our human rights commitment. We run annual Our Code refresher training to remind colleagues of their responsibilities and how to raise a grievance. Stakeholders like trade unions and NGOs are engaged to review performance as needed, particularly if an issue of significance is identified or if an employee wants union representation. Trade unions and NGOs like the Institute of Business Ethics have also helped us develop and raise awareness of grievance mechanisms and should anything material change, we'll reconnect to ensure proposed changes work for everyone. It's important to learn from the remedy process and where relevant, we ensure learning is applied to improve the grievance process and wider ways of working.

10.4	Provide the number of grievances relating to human rights and/or workers' rights reported and resolved in the reporting period.	I	PUBLIC	Rule 5 (max 2 points)	Table
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Number of grievances reported	Number of grievances resolved
280	280

Note: We cannot split the data by human rights specific category, so we have gone with wider workers' rights.

10.5	Provide an example of how the company has provided or contributed to providing a remedy for a human rights/workers' rights grievance raised in the reporting period, including by consulting with impacted workers and any lessons learned.	I	PUBLIC	Rule 1 (1 point)	250 word limit
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Solar is a key technology for enabling net zero, but its supply chain has been identified as higher risk. This is because solar panels are reliant on polysilicon production which is predominantly made in China, where there's potential links to forced labour in the Xinjiang region. Whilst we've robust supplier selection processes in place and conduct due diligence with the aim of partnering with like-minded suppliers that're committed to creating positive social and environmental impact, it's very difficult to gain complete transparency across the solar supply chain. With China being a world leader in solar production and limited viable alternatives, we take our responsibility very seriously to improve transparency and reduce risk. This is an issue all companies in the sector face, so raising standards requires a joined-up approach. In 2021, we therefore joined the Solar Energy UK Responsible Sourcing Policy Group and engaged Solar Power Europe as well as Solar Energy Industry Association (SEIA), to ensure we tackle these challenges and continually align with best practice. For example, towards the end of 2021, Solar Energy UK in partnership with Solar Power Europe, will run a collaborative supply chain investigation to identify gaps in transparency and create a more robust monitoring programme to help reduce risk and raise standards. During 2020-21, we additionally undertook a deep dive into our solar supply chain and commenced more meaningful conversations with suppliers on transparency. If necessary, we will remove suppliers from our vendor list who fail to work with us to improve standards.

10.6	What policies and procedures does the company have to protect workers from retaliation and reprisal for speaking up or lodging a grievance relating to their rights as workers and working conditions?	F	PUBLIC	Rule 1 (1 point)	250 word limit
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We actively encourage colleagues to speak up on grievances or concerns they may have about how we do business. We take all concerns raised very seriously and are committed to protecting those who raise concerns in good faith. That's why we have a zero-tolerance approach to any form of retaliation against colleagues who report possible or actual breaches of Our Code. We consider retaliation as gross misconduct. If any retaliation is identified, this should be raised with line management, HR or via the Speak Up helpline. Through communication campaigns, our annual online Our Code refresher training and employee inductions, we aim to foster a culture where colleagues feel able to speak up without fear of retaliation. For instance, in our communications and training, we specifically raise awareness of the protections we have in place to ensure non-retaliation and additionally highlight that colleagues can raise concerns anonymously via our 24/7 Speak Up online and phone-based helpline. We have seen increases in use of the helpline following a campaign and/or training activity, which shows that these methods are effective at delivering cut-through with colleagues and gives us confidence that they feel satisfied with the protections we provide and able to speak up without fear of retaliation.

11 SUPPLY CHAIN TRANSPARENCY

Supply chain structure and location

Question Number	Question Text	Question Tier	Privacy setting of Answer	Scoring Information	Answer Criteria
11.1	Provide a description of the company's supply chain and explain its role in the company's business model.	F	Mandatory Public	Rule 1 (1 point)	250 word limit

We supply energy and services to over 9 million customers mainly in the UK and Ireland through strong brands such as British Gas in the UK, Bord Gais Energy in Ireland and Centrica Business Solutions globally. To help our customers live sustainably, simply and affordably, we directly source from around 6,300 Tier 1 suppliers from over 30 countries. These include some high-risk jurisdictions such as Bangladesh, Cambodia, China and Pakistan, although the majority of our suppliers are based in lower risk countries like the UK, North America and Ireland. The types of suppliers we work with across our supply chain can vary significantly - from providing parts for boilers in customers' homes, to chairs for colleagues in the office. We've identified five areas of our supply chain that warrant specific focus based on their associated jurisdictional and industry risk including: 1) technology products, 2) garment manufacturers, 3) facilities management services, 4) solar and 5) electric vehicles. We don't have full visibility over our Tier 2 suppliers and are therefore unable to state how many suppliers make up this category. Over the last five years, we've reduced the number of suppliers we work with from over 35,000 in 2016 and most activity is now centralised and managed by Procurement to reduce risk. Further information is available in our Modern Slavery Statement at centrica.com/modernslavery.

11.2	Provide details on the company's efforts to map its supply chain, including beyond the first tier. State the percentage of the company's supply chain mapped to date.	F	PUBLIC	Rule 1 (1 point)	250 word limit
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We map our supply chain on a project-by-project basis and in accordance with whether sections of the supply chain are based in high-risk jurisdictions such as Bangladesh, Cambodia, China and Pakistan. Based on this criteria for example, garment manufacturing is a higher risk area, so we've worked with our clothing provider to map beyond Tier 1 which has given us greater visibility over all related Tier 2. This has enabled us to better evaluate the risk and target action to where it's needed most, to safeguard workers by ensuring high standards of working conditions and benefits are provided across tiers. We've additionally mapped our facilities services across Tier 1 and Tier 2, which next to garment manufacturing, is the next biggest area of risk. Our third-party sustainability risk platform has assisted us in this process by highlighting areas for improvement, supported with country and commodity risk indices, alongside engagement with wider internal stakeholders including the relevant business division Procurement and Risk Management Teams. DNV, Solar Energy UK and Solar Power Europe are currently helping solar buyers evolve supply chain mapping. Given the breadth of our supply chain and challenges around gaining transparency across it, we recognise we've gaps in knowledge for parts of our supply chain which typically include suppliers in Tier 2. To ensure our efforts are best spent, we'll continue to maintain our current approach of mapping to focus attention and action on higher risk areas, but look to extend mapping in the near future as appropriate.

11.3	Does the company publicly disclose the results of its supply chain mapping?	I	Mandatory Public	Rule 3 (1 point for Yes)	Yes/No
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No

11.3b	If no, how is the company improving transparency of its supply chain? Include examples and state the total number of first tier suppliers.	I	Mandatory Public	Rule 3 (1 point for Yes)	(150 words)
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We don't currently disclose our supply chain mapping. As we work to deepen mapping across our supply chain, our focus in the interim is on improving transparency across our wider annual reporting at a broader level, which includes demonstrating continuous evolution in disclosing progress on our processes and performance related to modern slavery via our annual Modern Slavery Statement. We believe that at present, this focus meets the needs of our key internal and external stakeholders, and is the most material issue in our supply chain that we're legally obligated to report on. In the future, we would hope to publish supply chain mapping once the necessary work has completed. This would need to be updated at a reasonable frequency given the changing nature of supply chains.

Supply chain numbers

Question Number	Question Text	Question Tier	Privacy setting of Answer	Scoring Information	Answer Criteria
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Provide the number of first tier suppliers in each of the company's top ten sourcing locations (determined by percentage of overall procurement/spend).

Question Number	Question Text	Question Tier	Privacy setting of Answer	Scoring Information	Answer Criteria
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11.4	Please enter the details in the following table	I	PUBLIC		Table
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Top ten sourcing locations by percentage of overall procurement/spend	Number of first tier supplier organisations
United Kingdom	2,515
Ireland	323
Hong Kong	6
South Africa	1
United States of America	119
Poland	1
India	1
France	13
Luxembourg	3
Singapore	5
Italy	13

11.5	Provide the estimated number of workers in the company's first tier supply chain. Companies can indicate what percentage of their supply chain this covers in 11.6.	C	PUBLIC	Rule 1 (1 point)	0 (150 words)
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10 million

Note: Our response is a rudimentary estimate. Our primary third-party sustainability tool used to engage suppliers does not have functionality that enables us to report on the number of workers in Tier 1 of our supply chain. To complete a response to this question, we have based our calculation on the 13 companies we have undertaken/lined up to undertake remote worker surveys with, averaged this number, and then times it by the number of suppliers we currently have.

11.6	Scope of disclosure (relates to Q11.5)		PUBLIC	Not scored	Dropdown
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- ≤50% of first tier
- 51%-75% of first tier
- ≥76% of first tier
- All of first tier**

11.7	Does the company collect data on the gender composition of its supply chain workforce?	C	PUBLIC	Rule 3 (1 point for Yes)	Yes/No
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No

11.7 b	If no, state why not and any plans to do so in the future.	C	PUBLIC	Rule 3 (1 point for Yes)	(150 words)
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Our primary supply chain tool during 2020 doesn't have functionality that enables us to access and analyse gender composition data across our supply chain. We recently moved to a new supplier and should have greater access to this level of information next year. We're also exploring other ways to capture this information such as via our direct worker reporting programme, which captures the gender composition of those answering the surveys and will enable us to also identify if a particular gender is experiencing a particular issue more than the other in the supply chain.

High risk supply chain areas

Question Number	Question Text	Question Tier	Privacy setting of Answer	Scoring Information	Answer Criteria
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11.8	Provide details on any specific products, services and raw materials, wherever these feature in the supply chain, identified to be of particular risk of forced labour, modern slavery and human trafficking.	I	PUBLIC	Rule 1 (1 point)	250 word limit
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We've conducted a risk assessment across our supply chain and identified five focus areas that warrant continued attention based on their associated industry and jurisdictional risk, according to the Global Slavery Index. These are 1) smart technology products which include branded and unbranded products like our Hive home solutions, 2) solar products as part of our low carbon energy offering for business customers, 3) electric vehicle charging and battery technology, 4) garment manufacturers who create our engineer uniforms and PPE, alongside 5) facilities management services responsible for activities such as cleaning and security services. The first three are largely critical to our customer offering to help them live sustainably, simple and affordably, whereas the latter two are essential to our everyday operations and are the higher risk areas for forced labour and human rights out of those listed. We work with our suppliers and industry bodies like Solar Energy UK and Solar Power Europe, to establish ways to raise standards collectively as well as ensure we adopt best practice as it evolves.

12 RESPONSIBLE SOURCING

Sourcing strategy

Question Number	Question Text	Question Tier	Privacy setting of Answer	Scoring Information	Answer Criteria
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12.1	What measures are in place to incentivise those responsible for the company's day-to-day sourcing decisions effectively ensure the company meets responsible sourcing and workers' rights commitments (beyond adherence to the company's Employee/Business Code of Conduct/Ethics Code etc)?	I	PUBLIC	Rule 1 (1 point)	250 word limit
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We've a number of incentives to support and drive effective decision-making for those responsible for day-to-day sourcing, to ensure the company meets its commitments on responsible sourcing and workers' rights. Our Responsible Sourcing Champions who typically include Responsible Procurement Managers and sit across all key procurement areas to make sure responsible sourcing is understood and embedded across the organisation, are incentivised via our global 'Recognition' platform. The platform is available to all employees and operates on the basis of colleagues nominating each other in recognition of a key achievement – in this case embedding and maintaining high standards relating to sourcing and workers' rights – with the reward of feedback for their quarterly review process linked to remuneration as well as points that can be turned into monetary vouchers and redeemed at key retailers. Incentives are also in place for roles that are accountable for ensuring the right strategic decisions are made to uphold responsible sourcing and workers' rights as well as the identification of any issues in relation to these focus areas. For instance, the Director of Global Business Services, Risk and Controls, is incentivised through standard performance evaluation processes linked to remuneration based on their ability to reduce risk and strengthen resilience across the supply chain. All of the incentives set out in this answer go beyond the requirement for colleagues to uphold Our Code's commitment on human rights. We continually monitor efficacy of incentives which are ultimately measured by how effective our programme is at protecting rights.

12.2	Does the company assess supplier performance against its own human rights commitments, as applicable, as part of the process for selecting new suppliers?	F	PUBLIC	Rule 3 (1 point for Yes)	Yes/No
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Yes

12.2a	If yes, what percentage of new suppliers (in the last reporting period) were assessed in this way and how is performance on workers' rights weighted or balanced against other selection criteria?	F	PUBLIC	Rule 3 (1 point for Yes)	250 words
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100% of suppliers are assessed on their human rights commitments. This forms a central part of the onboarding and risk assessment process whereby suppliers are required to uphold high standards to protect human rights via our Responsible Sourcing Policy. In addition to this, 6.2% of suppliers identified as potentially higher risk strategic suppliers, and required to undergo further risk assessment via the independent supply chain sustainability risk platform to ensure we fully understood and can address any issues should they arise. If a potential supplier is not willing to work with us to match our high standards on human rights, we'll not enter into a relationship with them.

12.3	Does the company require suppliers to respect a minimum set of labour standards of workers' rights in a supplier code of conduct, or similar?	F	Mandatory Public	Rule 3 (1 point for Yes)	Yes/No
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Yes

12.3a	If yes, provide a link to or attach the relevant public document or describe the terms included in contractual arrangements?	F	Mandatory Public	Rule 3 (1 point for Yes)	150 words
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Every supplier we partner with is required to sign up to and uphold our Responsible Sourcing Policy and Our Code. The policy includes all key sustainability objectives spanning the Living Wage, equal pay and other responsible payment practices, human rights, health and safety, diversity and inclusion, collective bargaining and more. Our policy was established more than a decade ago and is in line with leading international standards such as the UN Global Compact and the Universal Declaration on Human Rights, as well as the ILO Convention 155 and Recommendation 164 on occupational health and safety. Further detail is available in our [Responsible Sourcing Policy](#).

Monitoring suppliers

Question Number	Question Text	Question Tier	Privacy setting of Answer	Scoring Information	Answer Criteria
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12.4	Describe the process for monitoring or auditing supplier performance against the document disclosed at 12.2, including beyond the first tier, the standards used for the monitoring process, and whether the results are made public. State the percentage of suppliers independently audited.	I	PUBLIC	Rule 1 (1 point)	250 word limit
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All Tier 1 suppliers are monitored by the Procurement team through the standard onboarding and risk assessment process. Key Tier 1 suppliers undergo further monitoring and auditing through the independent sustainability supply chain risk platform. The platform assesses the minimum standards across ESG issues including in relation to the Employer Pays Principle, Dhaka Principles for Migration with Dignity and ISO 2600. If suppliers receive a medium or high-risk rating, they are considered for further due diligence which typically involves a site visit by an independent auditor who has experience in labour rights issues. The auditor undertakes a series of inspections such as analysing the working environment, reviewing company documentation and undertaking interviews with workers to gain a deeper understanding of the risk. Should anyone feel unable to share their concerns, we also provide a modern slavery helpline for workers to get in touch confidentially. Whilst we've not identified any instances of modern slavery, we remain vigilant and share results of our monitoring and auditing process each year in our Modern Slavery Statement which is available to stakeholders on our website at centrica.com/modernslavery. In total during 2020, 100% of new suppliers went through the standard onboarding risk assessments, 6.2% went through the sustainability risk assessment platform and 0.3% received a site audit or remote worker survey. Following

assessment, our sustainability score for suppliers was 54 (low risk) which is better than the multi-industry average of 45 (medium risk) and we continue to monitor this to ensure our strategy remains low risk.

12.5	How does the company assess whether its sourcing and/or purchasing practices allow a supplier to meet its workers' rights commitments e.g. by requesting feedback on the business relationship from suppliers etc?	I	Mandatory Public	Rule 1 (1 point)	250 word limit
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We engage suppliers to understand if our purchasing practices allow the supplier to meet its workers' rights commitments. Procurement Managers maintain collaborative relationships with suppliers to help them maintain high standards as well as understand whether our practices may be having an adverse impact on areas like paying the living wage and ensuring strong health and safety standards. We also run supplier forums or roll-out questionnaires to key suppliers to understand what we're doing well and where we can improve, which gives suppliers the opportunity to feedback on whether our practises are impacting them and how we might better work together. And we've rolled out remote worker surveys to directly understand any impacts on workers during COVID-19 which we'll continue to do going forwards. To date, we've received no feedback that our purchasing practices have had an adverse impact but remain vigilant and committed to uphold good practice. Throughout COVID-19 for example, we asked key suppliers about the impact the pandemic was having on them and whether they needed us to temporarily amend our purchasing practises to safeguard workers' rights and product availability. This resulted in us paying at least one supplier earlier than usual to ensure their Tier 2 suppliers had the cash-flow to pay workers for the uplift in activity to manufacture PPE. Following engagement with small suppliers in 2021, we also decided to cut in half our standard payment terms to 30 days, helping suppliers build back better and maintain their vital place in the UK economy.

12.6	Do the company's responsible sourcing policies and practices apply to third party labour providers (labour agencies, logistics, cleaning, security, etc.)?	F	PUBLIC	Rule 3 (1 point for Yes)	Yes/No
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Yes

12.6	If yes, provide more details	F	PUBLIC	Rule 3 (1 point for Yes)	150 words
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All of our suppliers, including third party labour suppliers, must adhere to our Responsible Sourcing Policy which forms part of our contract with the supplier. Their adherence is monitored via a range of processes such as our standard onboarding risk assessment alongside further initiatives for key/higher risk suppliers, such as independent risk assessment via the sustainability risk assessment platform as well as third party independent

auditors undertaking site inspections and remote worker surveys. Procurement Managers oversee this process and maintain an open dialogue with suppliers to carry out due diligence and performance reviews through the life of the contract. This ensures compliance and grows a culture of sustainability.

12.7	Describe the company's approach for incentivising supplier performance on workers' rights. State any KPIs or performance incentives used.	I	Mandatory Public	Rule 1 (1 point)	150 word limit
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We've increased the proportion of the tender process aligned with responsible sourcing principles to one-third which allows us to increasingly consider things like workers' rights and the environment. This drives up standards in our supply chain and ensures we're rewarding sustainable suppliers. Additionally, suppliers who undergo a sustainability desktop assessment and site inspection are rated based on their human rights and labour issues alongside other corporate responsibility practices such as health and safety. If we conduct a site inspection and find a labour non-compliance, we implement an action plan and check improvements made. Whilst continued non-compliance may result in ending our relationship with the supplier, good labour practices can be rewarded with contract renewals or longer-term contracts. We see this as an effective way to encourage good performance which can be demonstrated by all of our suppliers who have undergone action plans, having improved their performance with our support.

13 SUPPLY CHAIN WORKING CONDITIONS

Workers' rights in the supply chain

Question Number	Question Text	Question Tier	Privacy setting of Answer	Scoring Information	Answer Criteria
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13.1	What action has the company taken to build the capacity of its suppliers to mitigate and manage risks to workers' rights, including in their own supply chain (e.g. through supplier training)?	C	PUBLIC	Rule 1 (1 point)	250 word limit
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As part of our commitment to raise standards in our supply chain, we share and strengthen best practice with suppliers to effectively manage and mitigate risks relating to workers' rights in their business and across their supply chain. We've run modern slavery training for Local Heroes, a network of trade-persons working alongside our Operations Team, to build capacity for identifying modern slavery in the construction and service industries. We've also ran an open session on modern slavery with the Supply Chain Sustainability School. Training focused on enhancing capability around

'spotting the signs' and what steps should be taken if a suspected case of modern slavery was uncovered. The training received positive feedback and exists as a blueprint for further training that could be rolled out to others if the need or opportunity arises. We've additionally created a go-to Responsible Labour Practice Toolkit which supports supplier capability building on labour practices including modern slavery and is hosted on our new supplier portal on centrica.com to ensure its accessible. The Toolkit does this by developing a shared understanding of our minimum expectations whilst providing best practice to suppliers who want to do more. We're also members of industry organisations that enable us to share and learn best practice to enhance our engagement and development of capabilities with suppliers. Towards this, we're members of the Responsible Sourcing Council and the Hope for Justice/Slave Free Alliance Utilities Modern Slavery Working Group, and collaborate with trade bodies like Solar Energy UK and Solar Power Europe.

13.2	How is the company working to ensure that supply chain workers can exercise their rights to freedom of association, including the right to unionise, and collective bargaining?	I	PUBLIC	Rule 1 (1 point)	250 word limit
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We ensure workers in our supply chain can exercise their rights to freedom of association, including the right to unionise and collective bargaining. This right is enshrined in Our Code and our membership of the UNGC. From the outset of our relationship with suppliers, we state the need to uphold workers' rights through stipulations in our Responsible Sourcing Policy which suppliers agree to adhere to in our supplier contracts. All suppliers are then assessed on freedom of association and collective bargaining via the onboarding risk process. Strategic suppliers are further evaluated through an external sustainability risk assessment platform and if a supplier is considered medium or high-risk, we explore deeper due diligence which may involve an independent auditor undertaking a site inspection. During the inspection, the right to freedom of association and collective bargaining is investigated such as checking company policies and minutes, and asking workers if they've access to appropriate information to take-up their rights. If the supplier falls short of our standards, we'll consider appropriate action which may result in creating an action plan to raise standards or ending our relationship. A challenge or constriction to this commitment is that in China, workers can only join legal unions rather than forming their own. In these instances, we endeavour to monitor rights carefully and utilise direct worker engagements through remote-worker surveys, to ensure we have the right knowledge to manage the risk and safeguard workers' rights. We'll also work directly with trade unions to resolve specific issues and grievances.

13.3	Does the company monitor whether supply chain workers have access to a grievance mechanism?	C	PUBLIC	Rule 3 (1 point for Yes)	Yes/No
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Yes

13.3a	If yes, provide more details	C	PUBLIC	Rule 3 (1 point for Yes)	(150 words)
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We monitor whether supply chain workers have access to a grievance mechanism. During the standard onboarding process, we assess whether grievance mechanisms are in place while our external supply chain experts review and rate all strategic suppliers. This enables us to identify the maturity of a supplier’s grievance mechanisms and whether whistle-blowers are safe from reprisals and/or given anonymity. If suppliers appear to fall short, further action is required in the form of an independent auditor conducting a site inspection or remote worker survey. These steps are vital in giving us a clearer picture of the potential or actual level of risk and helps determine appropriate action – this may include working with the supplier to establish an action plan for improvement. We also provide an online and phone-based helpline to all suppliers which they can use to get in touch anonymously on issues of concern such as modern slavery.

Violations to supply chain workers’ rights

Question Number	Question Text	Question Tier	Privacy setting of Answer	Scoring Information	Answer Criteria
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13.4	Has the company identified any instances of forced labour, modern slavery and human trafficking in its supply chain in this reporting period?	I	PUBLIC	Not scored	Yes/No
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No

13.4b	If no, state why not and describes steps taken to conduct due diligence on forced labour, modern slavery and human trafficking risk.	I	PUBLIC	Not scored	(150 words)
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We’ve identified no instances of forced labour, modern slavery or human trafficking. During our onboarding process, we assess modern slavery risk whilst an external supply chain expert rates all strategic suppliers to identify any risk. If the supplier receives a medium or high-risk rating, further action such as a site inspection by an independent auditor may be undertaken to see first-hand the potential or actual risk by inspecting the work environment, reviewing company documentation and talking with workers about labour practices. We also roll-out remote worker surveys to enable further direct feedback. A modern slavery helpline is additionally provided to help workers share concerns anonymously if they don’t feel able via other channels. Off the back of these initiatives, we continuously monitor effectiveness of controls, and tailor action to raise standards with specific suppliers such as establishing an action plan for improvement or ending our relationship and reporting the abuse.

Improving working conditions in the supply chain

Question Number	Question Text	Question Tier	Privacy setting of Answer	Scoring Information	Answer Criteria
13.5	Describe any steps or initiatives the company is taking to improve the working conditions of supply chain workers. State where the company has collaborated with others to support system-level improvements, as applicable.	I	PUBLIC	Rule 1 (1 point)	250 word limit

We've a range of initiatives to improve supply chain working conditions. In addition to collaborating with an independent sustainability supply chain risk experts and auditors, in 2020 we additionally partnered with another auditor to conduct remote worker surveys to better understand how working conditions might be improved and we'll work with suppliers to act on feedback via action plans. The action plans are time-bound and overseen by the Director of Global Business Services, Risk and Control, with overall progress reviewed by the Board via the Modern Slavery Statement. 31 factories have so far made improvements to working practices as a result. Partnering with ethical or trade organisations like the Responsible Sourcing Council, the Institute of Business Ethics and Hope for Justice/Slave Free Alliance Utilities Modern Slavery Working Group and trade bodies like Solar Energy UK, additionally enables the continued harnessing of learning to raise standards and mitigate the risk of forced labour alongside other adverse working conditions. We strive to have strong relationships with suppliers and take steps to strengthen those where we need to increase oversight. This may involve incentives to reward good performance and transparency, or new contracts and contract renewals as well as collaborations to amplify capabilities and become more successful and sustainable businesses. Towards this, we've created a Responsible Labour Practice Toolkit to grow a shared understanding of our minimum expectations whilst providing best practice to suppliers' keen to improve. The Toolkit and wider assessments we undertake incorporates the 'Employer Pays Principle' for recruitment fees.