

centrica

Our Modern Slavery Statement 2025

Energising a greener,
fairer future



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Group Chief Executive introduction

In our tenth Modern Slavery Statement, created in accordance with the UK Modern Slavery Act 2015 ('the Act'), I'm pleased to outline how we comply in full with the provisions of the Act, and the steps we take as an organisation to identify and address modern slavery risks across our business and supply chain.



Our approach to managing modern slavery risk and conducting business responsibly is intertwined with our Company's Purpose of energising a greener, fairer future.

Upholding human rights is fundamental to how we operate and the type of world we want to live in. Each year we seek to enhance our existing framework to further strengthen our approach as we endeavour to reduce the risk of modern slavery. Recent improvements have included the following:

- Enhanced human rights governance by conducting an updated human rights risk review alongside our Slave-Free Alliance partners, to identify the areas in our operations and supply chain most at risk;
- Introduced a more efficient escalation process to ensure that where instances of non-compliance or indicators of modern slavery have been identified, appropriate action can efficiently and consistently be taken more speedily to drive resolution;
- Launched a new ethical inspection programme through our in-house quality assurance team to increase oversight of high-risk suppliers to supplement our independent audit programme; and

- Expanded the scope of our supplier due diligence by bringing further supplier categories and sites into our risk assessment process, enabling us to protect and advance sustainability standards across more of our supply chain.

My team and I remain committed to continuing to work proactively with our partners, suppliers and industry peers, to find and address any issues that may arise and to ultimately achieve our collective ambition of preventing modern slavery in all its forms whilst supporting any affected victims.

Chris O'Shea,
Group Chief Executive

Zero

Confirmed cases of forced or compulsory labour during 2025

Our purpose, strategy and values

Our purpose and strategy

Our Purpose of energising a greener, fairer future drives our strategy. Our strategy is to create value by producing, optimising and delivering the energy needed to support a secure, efficient and decarbonised energy system today and in the future.

This is supported by our [People & Planet Plan](#) which accelerates action on issues that matter deeply to our business and society – from achieving net zero by 2050 and creating the diverse and inclusive team we need to get there, to making a big difference in our local communities.

Throughout our business and supply chain, we recognise, uphold, and adhere to internationally recognised human rights standards. These include the United Nations (UN) Global Compact, the UN Guiding Principles on Business and Human Rights (UNGPs), the International Labour Organisation (ILO) Declaration on Fundamental Principles and Rights at Work, and the Organisation for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises on Responsible Business Conduct. Our approach is also aligned with the Ethical Trading Initiative (ETI) Base Code which comprises globally recognised labour standards promoting ethical working conditions and responsible business practices across supply chains, founded on the conventions of the ILO.

Our values



Care: We do the right thing for our customers, colleagues, communities and planet. We recognise the impact we can have on others, do all we can to keep each other safe and strive to do the right thing for all our stakeholders.



Collaboration: We bring in diverse perspectives to create a better future together. We trust each other, work across boundaries and welcome different views and perspectives



Courage: We are bold and push ourselves to find better solutions to every challenge. We continuously challenge the way we do things, explore new possibilities and take responsible risks that help the business to change and progress.



Agility: We make progress at pace by focusing on what matters and learning from setbacks. We continuously improve the way we do things, prioritise those activities that will deliver the best results and adapt quickly when things go wrong.



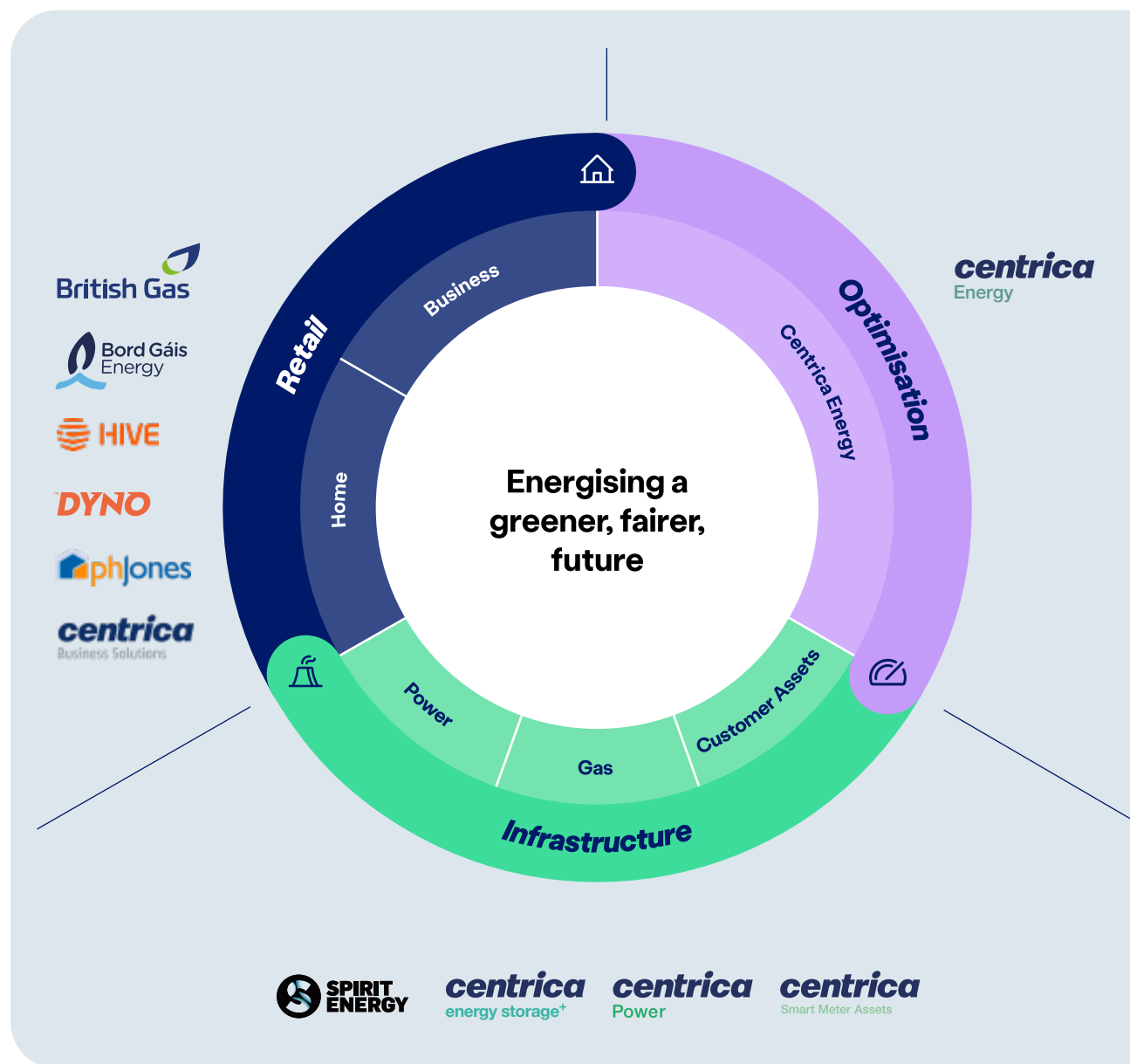
Delivery: We do what we promise, on time, every time, to move forward every day. We ensure we take personal responsibility for getting things done and delivering great outcomes that make things better for our customers and the business.

Our businesses overview

Centrica is an integrated energy company, comprising a balanced portfolio of leading businesses in energy retail, optimisation and infrastructure, with a diverse supply chain and workforce.

Like most companies, the risk of modern slavery spans our business operations but is focused on our supply chain rather than our direct workforce. In particular, we have assessed that our highest areas of modern slavery risk relate to low carbon technology manufactured in overseas markets like smart products, solar panels and battery systems provided through our businesses to help customers transition to net zero (see more on page 13). In 2025, we introduced a range of acquisitions, investment agreements and joint ventures to support our portfolio growth, although we don't expect these to impact our modern slavery risk and have ensured they are aligned with our standards.

In our operations and supply chain we have a range of employment contracts, including part-time and full-time employees, contingent workers, temporary labour and contract labour. Most of our UK employees are engineers and predominantly work in customers' homes and businesses, with the remainder undertaking office, home or hybrid working, plus a relatively small number at energy assets. Those working for our third-party suppliers are predominantly in a combination of factory and office-based settings.



Retail

We are focused on providing a leading customer experience for energy supply and services across the UK and Ireland, helping customers to decarbonise through innovative offerings.

Home

Energy Supply – Our British Gas and Bord Gáis Energy⁽¹⁾ brands supply electricity and gas to homes across the UK and Ireland. We are continuously strengthening our operations to drive better customer outcomes and innovative offers to help customers reduce their bills whilst decarbonising their homes.

Centrica Home Services – Our British Gas, Bord Gáis Energy and Dyno-Rod brands, provide customers with installation, repair and maintenance of heating, plumbing and electrical appliances. We also offer customers decarbonisation and energy efficiency solutions such as Hive smart thermostats, electric vehicle chargers, heat pumps and rooftop solar, which together with our energy offers, helps customers on their net zero journey.

Business

Centrica Business – Our Business division provides energy supply and low carbon solutions for businesses across the UK and Ireland. Our broad suite of offerings enables us to deliver tailored solutions such as energy management or on-site generation to help businesses cut costs and emissions.

Optimisation

We move energy from source to use, connecting producers and suppliers with offtakers, whilst continuing to support the flexibility required for the future energy system.

Centrica Energy

Gas & Power Trading – Our gas and power traders operate across 29 power markets and 19 gas hubs across Europe and the USA. Together, they manage physical and financial flows across borders, leveraging real-time analytics, storage flexibility and transport capacity, to balance portfolios, capture market value and ensure security of supply.

Liquefied Natural Gas (LNG) Trading – Our global LNG business delivers cargoes anywhere in the world managing flexible purchase contracts, long termship charters, re-gas capacity, and financial and physical trading.

Renewable Energy Trading and Optimisation – We support renewable energy sourcing and long-term investment certainty through structuring power purchase agreements with suppliers and offtakers. We also optimise flexible assets, including batteries and combined heat and power plants, whilst managing one of Europe's largest biomethane portfolios with our advanced trading and balancing services.

 **16,362** Employees⁽²⁾

 **1,780** Suppliers

 **58%** Supply chain spend

 **687** Employees⁽²⁾

 **1,047** Suppliers

 **1%** Supply chain spend

(1) Whilst the Act does not apply to Bord Gáis Energy, the business is fully integrated with Centrica, so our various due diligence processes and policies nevertheless support their mitigation of modern slavery risk.

(2) Globally, although mainly in the UK and Ireland.

Infrastructure

We are investing to build a low carbon, reliable energy system from upstream generation and storage assets to smart technology, enabling flexibility for downstream customers.

Power

Our power division owns and operates utility-scale plants that generate and store electricity. This includes our shares in the UK's existing nuclear fleet, our portfolio of batteries, renewables and gas peakers, as well as Ireland's Whitegate power station. This year, Centrica has also committed investment into the planned Sizewell C nuclear power station, reinforcing our long-term support for the UK's low carbon energy future.

Gas

Centrica's gas infrastructure division produces, stores and processes natural gas and is exploring carbon storage and hydrogen for the future. Our portfolio includes the UK's Rough gas storage facility, oil and gas production from existing fields in the Morecambe Hub through our Spirit Energy joint venture, and the Grain LNG regasification terminal, which we acquired from National Grid this year. Future developments include the Morecambe Net Zero carbon storage project, which has the potential to be the UK's largest carbon storage hub, alongside hydrogen production and storage opportunities in the Humber region.

Customer Assets

Customer Assets includes our in-house smart meter business which installs, owns and manages smart meters across the UK, advancing net zero goals for the country.

 **1,724** Employees⁽¹⁾

 **1,587** Suppliers

 **14%** Supply chain spend

(1) Globally, although mainly UK and Ireland and includes Spirit Energy for our Infrastructure division.

Group Functions

Our Group Functions consist of employees who are employed by the Centrica parent company and together, facilitate the smooth running of the Group.

Group Functions include Corporate Affairs, Finance, Legal, Regulatory & Compliance, People, Strategy, Transformation, Technology and Chief of Staff.

 **1,810** Employees⁽¹⁾

 **642** Suppliers

 **22%** Supply chain spend

– Read more about our business at centrica.com/our-businesses



Our supply chain overview

Our suppliers are one of our key stakeholders, enabling us to deliver on our strategic objectives by providing a stable and ethical supply of services and solutions needed to serve our customers and run our business.

We treat our suppliers fairly and require them to share our commitment to conduct business responsibly by signing up to our standards and expectations, including Our Code and the Responsible Sourcing Policy. We monitor this through the proactive management of our supply chain portfolio including tendering and onboarding surveys, site audits, and ethical inspections. Our committed team of procurement professionals monitor and strengthen relationships with our suppliers, including supporting them to improve where areas of development are identified.

We register 100% of Centrica's Tier 1 suppliers in our third-party supplier management system (the headquarters is often the directly contracted entity), conduct due diligence and record their commodity and annual spend. Suppliers identified as high risk, according to third-party country and commodity risk indices via our third-party tool, are subject to regular enhanced risk assessments and potentially a site audit, which may result in an improvement plan.

Beyond Tier 1, we undertake mapping on a category-centric basis in accordance with whether activity or jurisdiction is considered higher risk. We recognise the challenges associated with mapping the full value chain for every supplier and as a result, prioritise our efforts on suppliers operating in categories identified as higher risk for modern slavery or human rights issues. However, we continually monitor opportunities or the need to expand our approach and will adjust it as required.

Based on this approach, we map out the supply chain of the suppliers involved in the manufacturing of garments, solar panels, battery systems, branded electrical goods and smart metering (see page 13), as part of ongoing activity to ensure greater transparency and traceability. For our solar supply chain, we've further traced the supply chain to the mono-grade silicon level with the help of our bespoke due diligence processes and the Solar Stewardship initiative (see page 19). This approach enables us to better evaluate risk and target action to ultimately safeguard workers' rights.

Top 10 locations of medium and high-risk supplier sites⁽¹⁾

Country	Number of sites
UK	150
China	40
USA	12
Republic of Ireland	8
Germany	6
Poland	4
France	3
India	3
Japan	3
Turkey	3

⁽¹⁾ Based on sites linked in the Sedex and EcoVadis risk assessment platforms used to manage medium and high-risk suppliers. The total number of supplier sites is therefore likely to be higher.

Governance

Board committees and working groups

Responsibility for the effective management of modern slavery risk is managed at a Board and Group level.



The Board

The Board has overall responsibility and accountability for our approach to managing the risk of modern slavery.

Safety, Environment and Sustainability Committee (SESC)

The Board delegates management of sustainability-related matters to the SESC. The Committee is attended by Centrica's Group Chief Executive, non-executive directors and senior executives, who review and approve the annual Modern Slavery Statement and assess progress against key metrics. They also review plans relating to our responsible procurement strategy and supplier audit programme.

Human Rights and Modern Slavery Steering Committee

The Steering Committee meets on a quarterly basis, chaired by the Group General Counsel and Company Secretary, and comprises members representing key Group Functions including Procurement, Sustainability and People as well as Legal, Compliance and Business Ethics. Together, they provide oversight of and challenge to, Centrica's efforts to manage the risk of adverse human rights and modern slavery arising within our direct and indirect operations.

Modern Slavery Working Group

The Working Group is responsible for the production of the annual Modern Slavery Statement as well as coordinating efforts to prevent, detect and respond to modern slavery within Centrica's operations and supply chain. Chaired by the Group Head of Ethics, it comprises of representatives from across the business who monitor the effectiveness of actions taken to reduce the risk of modern slavery including emerging risks, tracking progress against commitments, and ensuring policies and procedures align with relevant laws, regulations and industry best practice.

Responsible escalation and termination process

In 2025, we reinforced our escalation process for any suspected or actual issues of modern slavery within the supply chain, embedding it in our governance procedures to buttress a strong and effective human rights approach. This change was designed to ensure that any potential instances or risks of modern slavery are identified, assessed, and addressed more swiftly. Issues are triaged according to severity, with consideration given to the risk to workers and remediation pathways. Severe potential human rights issues and/or business-critical concerns would be escalated directly to the Human Rights and Modern Slavery Steering Committee for urgent decision-making. The process includes clear roles and decision rights, robust root-cause analysis, and transparent communication to stakeholders. In the first instance, we aim to work with suppliers to achieve responsible outcomes and rectify any issues, but where necessary and if responses are not considered adequate, suppliers may be suspended or removed from our supply chain. Recognising that even responsible disengagement could create further risks to workers, we would aim to maintain leverage and promote improvement wherever feasible, ensuring any exit is managed responsibly and with consideration for those affected. The Human Rights and Modern Slavery Steering Committee is kept informed at every stage, ensuring accountability and effective remediation, or in the extreme, by ensuring a responsible exit.

Policies

Our policies and procedures set out our expectations and requirements for all our colleagues, partners and suppliers, with respect to human rights and modern slavery. Having clear and high expectations for ourselves and our partners is important as it helps to mitigate modern slavery risks. Policies are reviewed on a regular basis and updated as necessary, and where appropriate in consultation with external experts. Key policies and procedures relating to Centrica's approach⁽¹⁾ to mitigating the risk of human rights abuses and modern slavery include:

Our Code – Sets out our minimum expectations for operating responsibly and applies to all Centrica colleagues and everyone we work with. It represents a high-level summary of key areas of our policies and standards which includes our commitment to respecting human rights. Our Code is the foundation of our Ethics programme, supporting Our Values and laying down a shared set of principles that enable us to make good choices and act with integrity. Our suppliers are also required to have a similar code of conduct, ensuring professionalism, integrity, and responsible social and environmental practices.

Group Policy for the Procurement of Goods and Services

– Underpins our commitment to ethical and responsible practices, enabling fair treatment of suppliers in line with Our Code. The policy establishes a robust framework that balances commercial agility, risk management and internal controls. Key elements include a bias for competitive tendering for contracts over a certain limit (any exceptions requiring senior leadership approvals) with documented environmental, social and governance criteria, a comprehensive risk assessment and due diligence process undertaken before and after contracting as well as ongoing monitoring of suppliers. Only suppliers who satisfy our criteria are eligible for selection, with instances of non-compliance resulting in prompt remediation or removal. The policy also enforces anti-fraud, bribery and corruption controls, formalises supply agreements through strict approval processes, and ensures clear governance and accountability, with annual reviews to maintain effectiveness.

97%

Colleagues completing Our Code training during 2025

(1) Spirit Energy policies on the mitigation of the risk of human rights abuses and modern slavery are equivalent to the Centrica Group with the same core values underpinning the Company's vision and strategy to ensure effective management.

Responsible Sourcing Policy – Covers suppliers that operate on behalf of Centrica and lists the terms that must be complied with. The expectations outlined in this document include respecting, upholding and advancing the protection of human rights. It is expected that suppliers' human rights policies apply to direct and indirect operations and are aligned with fundamental principles and rights at work, from the UNGPs, to the ILO's Declaration on Rights to Work. As part of this, suppliers must not use any form of involuntary labour or child labour, ensuring overtime is voluntary and not excessive, must provide a safe and inclusive workplace free from discrimination or abuse, and offer fair reward and recognition. Contractual arrangements ensure that our suppliers share our commitments to meeting these requirements and where they fail to comply with our terms, they will be required to take steps to remediate, or agreements may be terminated. This approach puts into practice our expectation that anti-modern slavery standards are high throughout our value chain. We also operate a commitment to paying the Real Living Wage to all third-party and second-party contractors in the UK alongside our own workforce. The clarity of our approach across the supply chain helps reduce the risk of modern slavery occurring in our value chain, particularly for higher risk groups such as migrant workers, and encourages responsible behaviour by our partners and suppliers.

Recruitment Policy – Applies to all colleagues, setting out our standards of recruitment to ensure that we reflect the full diversity of the communities we serve, whilst upholding equality and fairness. Commitments include conducting appropriate checks for permanent and non-permanent workers before they join Centrica, to ensure they can legally work for us. These checks safeguard human rights by minimising the risk of directly recruiting someone who is being forced to work or being trafficked (particularly with migrant and contract workers who are recognised to be at a higher risk of modern slavery exploitation), whilst enabling us to comply with the Agency Workers Regulations which aims to protect low paid workers from exploitation. For example, we recognise that recruitment fees can be a major driver of debt bondage which is a form of modern slavery, so we will never charge fees to candidates which is just one example of how we align with the Employer Pays Principle. Our policy is a key resource for helping managers and our People team recruit responsibly and ultimately, mitigate modern slavery risk in this area.

Speak Up Procedure – All colleagues and suppliers (including workers in the supply chain and value chain), alongside business partners can raise concerns, such as issues relating to human rights and modern slavery, through our established Speak Up processes. Additionally, our Responsible Sourcing Policy requires suppliers to have appropriate grievance mechanisms in place, so workers can report concerns via either option. Our independent 24/7 online and phone-based system is free, confidential and allows individuals to speak up openly or anonymously about grievances or improper, unethical or illegal practices. All concerns raised are reviewed by our Group Ethics team and investigated by Employee Relations or the Fraud and Investigations team as required, with a specific escalation route for any human rights-related reports. We don't tolerate any form of retaliation against people who speak up in good faith and are committed to promoting an open, transparent, and safe working environment, where everyone feels able to raise concerns without fear of reprisal. In 2025, there were 236 reports received through Speak Up which is in line with the external benchmark for a company our size. In addition, 226 grievances were reported which reflects a positive culture of feeling able to raise concerns. This resulted in a total of 462 concerns raised across the two channels, with 86% of cases investigated and closed within the year with the remainder due in 2026. None of the reports or grievances received in either Centrica or Spirit Energy during 2025, related to allegations of modern slavery.

24/7

Our independent and confidential Speak Up online and phone-based system is available for anyone at any time to raise concerns

Risk and due diligence

We have an established Enterprise Risk Management Framework designed to ensure that the most critical risks impacting on the delivery of our Group's strategy and on people, are identified, assessed, evaluated and monitored. As part of this, we review our modern slavery risk on an ongoing basis. In this context, we recognise the risk of modern slavery arising in our direct and indirect operations, particularly from the sourcing of products or services from specific countries where there is a high occurrence or prevalence of modern slavery.

Leverage limitations

Leverage refers to the ability of our organisation to influence the behaviour of suppliers, partners and other stakeholders, to prevent and address modern slavery risks. Although we seek to use our role as a customer to drive positive change wherever we can, we recognise that in some cases, we may have limited leverage to enable improvements. In the cases where we engage suppliers to help them raise standards but have not seen the improvements we expect and need over a reasonable period, we will responsibly exit our relationship (see pages [15](#) to [16](#)).

Salient risks

In 2025, we worked closely with our partners, Slave-Free Alliance, to conduct a full and detailed review of our salient risks, which was informed by engagement with Procurement category managers. This included looking at the inherent risks identified alongside a refreshed review of how our mitigating activities had impacted each risk category. We have used this to validate our current risk approach, and by also considering the leverage to effect change in these categories, we are developing an informed plan to mitigate these risks even further.

This review confirmed that our most significant human rights risks exist within our operations and supply chain across a number of categories. These risks most prominently exist in the manufacturing of technologies related to renewable energy and smart home products, as well as workwear. Whilst our controls are considered fit for purpose across our higher risk categories, the dynamic risk landscape means controls remain subject to ongoing assessment and enhancements where appropriate. Recognising our leverage limitations, we will also continue to work with partners to drive improvements across the industry.



We have assessed our most salient human rights risks to be:

- **Discrimination**
- **Child labour**
- **Health and safety**
- **Modern slavery**
- **Wages**
- **Working hours**



Leaders in transparency

In 2025, we continued to be a leader in our voluntary response to the Workforce Disclosure Initiative (WDI), with a transparency score of 98%. Led by the Thomson Reuters Foundation, the disclosure provides an in-depth update to stakeholders on key issues like pay, diversity and human rights across our business and supply chain. We are pleased to have featured in the top 10% of participating companies.



We are proud to have worked with Centrica on a proactive human rights saliency assessment this year, reflecting a deepening maturity in its approach to human rights due diligence. The assessment applied a risk-based methodology aligned with the UN Guiding Principles on Business and Human Rights, considering severity of impact, likelihood, existing mitigation measures, and leverage. It enabled Centrica to identify its highest-priority risks to people, assess the effectiveness of current controls, and determine where further action is needed. Importantly, the assessment provides a strong foundation for ongoing learning and continuous improvement, with the aim of preventing and mitigating adverse impacts for workers.

Slave-Free Alliance



Due diligence

We have standardised and integrated procurement onboarding and monitoring processes with risk-based controls built in, which allow us to target due diligence activity according to the supplier's risk level. This consists of a series of robust onboarding checks that take account of risks including product type, country of origin risk, financial crime indicators, and labour makeup. Suppliers are required to complete a risk questionnaire at onboarding or when participating in a tender. We use accredited external sources, including Sedex, to determine the level of risk associated with each supplier and the resulting risk score determines whether the supplier will be subject to additional due diligence above and beyond standard onboarding checks, for example via a SMETA audit. This risk scoring system considers geographical location and the category of goods or services being provided to determine the supplier's ethical risk level. Risks are regularly reviewed and updated as required during the contract period.

Where necessary, high-risk suppliers will also be subject to additional scrutiny in the form of onsite visits from a third-party assessor reviewing human rights, labour, and health and safety practices. Risks identified through due diligence, including audit findings and remote worker surveys, are shared with the Procurement team so they can be effectively managed and monitored throughout the lifecycle of the relationship. Enhanced onboarding processes and increased rigour around ethical diligence checks brought further suppliers within scope of additional due diligence, more than doubling the previous number of suppliers included.

This ensures wider oversight of a greater proportion of our suppliers, allowing a better understanding of our broader modern slavery risk profile. We will continue to maintain our supplier assurance framework to ensure a high level of ongoing compliance, whilst enabling continuous improvement of our dynamic due diligence approach based on findings, audits and partner engagements.

We assess the effectiveness of our actions through regular supplier audits, monitoring grievance mechanisms, tracking training completion rates and regularly reassessing our risks.

Areas of focus

We identify areas of focus in our supply chain, determining where we have suppliers linked to jurisdictions or goods or services with a higher risk of modern slavery. These suppliers are required to declare their manufacturing sites and register the details as part of our Responsible Procurement programme. This assessment becomes a key input into which suppliers are required to undertake on-site ethical audits and periodic re-assessments.



Our high-risk focus areas:



Garment manufacturers – The manufacture of our workwear in China, Turkey, Tunisia, Cambodia and the UK.



Smart technology products – The manufacture of branded goods such as our Hive home solutions and smart metering products in China, Thailand and Malaysia.



Solar panels – Specifically polysilicon production which is a key component in solar photovoltaic (PV) panels which occurs in China.



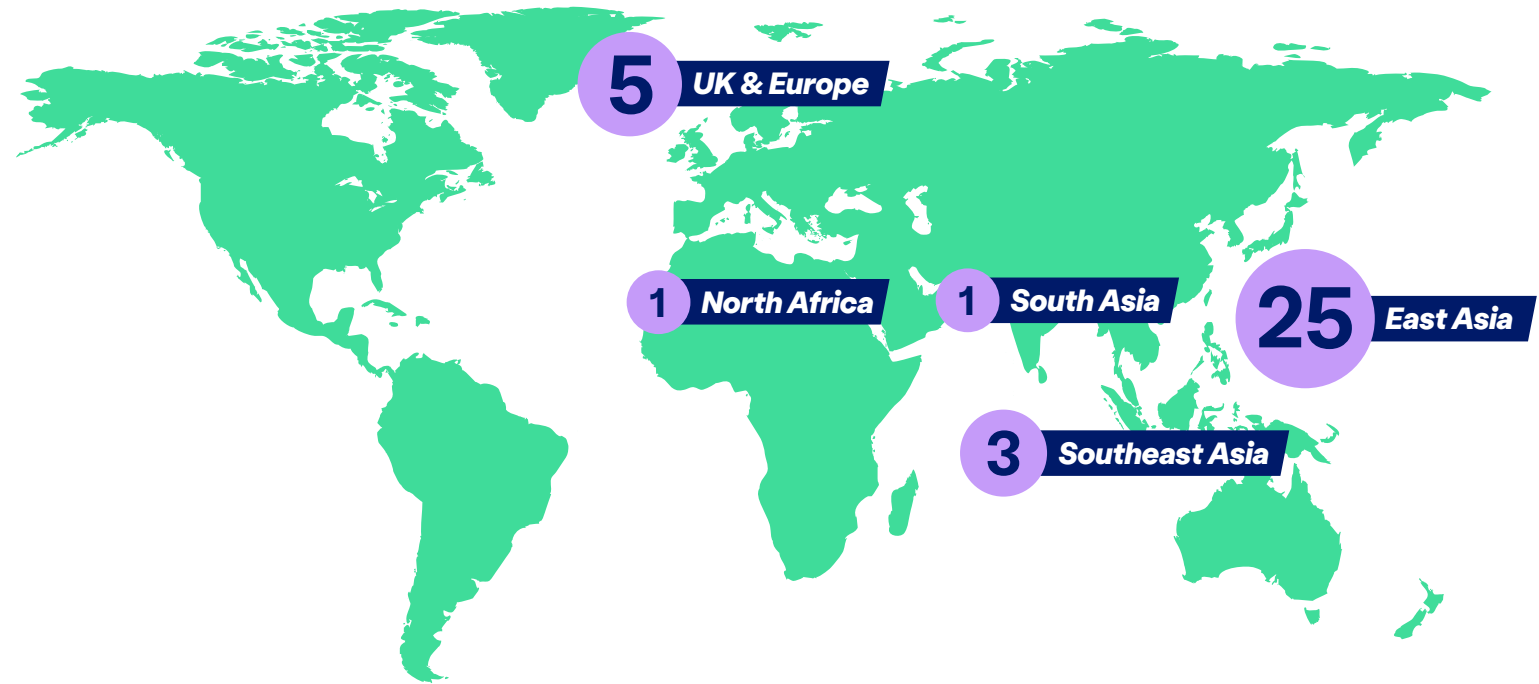
Battery systems – The manufacture of battery systems and components in India and China.

Independent site visits and audits

Our ethical audit programme plays a crucial role in assuring that suppliers are adhering to international labour standards.

The onsite audits are undertaken by certified, independent auditors, typically using the Sedex 'SMETA' 4-Pillar Audit, to assess each supplier's adherence to ethical working practices across four defined areas of: labour standards, health and safety, business ethics and environmental performance.

In line with the SMETA audit standard, the auditor identifies any instances of non-compliance with the Code or with local law. These instances of non-compliance are assigned a severity level of 'business critical', 'critical', 'major', 'minor', and 'collaborative action required'. The auditor subsequently produces corrective action plans for the instances of non-compliance with recommended timeframes for closure that are discussed with the supplier and put into practice. 'Collaborative action required' findings differ from the others, in that they are not entirely within the site's control and as such, are subject to a modified process for closure without prescribed timelines.



During 2025, 35 ethical audits were carried out at sites in Cambodia, China, India, Malaysia, Thailand, Tunisia, Turkey and the UK.

Top 5 SMETA non-compliance categories

Category	Number of instances of non-compliance
Working conditions	139
Working hours	49
Wages ⁽¹⁾	25
Terms of employment	11
Child labour	6 (see next page)

Across these 35 audits, 249 instances of non-compliance were identified. The most common issue categories are outlined in the table (see left). Whilst there have been more instances of non-compliance found during 2025 than in 2024, this is because we conducted more audits, with the average remaining at approximately seven findings per audit in both years. None of the findings were rated as having a 'business critical'⁽²⁾ severity. Remediation activity has been identified for 72% of findings, with the remainder subject to ongoing monitoring to ensure remediation.

We've utilised remote worker surveys as well as worker interviews conducted as part of the audits, with results reviewed by our Responsible Procurement team who manage engagement with suppliers on any relevant points raised.

(1) 'Wages' encompasses issues such as inconsistent and incomplete records, leave entitlement and frequency of payment schedules. All these identified matters are now either resolved or the subject of a comprehensive remediation plan.
 (2) A 'business critical' instance of non-compliance is defined by Sedex as a breach which 'presents an imminent or serious risk to life and limb, or which constitutes a severe human rights impact that could be difficult or impossible to remedy.'

Issues relating to workplace conditions, particularly health and safety elements, remain the most common category of instances of non-compliance, consistent with last year. Common themes within this category include fire safety issues – for example inadequate exits, alarm systems and firefighting equipment or inspection certificates, as well as chemical safety such as improper storage or labelling.

Whilst any finding which references ‘child labour’ is a concern, the audits do not suggest these six cases were instances of children being forced to work, but rather:

- One case where workers between 16–18 years of age were not given the legally required pre-work health examination (now remediated);
- One site where workers of legal working age (but under 18 years) were found to be working night shifts (now remediated);
- One location where younger workers were employed as apprentices in full compliance with local legislation and working in positions that presented no risk to their health and safety, but were nevertheless not fully covered by their existing occupational health and safety risk evaluation (recent audit, with remediation due in Q1 2026 which will be verified by direct supplier engagement);
- Two were from the Tier 2 supplier detailed in the ‘Effective audits and escalation’ case study, which resulted in the supplier being excluded from future tenders. Both findings related to record-keeping, where they could not produce age verification documents or a child labour remediation policy (although importantly, the auditor noted no suspicions of child labour); and

- One further instance where the supplier lacked a child labour remediation policy (awaiting corrective action; this is overdue and we are working with the supplier to enable prompt remediation whilst reserving the possibility of escalation if necessary).

Naturally, child labour is treated as a very serious issue requiring heightened scrutiny, even where cases are seemingly procedural rather than substantive, with priority being given to remediating these non-compliances to ensure greater confidence around this critical issue.

Case study:

Effective audits and escalation

A manufacturer of electrical systems based in the Asia-Pacific region was subject to a site audit via our audit programme. The audit identified a high number of instances of non-compliance. Whilst no one finding was categorised as ‘business critical’, the excessive number of ‘critical’ issues relating to workplace safety and conditions, meant that we needed to take action to help the supplier raise standards. Despite implementing a corrective action plan, a follow-up audit revealed that improvements had not been sustained, and the supplier demonstrated a poor level of commitment to remediation.

Given the lack of progress and ongoing risk, we activated our escalation process. This resulted in the decision to exclude this Tier 2 supplier from participation in future tenders. This exclusion will remain unless improvements are evidenced and a significant reduction in audit non-compliances are achieved, with verification through independent auditing.

This approach puts into practice our commitment to prioritise and support workers in the supply chain. It also reflects our commitment to ethical sourcing and reinforces the importance of suppliers maintaining compliance standards consistently over time.

Remediation

We track instances of non-compliance through the Sedex platform and our own internal risk management system, prioritising the highest severity. Our Responsible Procurement team work with the Procurement team and suppliers to manage the remediation of instances of non-compliance including the implementation of improvement measures to ensure suppliers are compliant with our standards. Progress against action plans is reported to our Human Rights and Modern Slavery Steering Committee on a quarterly basis.

In 2025, we implemented an internal system for grading audit reports to further strengthen our approach to the remediation of audit non-compliances and facilitate effective prioritisation. Grades are determined based on a combination of the number and severity of findings, and each grade has a corresponding post-audit treatment strategy. This new framework, communicated to suppliers via revised audit guidance, clarifies expectations in advance and facilitates targeted follow-up activity and escalation as required.

Case study:

Proactive response to instances of non-compliances in the supply chain

A Tier 2 manufacturing site recently underwent a comprehensive third-party social compliance SMETA audit. This identified a high number of instances of non-compliance across health and safety, labour standards, business ethics and environmental practices, including critical issues such as inaccessible firefighting equipment, locked fire exits, excessive working hours, wage deductions for disciplinary measures and age discrimination in hiring. Given the seriousness and volume of findings, we considered exiting the relationship and were prepared to disengage. However, as the supplier demonstrated a readiness to act, we chose to work with them to raise standards whilst keeping the relationship under close and regular review (and reserving the right to escalate if progress was insufficient).

In response to our findings and subsequent intervention to help raise standards, the manufacturer demonstrated good practice in the following ways:

- **Immediate senior engagement** – Convened senior leadership meetings and engaged directly with the audited site to address the findings.
- **Structured action planning** – Developed a detailed corrective action plan with clear timeframes with a requirement for the supplier to submit evidence of remediation for each non-compliance.
- **Transparent and collaborative progress monitoring** – Committed to weekly progress reports to our Procurement function, ensuring ongoing transparency and accountability.
- **Independent verification** – Scheduled a follow-up audit within three months to verify the effectiveness of corrective actions.

This approach exemplifies how manufacturers can respond constructively to modern slavery and ethical risks, prioritising remediation, transparency and continuous improvement, whilst maintaining supply chain resilience.

In-house ethical site inspections

During 2025, we supplemented our ethical audit programme with the roll-out of our specially trained in-house Centrica Ethical Inspections.

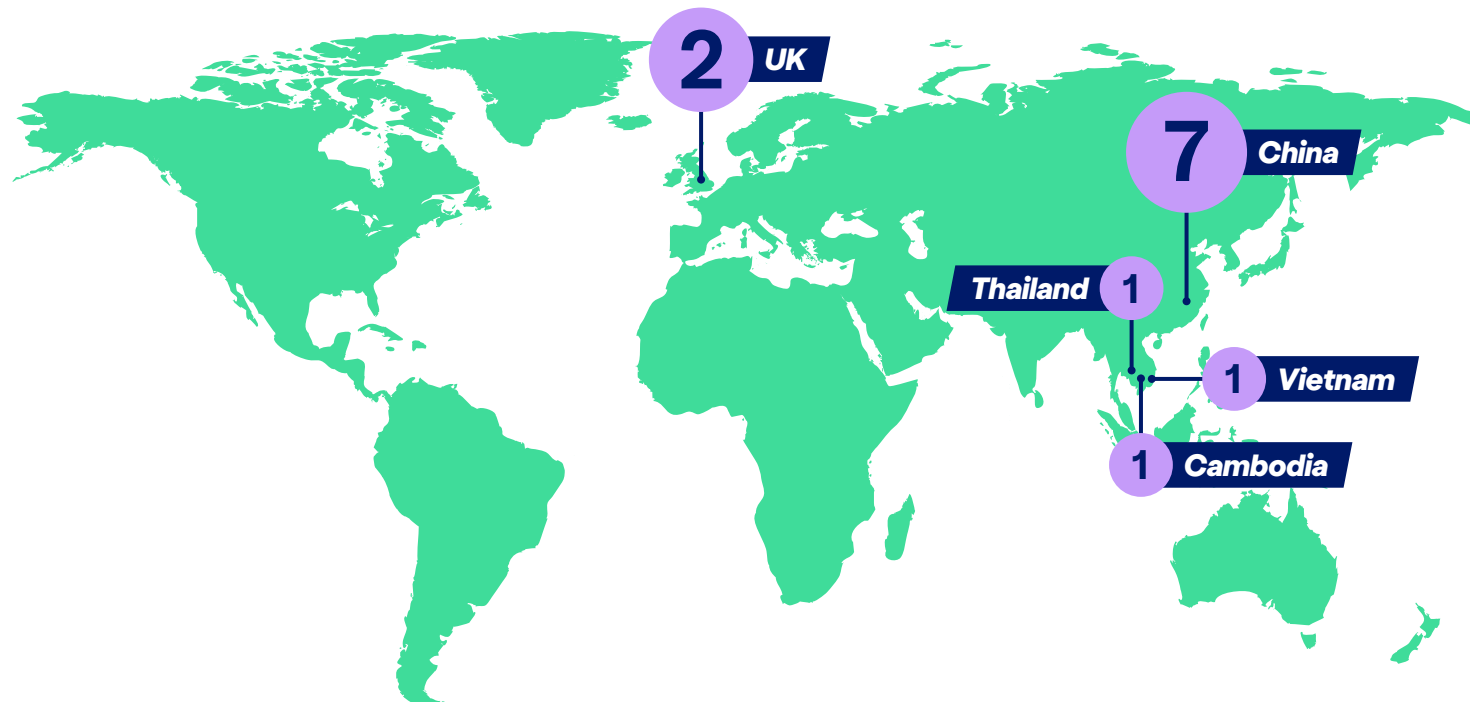
In late 2024, we developed a framework aligned with the ETI Base Code in collaboration with Slave-Free Alliance, because we recognised the value in getting a different perspective beyond the externally conducted audits. The ethical inspection is undertaken by our quality assurance team within Procurement during site visits, in addition to their existing quality assurance checks.

A total of 12 site inspections were carried out in 2025, and our intention is to expand the programme in 2026 to increase insight into suppliers' business practices and ensure adherence to robust sustainability risk management practices.

Across the 12 reports returned by our team, 13 'items of concern' were identified; these are areas of compliance or risk management where a site scored 2 or less out of a possible top score of 5. None of the items were 'business critical' or involved indicators of modern slavery, and all are subject to follow-up remediation discussions.

A priority for 2026 will be to develop a more robust system for reporting on areas for improvement and tracking follow-up activity.

The average overall performance score across sites inspected was 3.9 out of 5. The best performing site scored an overall average of 5 (highest possible score in each applicable category), whilst the lowest performing site scored an overall average of 3.1 out of 5.



Training

Our employees play a key role in mitigating risk of modern slavery within our business and supply chain, so it's important to train them in identifying these risks to help them make more informed decisions.

Mandatory Our Code annual training reminds all colleagues of the obligation to respect human rights, protect those we work with from any forced or compulsory labour and to address adverse human rights impacts if they occur, amongst other commitments. And during 2025, 97% of colleagues completed Our Code training. We want all our employees to have a baseline appreciation of these core principles, alongside the ability to raise concerns via Speak Up. Our Responsible Sourcing Champions also continue to provide guidance and support to embed responsible sourcing practices across the Procurement team, which improves the quality of supplier engagement and enables properly informed escalation and remediation decisions.

We continued to share best practice information and resources with suppliers via our online Responsible Labour Practice Toolkit and on our supplier portal at centrica.com/oursuppliers. The portal enables existing and prospective suppliers to access information about our supplier strategy and associated policies as well as our People & Planet Plan.

100%

Completion rate of the modern slavery module by our Procurement team

Training activity in 2025

Our training is delivered through a combination of e-learning and face-to-face presentations. Alongside the specific modules set out below, Centrica managers also undertake a range of courses when they first become a manager and regularly thereafter, to ensure they uphold Centrica's People policies and support a responsible, values-led culture.

Activity	Description
Our Code	Annual e-learning module that sets out our minimum expectations for all those we work with or alongside and represents our commitment to doing the right thing and acting with integrity. It is deployed to all Centrica colleagues. An equivalent module exists for colleagues in Spirit Energy.
Modern slavery for Procurement	Our e-learning module for Procurement colleagues covering key fundamentals of modern slavery, spotting the signs and procurement practices.
Enhanced modern slavery and human rights	Workshops and face-to-face training that spans establishing supplier risk, reducing risk, audit pathways, the Real Living Wage and carbon reduction considerations.
Modern slavery training for Spirit Energy	Module contained within Spirit Energy's training, deployed to all colleagues, covering key fundamentals of modern slavery; spotting the signs and how to raise concerns.

Collaboration

We participate in forums and work alongside our partners to address human rights and modern slavery risks to raise standards across the utilities sector.

This year, we maintained our key partnerships and continued to engage with Slave-Free Alliance to ensure we continuously improve our management of modern slavery risks and enhance our victim-centred approach to prevention and remediation. By working with organisations like Slave-Free Alliance who share the lived experience of those who have been victims of modern slavery, we are able to use this insight to inform the evolution of our due diligence and modern slavery risk policies. Whilst we strive to make a positive impact through our actions, we know that our leverage to effect long-term improvements across the value chain and wider utilities industry, is strengthened by working with others which is why we consider this a critical part of our approach.

Our partnerships support different stages of our due diligence process, from risk identification and supplier onboarding to worker voice and assurance, as well as collective action to raise standards in higher-risk sectors and geographies.

Our key partners in 2025

Partner	What we do together
Slave-Free Alliance	We are part of Slave-Free Alliance's membership programme, helping to build our understanding of modern slavery and enhance risk management.
Solar Stewardship Initiative (SSI)	SSI is the first sustainability assurance programme tailored to the solar PV sector. SSI partners with manufacturers, buyers, and global stakeholders including NGOs, civil society, financial institutions and experts, to advance responsible sourcing, production, and material stewardship across the solar value chain. This is an example of where individual leverage is greatly enhanced by working together.
Utilities Against Slavery	A forum to collaborate across the utilities sector to prevent and address modern slavery.



We use the following external tools and services to refine and improve our approach to managing modern slavery risks.

Our key tools and services in 2025

Tool / service	How it helps us manage human rights and modern slavery risks
Achilles	We use the platform to pre-qualify our suppliers and enable onboarding.
AndWider	We work together to understand key priorities directly from workers in higher risk sectors and countries, helping us identify risks that may not surface through audits alone.
Beroe	The platform is used by Spirit Energy as a key compliance and supply chain analysis tool.
EcoVadis	The platform helps us assess low-to-medium risk suppliers who do not require an on-site audit or remote worker survey.
QIMA	Our social auditing partner assesses human rights due diligence on-site for suppliers in higher risk sectors and countries. QIMA are one of the Sedex approved Affiliate Audit Companies, qualified to robustly perform third-party SMETA audits. These audits complement the ethical inspections now conducted by our own employees.
SafeContractor	The organisation helps ensure our subcontractors performing installation, maintenance and repair services are compliant with our standards – from health and safety and sustainability to ethical behaviour and diligent hiring practices.
Sedex	We require medium-to-high risk suppliers to share information with us on their business and supply chain through this platform, which helps us better understand the level of supplier risk.
SEQual	Spirit Energy use this system for supplier risk, quality, and selection (specifically covering oil and gas suppliers).



Looking ahead

In 2026, we will prioritise continuous improvement across our modern slavery risk management activities to further enhance our approach, as well as ensuring compliance with legislative developments.

Our focus will include:

-  Developing a targeted activity plan following our salient risk review to further mitigate our highest scoring human rights and modern slavery risks, and incorporate associated Key Performance Indicators.
-  Launching the Supplier Code of Conduct. Building on our existing responsible procurement policies, we will implement an improved and more proportionate risk-based approach to supplier onboarding and monitoring.
-  Having reviewed where we have the highest risks and with a greater understanding of our individual leverage, we will work to optimise our third-party due diligence to allow greater emphasis on areas of highest ethical risk.
-  Continuing to actively work with key partners with the aim of strengthening our leverage to improve standards across the utilities sector, especially in the most high-risk categories and jurisdictions.
-  Delivering training and raising awareness of modern slavery risks for our colleagues and partners, including the roll-out of the general modern slavery training module for all employees, recognising that those who work outside of Procurement can also influence modern slavery risks.
-  Horizon-scanning for potential and emerging modern slavery risks, regulatory changes and best practice developments. We recognise the importance of maintaining a dynamic approach to management of human rights due diligence, reflecting the shifting nature of this issue.

Consultation

In preparing this Statement, Centrica consulted with its in-scope entities (such as Centrica Energy and Spirit Energy) through the Modern Slavery Working Group, the Human Rights and Modern Slavery Steering Committee, and seeking inputs from key stakeholders during the drafting and review stage. Feedback was incorporated to ensure alignment across the Group.

Declaration

This Modern Slavery Statement is published in accordance with Section 54 (Transparency in Supply Chains) of the UK Modern Slavery Act 2015 for the financial year ending 31 December 2025. It describes the steps taken by Centrica plc and the relevant Centrica Group entities covered by this Statement – including those that carry on business in the UK and are therefore in scope of the Act – to prevent modern slavery and human trafficking in our operations and supply chain.

The Statement was reviewed by the Safety, Environment and Sustainability Committee (SESC) and approved by the Board of Directors on 16 and 17 February 2026 respectively.

For and on behalf of Centrica plc and its subsidiaries,



Chris O'Shea,
Group Chief Executive

Subsidiaries covered by this Statement:

The following Centrica Group entities⁽¹⁾ meet the reporting threshold individually and are covered by this Statement, having delegated authority for Chris O'Shea to sign this Statement on their behalf.

British Gas Ltd	Centrica LNG UK Ltd
British Gas Trading Ltd	Neas Energy Ltd
British Gas New Heating Ltd	Centrica Business Solutions UK Ltd
British Gas Social Housing Ltd	Centrica Energy Storage Ltd
British Gas Insurance Ltd	Centrica Services Ltd
British Gas Services Ltd	Pioneer Shipping Ltd
Centrica Hive Ltd	Spirit Energy Ltd
Dyno-Rod Ltd	Spirit Energy Production UK Ltd
ENSEK Ltd	Spirit Energy Resources Ltd
Centrica Energy Ltd	Spirit Energy North Sea Ltd
Centrica Energy Marketing Ltd	Spirit Energy Southern North Sea Ltd
Centrica LNG Company Ltd	CF 2016 LLP

(1) On 1 December 2025, we completed our acquisition of Grain LNG in partnership with Energy Capital Partners (ECP) from National Grid, with a 50% share. They will publish their own Modern Slavery Statement.

centrica

Centrica plc

Registered office:

Millstream

Maidenhead Road

Windsor

Berkshire

SL4 5GD

Company registered

in England and Wales

No. 3033654

centrica.com/peopleandplanet