Group highlights

We reported lower earnings in 2025, primarily driven by market challenges in Centrica Energy and outages and lower prices in Infrastructure, however, our performance was resilient in the context of the external backdrop. It was also a year of strong strategic progress for the Group as we lay the foundation for the next phase of growth. Supported by continued operational improvements and greater levels of customer satisfaction, we grew customers across Retail. Alongside this, we delivered a step-change in our investment programme, investing in crucial strategic assets for the UK energy system such as the Sizewell C new nuclear power station and the Grain LNG terminal, as we continue to pivot our Infrastructure portfolio to help create a fundamentally stronger and higher quality Centrica.

Group operational metrics

Home Energy Supply UK Touchpoint Net Promoter Score (NPS)[1,2]

2025	+33
2024	+29

Home Services UK Engineer NPS[1,2]

2025	+76
2024	+73

Total recordable injury frequency rate (per 200,000 hours worked)

2025	0.61
2024	0.63

Colleague engagement[3]

2025	7.9
2024	8.1

Total greenhouse gas emissions (tCO_2e)[4]

2025	1,580,933 †
2024	1,732,328

Group financial metrics (Year ended 31 December 2025)

Group statutory operating profit (£m)

2025	106
2024	1,703

Group adjusted operating profit (£m)

2025	814
2024	1,552

Group statutory basic EPS (pence)

2025	(1.5)
2024	25.7

Group adjusted basic EPS (pence)

2025	11.2
2024	19.0

Group statutory net cash flow from operating activities (£m)

2025	695
2024	1,149

Group free cash flow (£m)

2025	(167)
2024	989

Adjusted net cash (£m)

2025	1,487
2024	2,858

Full year dividend per share (pence)

2025	5.5
2024	4.5

† Included in DNV Business Assurance Services UK Limited (DNV)'s independent limited assurance engagement. See page 253 or centrica.com/assurance for more.
(1) Measured independently, through individual questionnaires, the customer's willingness to recommend British Gas following contact or a Home Services gas engineer visit.
(2) The Group has redefined its operating and reportable segments during the year to reflect a change in the way the business is organised. Reportable and operating segments are now defined as Retail, Optimisation and Infrastructure. Home Energy Supply UK and Home Services UK are both part of the Retail segment.
(3) Engagement is based on an average score out of 10 and measures how colleagues feel about the Company.
(4) Comprises Scope 1 and 2 emissions as defined by the Greenhouse Gas Protocol. 2024 restated due to availability of improved data.

Unless otherwise stated, all references to the Company shall mean Centrica plc (registered in England and Wales No. 3033654); and references to the Group shall mean Centrica plc and all of its subsidiary undertakings and equity-accounted associate/joint venture undertakings; and references to operating profit or loss, taxation, cash flow, earnings and earnings per share throughout the Strategic Report are adjusted figures, reconciled to their statutory equivalents in the Group Chief Financial Officer's Report on pages 18 to 22. See also notes 2, 4 and 10 to the Financial Statements on pages 141, 149 to 152 and 164 for further details of these adjusted performance measures. In addition see pages 248 to 252 for an explanation and reconciliation of other adjusted performance measures used within the document. This Annual Report and Accounts does not offer investment advice, and does contain forward-looking statements. The Disclaimer relating to this Annual Report and Accounts is included on page 257.

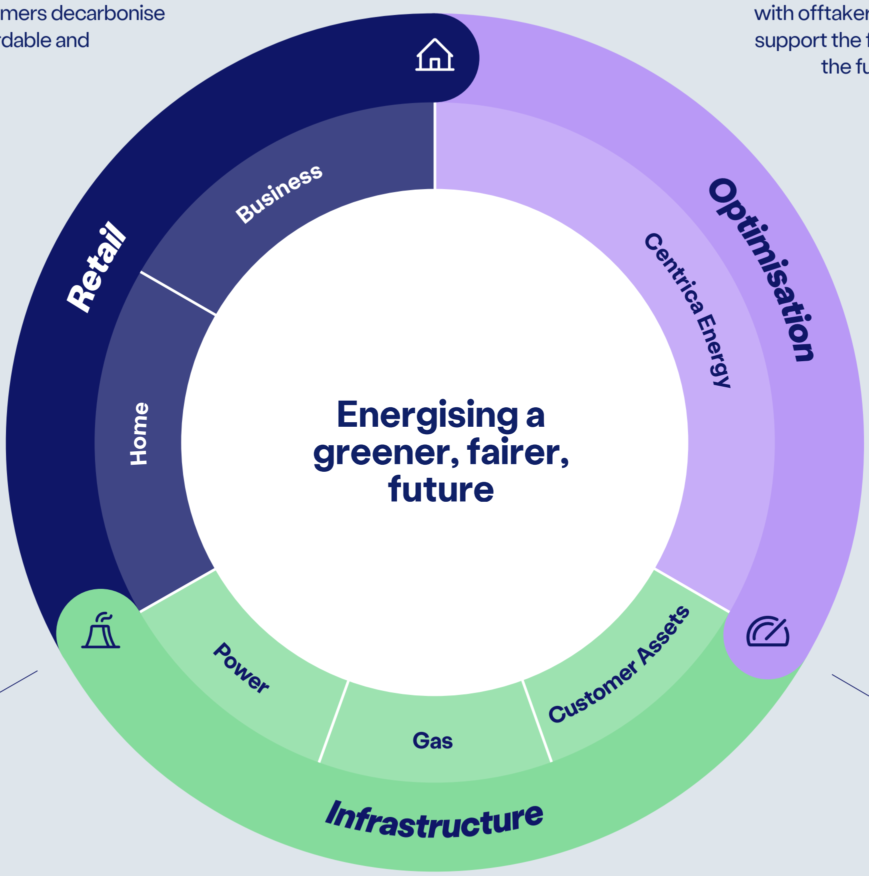
Centrica at a glance

Centrica is an integrated energy company, connecting customers to secure, efficient and low carbon energy solutions. Across the energy system, we create value for all our stakeholders by producing, optimising and delivering the energy needed today, while supporting the transition to a greener, fairer future.

Our business model

We provide a leading customer experience for energy supply and services across the UK and Ireland, helping customers decarbonise through reliable, affordable and innovative offerings.

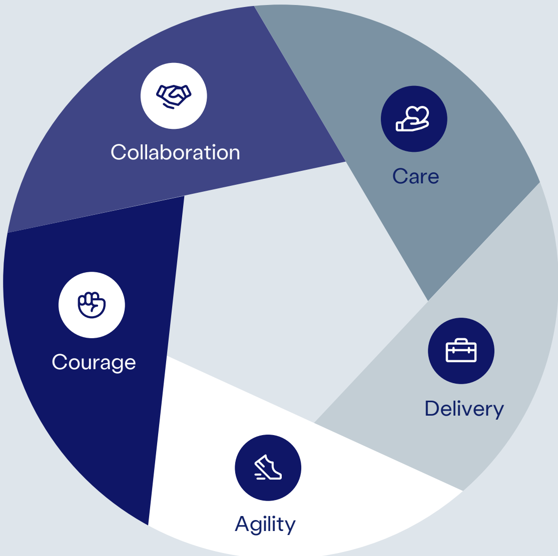
We move energy from source to use, connecting producers and suppliers with offtakers while continuing to support the flexibility required for the future energy system.



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

— **Read more** about our business model on page **14**

Our values



— **Read more** about our Purpose and values on page **11**

Our People & Planet Plan

Our People & Planet Plan is creating a more sustainable future – from becoming a net zero business by 2040 and helping customers be net zero by 2050, to building the diverse and inclusive team we need to succeed whilst making a big difference in our local communities.

— **Read more** about our People & Planet Plan on page **42**, with further information available at **centrica.com/peopleandplanet**

Key figures

22,000
Colleagues worldwide

7,000+
Field service engineers

10m+
Customers

19.5GW
Renewable and flexible capacity under management

>50%
Of the UK's total gas storage capacity

20%
Share of the UK's nuclear power generation

10%
Of Ireland's power demand

Chair's statement

Kevin O'Byrne
Chair

In a fast-changing environment, we remain focused on delivering for our customers and colleagues, creating sustainable value for our shareholders while contributing to a fair UK energy transition.

The past 12 months were marked by significant challenges and opportunities. Throughout, Centrica has remained steadfast in its commitment to supporting customers and colleagues, delivering resilient performance in a challenging environment, executing our strategy and delivering for shareholders. This Annual Report sets out how we are building a strong, responsible business, one that is well positioned to lead in a rapidly changing world.

Supporting our customers

Despite some of the pressures easing on energy bills, your Board remains committed to supporting customers through challenging times. The cost of living pressures and concerns around energy security continue to test households and businesses alike.

I'm proud of how we've supported those who need it most, especially through our £140m energy support package, which we launched in 2022, and is the UK and Ireland's largest voluntary energy sector initiative. We continue to find innovative ways to support our customers, including our pioneering 'You Pay: We Pay' programme, which matches payments made by customers in or at risk of fuel poverty.

Through our energy support package alongside our wider support, we also strengthened our partnership with the British Gas Energy Trust, enabling it to expand grants and provide accessible community-based energy advice. Over 2024–25, the Trust helped 72,000 people and distributed £14.3m in grants to help households and organisations across Britain tackle energy debt, receive guidance and restore financial stability.

These actions provide vital support to those most in need and demonstrate our commitment to fairness and responsibility, strengthening the trust placed in us across our customer base.

Unsurprisingly, trust is one of the key factors in why consumers choose their energy supplier, and I am pleased that our customer trust and satisfaction scores have shown marked improvement, reflecting the positive impact of our efforts across all our brands. Our British Gas Trustpilot score is at its highest level at 4.4, reflecting increased investment in customer service training, the rollout of digital tools that make energy management easier, and our single-minded brand positioning around reliability. This will remain an area of continued focus for your Board.

A more coordinated approach to managing customer debt is needed

While our internal initiatives have strengthened our approach to managing debt, retail bad debt remains a significant focus, increasing to £418m this year from £369m in 2024. More broadly, managing consumer debt across the wider energy sector demands a more coordinated and pragmatic approach that reflects the scale and complexity of the challenge. Rising arrears, now exceeding £4bn industrywide, underscores the need for solutions that go beyond short-term relief and tackle structural issues such as affordability, data-sharing and support for vulnerable households. A coherent strategy should unite government, suppliers, regulators and stakeholders around interventions that prevent debt accumulation, enable data sharing to facilitate fair recovery and protect those most at risk. This is not simply about balancing books; it is about sustaining financial stability across the market while ensuring households can meet essential energy needs without falling into a cycle of unmanageable debt.

Creating the best environment for colleagues

Ensuring our colleagues are supported and engaged remains a strategic priority for the Company and your Board. Over the past year, we have continued to invest in our award-winning wellbeing, training and skills development programmes. We are proud of the continued focus on colleague engagement and for the fourth consecutive year, Centrica has been named in The Times Top 50 Employers for Gender Equality ranking us highly for our focus on creating an environment where colleagues can thrive. This has helped us attract and retain talented people, while fostering a culture of inclusion and continuous improvement.

I am always impressed by the lengths our colleagues go to help our customers and help deliver great performance, and for this I am hugely grateful.

Board changes and governance

The Centrica Board is here to serve you, our shareholders, and is committed to robust oversight and governance, providing strategic direction and accountability.

It is an honour to lead a dedicated and effective Board that collaborates constructively with the executive team. The Board's aim is simple: to strengthen Centrica and consistently deliver value for our shareholders. In the fast-moving world in which we operate, ensuring our Board has the breadth of experience required is critical. I am delighted that Alessandra Pasini joined the Board this year; with a background in investment banking, Alessandra brings a wealth of international experience in renewable energy, battery storage solutions and green hydrogen. We also welcomed Frank Mastiaux, an energy industry veteran whose international leadership roles in some of the world's largest energy companies brings invaluable insight and experience to our team.

I would like to extend my sincere appreciation to colleagues departing from the Board. Heidi Mottram, who joined in 2020 and served as Chair of the Safety, Environment and Sustainability Committee (SESC), stepped down at the end of 2025. Carol Arrowsmith, who has served on the Board since 2020 and as Chair of the Remuneration Committee, will step down at the conclusion of our AGM in May 2026. I am very pleased that Amber Rudd has taken on the role of Chair of the SESC and Sue Whalley will become Chair of the Remuneration Committee from May. Nathan Bostock, a Board member since 2022 and Chair of the Audit and Risk Committee, will leave in the summer of 2026 and his successor will be announced in due course.

The effectiveness of the Board is underpinned by Centrica's culture, a foundation that drives performance, supports our strategy and ensures robust governance. We foster collaboration, innovation and integrity at every level, empowering colleagues to deliver their best and contribute to our shared purpose. Our Purpose and Values guide every decision.

Performance overview

Despite 2025 being a challenging year, Centrica still delivered resilient financial and operational results. Our Retail and Infrastructure businesses performed broadly in line with expectations, though Centrica Energy's optimisation activities delivered weaker than planned results amid particularly difficult market conditions.

Group adjusted EBITDA for the year was £1,417m and operating profit was £814m, down from £2,305m and £1,552m respectively in 2024, with adjusted EPS just over 11 p. The Group generated over £900m of adjusted operating cash flow, while free cash flow moved into a modest almost £200m outflow, driven primarily by a deliberate and accelerated step-up in strategic investment to £1.2bn.

Your Board is mindful of our responsibility to carefully manage our free cash flow. Over the past year, we have made significant investment decisions, and we've focused on maximising sustainable profitability across our range of businesses. It has been one of our most active periods for investment in recent years, and Chris will provide further detail in his statement.

Looking ahead, we anticipate that cash flow from our existing infrastructure assets will gradually be supplemented by contributions from new investments. These new assets are expected to deliver stable and predictable earnings, ensuring a reliable income stream over time. Our investment in a 15% equity stake in Sizewell C is a very good example of our strategy to deliver long-term, stable earnings. We also announced a 50% investment into the Isle of Grain Liquefied Natural Gas (LNG) terminal in partnership with Energy Capital Partners LLP. Grain LNG delivers vital energy security for the UK and is aligned with the strategy of investing in regulated and contracted assets supporting the energy transition. At the same time, when we hold surplus capital, we carefully consider the best way to return value to our shareholders. In 2025, we increased our share buyback programme by an additional £500m, which was largely completed during the year, bringing the total equity repurchased since 2022 to £2bn, or around a quarter of the Company's shares. Alongside this, we returned further value to shareholders through a full-year dividend of 5.5p, which included the interim dividend of 1.83p announced in July.

Progress towards net zero

Looking forward, your Board will remain focused on energy security, a fair transition and delivering our net zero ambitions. Our updated Climate Transition Plan, launched in January 2025 with strong shareholder support, sets out how we will balance these priorities. Your Board actively oversees this plan to ensure Centrica continues to lead the energy transition responsibly.

I'm pleased to say we have made good progress, achieving key emissions reduction milestones. We are on track or ahead of all customer climate goals, from installing smart low carbon technologies like Hive thermostats to expanding green tariffs and growing the green skills of 1,900 engineers toward our 2030 ambition of 3,000.

Meanwhile, we continued to decarbonise operations and grow sustainable energy supply through renewable and zero carbon investment, new technologies and strategic partnerships aimed at reducing emissions across power generation, gas storage, LNG shipping and our van fleet.

Our commitment to a fair transition helps ensures no customer or community is left behind.

We measure and report progress through rigorous KPIs and benchmarks and remain committed to addressing performance gaps and acting on stakeholder feedback to refine our strategy and deliver on our promises.

Outlook for the next year and the evolving landscape

Turning to 2026, the energy landscape remains dynamic, shaped by geopolitical developments, regulatory shifts, technological advancements and changing customer expectations. The Government's decision to remove some levies from consumer energy bills from April this year is a welcome step for households. This has been an issue we have lobbied on for over five years and will put money in the pockets of consumers; however as noted earlier, we remain highly concerned about the growing level of bad debt in the energy industry, which has now reached levels the sector has never experienced before. This is unsustainable and represents a structural risk to the sector's stability.

We have been clear about our concerns and will continue urging Ofgem to work with government and industry on a solution that helps distinguish customers who genuinely cannot pay from those who can but choose not to.

We appreciate this is a complex area, but it requires urgent attention. Equally, we must remain vigilant in how we support our most vulnerable customers. We continue to engage with our regulator regarding past issues in the installation of prepayment meters. Whilst we have not resumed this practice, it is clear this issue remains a sector-wide challenge. In that respect, we have taken decisive steps to address areas where we fell short.

We will continue to assess the opportunities for Centrica including innovation in energy solutions, expansion into new and existing markets, and leveraging our expertise in trading and optimisation. At the same time, we are alert to risks such as price volatility, supply chain disruptions and geopolitical uncertainty. Against this evolving landscape, our strategy continues to evolve, particularly in Power generation, ensuring we remain agile and responsive to market shifts as the world becomes increasingly electrified and dependent on data centres.

Our resilience and adaptability are core strengths, enabling us to navigate uncertainty and seize opportunities for growth. As always, your Board will consider the barriers to delivering our strategy and remain alert to emerging risks. We prepare for these changes by continuing to invest in digital transformation and harnessing the power of AI, enhancing our risk management capabilities and deepening our engagement with regulators and policymakers. Our commitment is to safeguard the interests of our customers, colleagues and shareholders as we navigate these challenges and opportunities.

In a fast-changing environment, we remain focused on delivering for our customers and colleagues, creating sustainable value for our shareholders while contributing to a fair UK energy transition.

In closing, I would like to thank our colleagues, customers and stakeholders for their ongoing support and trust. Centrica is well positioned to deliver sustainable value for shareholders and society, and I am confident in our direction and ability to lead in a rapidly changing and complex world. Together, we will continue to build a resilient, responsible business that makes a positive difference for all of us.

Kevin O'Byrne, Chair
18 February 2026

Group Chief Executive's statement

Chris O'Shea
Group Chief Executive

> ***I am confident that the future's looking good for Centrica. The world's changing fast, with technology and AI driving up electricity demand like never before. That means more complexity, more need for reliable, sustainable energy.***

A year of strategic progress and investment

I never forget who I work for, I work for you, our shareholders, the owners of our Company. And my job is to create value for shareholders, which includes every single Centrica colleague. We do this by doing three things: delivering great customer service for our 10m plus customers; investing your money wisely; and helping our nearly 22,000 colleagues to be at their best as they energise a greener, fairer future.

2025 has been a big year for us – lots of progress and lots of bold moves. I'm really proud of how far your Company has come, not just making the energy supply more secure where we operate but also putting ourselves right at the heart of the energy transition whilst growing our businesses.

Delivering great customer service

For years we've been improving our customer service, although the results can take quite a while to feed through. So, I'm delighted that for the first time in a number of years we have grown customer numbers in all of our businesses. And our customer satisfaction measure (Net Promoter Score) is the highest it's ever been in the UK energy business. The investment we've made in improving our service is really starting to show. The Institute for Customer Service's latest UK Customer Satisfaction Index ranked British Gas among the top 20 most improved organisations over the past year and Uswitch has awarded British Gas most improved energy company for the second consecutive year. I'm delighted for our colleagues who've worked so hard to make this happen.

Now this doesn't mean the journey is over – we are continuously looking at ways to better serve our customers. And we must always remain vigilant in how we treat our vulnerable customers. More than three years ago we discovered that we had fallen short of our own high standards in how we installed prepayment meters for certain customers. This issue is subject to an ongoing Ofgem investigation, and I said at the time how gutted I was, and I know it was a difficult moment for many colleagues who work so hard to do the right thing. It's strengthened our resolve to learn and keep improving. Whilst subsequent events have shown this to be a wider energy sector issue, we can never forget how we let some of our customers down and we've taken substantial steps to improve our processes and to help prevent these issues from happening again. We know how challenging it is for customers who are struggling to pay their bills and we're acting where it matters most and partnering with The British Gas Energy Trust and leading advice organisations such as StepChange, to deliver rapid, targeted support for customers in serious financial difficulty. Through frontline training, trusted community partners and high-impact national outreach initiatives, we're making it easier for vulnerable customers to access grants, guidance and practical help that genuinely cuts the pressure. We have made huge improvements, and your company is now very different from the one it was just three years ago.

This year, we've continued to raise our game – using technology and AI to make things simpler and smoother for our customers. We've cut out unnecessary steps, sped up decision-making and freed up more time to deliver for our customers. These small changes add up: reduced call volumes, problems sorted faster, happier customers, and better retention. That means tighter cost control and stronger revenue and profit growth.

And we want to make sure that our customers have the energy they need, when they need it. A report at the end of last year from NESO, the UK's national energy system operator, which has warned of the risk of gas shortages as Britain gets into the 2030s, underscores how gas will remain important over the course of the transition. This is why we bought Grain LNG, why we want to redevelop Rough, and why we signed a £20bn deal with Equinor, securing 5bn cubic metres of gas a year until 2035. That's a ten-year partnership with Norway that helps keep the UK's energy secure and prices steady.

Investing your money wisely

Putting £1.3bn into Sizewell C isn't just a great investment; it's about making sure the UK has reliable, low carbon power for years to come. Building nuclear plants is tough work, and credit where it's due – this Government (and the last one) saw the need and backed it. That's what doing the right thing for the country looks like. By creating a proper regulatory framework, they've made it possible for us to invest, and that's good news for everyone: colleagues, customers and shareholders.

Energy transitions aren't just about tech or ambition – they're about balancing what's possible with what's needed. You've got to juggle global markets, budgets, and what customers want. It's about finding the sweet spot between ambition and security, innovation and reliability, renewables and, yes, natural gas. Our investment in Europe's largest LNG terminal – Grain LNG – with Energy Capital Partners is a further proof point of our strategy to pivot towards stable, predictable infrastructure returns.

These investments aren't just one-offs – they're part of our plan to keep building real, long-term value for you. This year has also seen us working in partnership with the impressive US company, X-energy, to bring up to 6GW of advanced modular power stations to the UK. Whilst it's early days in the development of the next generation of small nuclear assets, it feels like there is now genuine momentum around this technology here and elsewhere in the world.

Our valued colleagues

I know I say this a lot, but having a great team is why we have happy customers. Every day, 22,000 people roll up their sleeves and make a difference for our customers, our business and our communities. I'm proud of the way our teams have stepped up this year – embracing new technology, driving operational improvements and always putting customers first.

I know organisational change to simplify our business and deliver better outcomes for customers hasn't been easy for colleagues, but I am pleased to say that we have supported colleagues through change and managed to maintain a strong engagement score of 7.9 out of 10. This gives us a good foundation to build on in 2026 and really focus on continuing to create the culture we want. We're breaking down silos, encouraging collaboration and making sure every voice is heard. Whether people are on the phones, in British Gas, Bord Gáis, Hive or PH Jones vans, at our energy assets, or working behind the scenes, colleagues' ideas and energy are what will drive Centrica forward.

We never stop investing in our people – they're the heartbeat of this Company and the reason we keep delivering. Opening our new facility at Lutterworth in 2026 will be a big moment for us. This £35m green campus brings together a national distribution centre, advanced technology labs and a new green skills academy. It strengthens our operational capability and the infrastructure we need for the energy transition. By investing in large-scale apprenticeship programmes and new research and training facilities, we're thinking about the long term, helping to build the skilled workforce needed for the UK's energy transition. It's another example of how we're preparing our colleagues – and our business – for a cleaner, more secure energy system in the years ahead.

Transformation isn't just something we're talking about – it's something we're delivering. And our People team has played a vital role in making that happen. Over the past year, they've supported significant restructuring and helped embed new operating models that are essential for our long-term growth. None of this work is easy, but we've approached every step with care, integrity and a focus on doing the right thing.

Our Senior Leadership Team (SLT) is made up of my direct reports and their direct reports, around 100 people. We get together regularly to ensure cohesion and alignment. We continue to commit to three core principles that shape our culture and the way we work, individually and as a team:

One team

First and foremost, we work for Centrica. So, when faced with making a decision, the question every leader must ask themselves is 'is this good for the Company?'.

Ownership

We must own the outcome of our actions, not assuming that someone else will fix something we see which needs fixing, and asking ourselves whether what we are doing will improve things for our customers.

Growth mindset

We must innovate and try new things; asking ourselves 'why not?' rather than 'why?' when someone suggests a new idea; asking ourselves 'what needs to be true?' to make something work rather than state why something won't work.

If we can continually live by these three themes and demonstrate our five core values, we will continue the evolution of our culture, delivering a step change in our performance and creating material value for you, our shareholders.

A big part of this has been equipping our managers to lead through change in the right way. We've invested in targeted training, effective communication skills and one-to-one support so leaders can handle difficult situations with clarity and compassion. And where change has directly affected colleagues, we've prioritised wellbeing and career continuity – offering career development tools, wellbeing initiatives and redeployment support to protect as many roles as possible. That matters, because while transformation is strategic, it must also be deeply human.

At the same time, we're rewiring how we work through a technology-led transformation that strengthens accountability, builds new skills and helps us serve customers better. Our People team has been at the centre of this shift, helping us move faster and operate with greater agility, while making sure colleagues stay supported and informed.

Throughout all of this, our colleagues have stayed focused on what really matters. Their resilience and commitment have enabled us to make real progress at pace.

Because ultimately, transformation isn't about systems or structures – it's about people and our colleagues continue to be the driving force behind Centrica's success.

I want to thank every colleague for their hard work, commitment and passion. Together, we're not just delivering for today – we're building a greener, fairer future for everyone.

Business performance

We made good progress in key areas, but tough trading conditions elsewhere held us back. Global market uncertainty hit Centrica Energy harder than expected, and unseasonably warm weather plus higher bad debt put pressure on our supply business. None of this changes the direction of travel – it just shows the importance of staying focused, adapting quickly and dealing with issues head-on.

Our Group adjusted operating profit was £814m compared to £1.6bn at year-end in 2024, with adjusted Basic EPS of 11.2p in 2025 compared to 19.0p in 2024, and free cash flow of £167m. Performance has been resilient, given the market, and gives us the confidence to invest further and ensure strong performance in the future.

Customer satisfaction levels continue to improve across all our customer-facing brands, with a British Gas Trustpilot score of 4.4 (Excellent) and we have grown customer numbers in all our customer facing businesses; this is the first time this has happened and shows we have momentum. I am particularly pleased to see good progress in our Services business supported by strong boiler installations in 2025, meaning we hit our profit target one year ahead of schedule. More detail on our business performance can be found in Russell's report on pages 18 to 22.

Future prospects: building a sustainable and resilient business

I am confident that the future's looking good for Centrica. The world's changing fast, with technology and AI driving up electricity demand like never before. That means more complexity and more need for reliable, sustainable energy – exactly what Sizewell C will deliver.

We're grabbing future opportunities with both hands. We're investing in new technology, sharpening up how we work and getting ready for the next stage of our transformation in 2026 and beyond. The goal? Make Centrica leaner, quicker on its feet and always focused on giving customers what they want while chasing new growth across the energy sector to deliver value for our shareholders.

We've set ourselves a big target to grow profits and value, and with expected extensions to our existing nuclear power stations, we expect to deliver £1.7bn EBITDA by 2028, rising to £2bn in 2030. Underpinning this will be a cost base which stays flat for the coming 5 years.

Our leaders are now more focused on what's best for Centrica as a whole, not just their own businesses. By breaking down silos and working together, we're rolling out the joined-up products and services that only we can offer. There is still much to be done in making these important changes but I can already see results where our focus on simplification is driving a quicker, leaner and more efficient business. By reducing bureaucracy and embracing technology, we are creating the right environment for our colleagues to ensure we remain competitive in a rapidly evolving market. This transformation is not just about cost savings; it is about creating a culture of agility and innovation that will underpin our future success.

The regulatory environment

We've achieved a lot this year, but there are still concerns with how our market is regulated. If we want to attract investment and keep the energy transition moving, we need high-quality economic regulation and clear rules applied consistently that give investors' confidence to deploy capital. When we look at the retail market in particular, whilst we welcome the capital adequacy rules that have been introduced for the energy supply sector, implementation has been slow and inconsistent over the past few years. We've seen a couple of suppliers go bust this year and I am worried about a return to the period when half the energy market went out of business, costing consumers billions of pounds. And right now, there's billions of debt building up across the sector. We need our regulator to work with the sector to stop the burden of non-payment falling on the shoulders of those customers who do pay. The strain of growing bad debts, coupled with the large suppliers who do not hold the capital required under Ofgem's rules, presents a systemic risk to the energy retail market and we are at real risk of seeing more suppliers go under, which creates confusion and risk for customers, in turn damaging the investment case for the sector. Ofgem has said that the industry holds more capital today than it did three years ago, and that is great. But what counts is what each individual supplier holds in capital, and it remains worrying that a number of the UK's biggest energy suppliers still don't hold the capital Ofgem requires under its rules.

Conclusion: delivering for the future

The strategy we set out in 2023 is delivering for colleagues, customers and shareholders; this is reflected in a share price which has outperformed the FTSE 100 by 12.5% and we remain committed to investing around £4bn as part of our investment programme leading up to 2028, focusing only on projects with the right balance between risk and reward.

2025 has been a year of delivery. Our investments in Sizewell C, Isle of Grain, and other strategic assets have strengthened our operational foundation and demonstrated our leadership in a rapidly changing energy landscape. We are driving transformational operational improvements, building a quicker and leaner business, and preparing for a future defined by innovation and sustainability.

However, we remain clear-eyed about the challenges ahead, particularly in relation to the regulatory environment. We will continue to advocate for the changes needed to unlock further investment and deliver for our customers, colleagues and shareholders.

I am proud of what our amazing colleagues have achieved, and we are excited about the opportunities that lie ahead. Together, we will continue to build a business that is resilient, sustainable and fit for the future. One which delivers for our colleagues, for our customers and for the people we all work for, our shareholders.

Chris O'Shea, Group Chief Executive
18 February 2026

Our Purpose

From supplying the gas and coal that powered the industrial revolution, to becoming the global integrated energy company we are today, we've been providing energy for over 200 years. Our Purpose is 'energising a greener, fairer future' because we believe in energy that works for customers, colleagues and communities today and in the future.

Our values...	...in action
Care We do the right thing for our customers, colleagues, communities and planet.	Through organisations such as the British Gas Energy Trust and local charities, we provide meaningful support to our customers and communities. Since 2004 the Trust has provided over £230m to help households struggling to pay their energy bills.
Collaboration We bring in diverse perspectives to create a better future together.	Our investment in Sizewell C this year, was the result of strong relationships with government, developers and investors to establish a framework that benefitted all parties and supported low carbon generation, new jobs across the country and energy independence for the UK.
Courage We are bold and push ourselves to find better solutions to every challenge.	In 2025 we signed a partnership agreement with X-energy to deploy advanced modular reactors in the UK, developing technology that is not only scalable and secure, but also supports national security, affordability, sustainability and resiliency in our energy system.
Agility We make progress at pace by focusing on what matters and learning from setbacks.	Since 2024 we have installed smart meters through our in-house Meter Asset Provider (MAP). Our initial pilot installations provided us with key learnings, allowing us to adapt quickly and refine our approach. We are continuing to accelerate the MAP business, with over 1.6m Centrica-owned meters installed.
Delivery We do what we promise, on time, every time, to move forward every day.	In 2024, British Gas launched our Service Promise campaign, providing a same-day visit from our boiler service engineers for customers that call us before 11 am. This service is available to all UK households, demonstrating our dedication to provide fast, reliable and affordable service across the country.

Our stakeholders

Engaging our key stakeholders enables better outcomes for people and planet.

Energy is central to everyday life. So the choices we make and the action we take can impact a diverse range of stakeholders. That's why we listen to and consider stakeholder views to ensure we understand their needs and concerns. As we evolve our strategy, stakeholder input enables us to reduce risk and harness opportunities to energise a greener, fairer future.

Engagement is led by senior leaders who regularly update the Board. This equips the Board with the knowledge to make informed decisions that considers the long-term consequences of our actions from the perspective of different stakeholders.

We recognise that outcomes of Board decisions may not materialise as anticipated or may change, and that not all decisions will have immediately observable outcomes.

Our key stakeholders

Customers

By understanding our customers' needs, we can provide services and solutions that meet or exceed their expectations, which drives the success of our business.

What they care about

Customer service, competitive energy prices, affordable energy management and bill support alongside low carbon services and solutions.

How we engage

Surveys, focus groups, proposition and usability testing, alongside dedicated channels to help people with their energy bills.

Outcome example

In response to customer service feedback, Directors monitored service performance and invested in technology and capability to improve it. This led to Home Energy Supply completing a system migration in the UK that enhanced customer interaction and contributed to lower complaints as well as a higher Net Promoter Score. British Gas consequently received Uswitch's Energy Award for 'Best Overall Improvement' for the second consecutive year.

— **Read more** on pages 4, 7 to 8, 25, 37 and 44 to 45

Colleagues

We want every colleague to feel they count and can succeed at Centrica. This is key to attract and retain a diverse and talented team who can deliver our strategy.

What they care about

Engagement, inclusion, wellbeing, safety, development, reward and company performance.

How we engage

Engagement surveys, colleague diversity networks, focus groups, the Shadow Board, site visits, townhalls, internal communications and trade unions.

Outcome example

Our parent and LGBTQ+ networks told us we could do more to support them. By collaborating with networks and trade unions in the UK, we extended paid paternity leave and launched our sector's first Transgender Inclusion Policy for those undergoing gender-affirming treatment. Inclusive practices like these influenced our positive engagement score and position in leading benchmarks like The Times Top 50 Employers for Gender Equality and the Glassdoor Top 50 Best Places to Work in the UK.

— **Read more** on pages 8 to 9, 38, 43 to 47, 59 and 67

Investors

Shareholders and debt holders provide funds that help run and grow our business. With a shared commitment to our success, collaboration can stimulate sustainable progress and returns.

What they care about

Financial and operational performance, sustainability performance including net zero progress, strategy and growth as well as shareholder returns and dividends.

How we engage

Investor roadshows, the Annual General Meeting (AGM), ad-hoc meetings and responses to information requests and assessments from sustainability ratings agencies.

Outcome example

Meetings and webinars were held with investors to discuss the energy transition. Through engagement, we were able to align on expectations as we updated and published our Climate Transition Plan. The Board were involved in the Plan's development and approval, incorporating the full range of investor feedback. At the AGM, the Plan achieved a 93.44% favourable shareholder advisory vote.

— **Read more** on pages 11, 38, 45, 55 and 67

Section 172(1) Companies Act 2006 Statement

The Directors consider that they have performed their duty as required under Section 172(1)(a) to (f) of the Companies Act 2006 by promoting the success of the Company for the benefit of stakeholders through their decision-making.

These pages set out our key stakeholders and an outcome example. Further detail on how the Board engaged and balanced the needs of different stakeholders to make principal decisions during 2025, are disclosed on pages 70 to 71.

Governments and Regulators

Maintaining constructive relations is key to ensuring a stable regulatory environment where policy is developed in the interests of consumers, whilst enabling a sustainable and investable market.

What they care about

Market design and operation, economic growth, net zero, energy security, affordability, customer service, skills and inclusion.

How we engage

Consultation processes, meetings and policy briefings, technology teach-ins, roundtables and site visits.

Outcome example

Through sustained engagement with policymakers, we successfully influenced the progressive decision to move policy costs relating to energy efficiency schemes from the energy bill to general taxation. This was announced in the UK November 2025 Budget and will importantly ease pressure on bills for those least able to pay.

— **Read more** on pages 9, 37 to 39, 69 and 71

Suppliers

Partnering with like-minded suppliers enables high standards and reliability across the supply of services and solutions for customers as well as our operations.

What they care about

Payment practices and long-term partnerships together with compliance and transparency across sustainability matters like human rights.

How we engage

Tendering, onboarding surveys, site audits and remote worker surveys.

Outcome example

Members of the Board reviewed our Responsible Sourcing strategy to mitigate human rights risks, considering supplier audits and external expert input, before approving the annual strategy. This enabled continued compliance with the UK Modern Slavery Act 2015, with zero cases of forced or compulsory labour identified.

— **Read more** on pages 47 and 85

Communities and NGOs

Charities, non-governmental organisations (NGOs) and community groups, help us understand how to collaborate with local communities to build a fairer, more sustainable future.

What they care about

Tackling social and environmental issues such as fuel poverty and climate change.

How we engage

Partnerships, meetings and research alongside support initiatives – from advice, grants and energy efficiency measures to reduce energy bills and emissions, to volunteering, fundraising, and sponsoring local organisations.

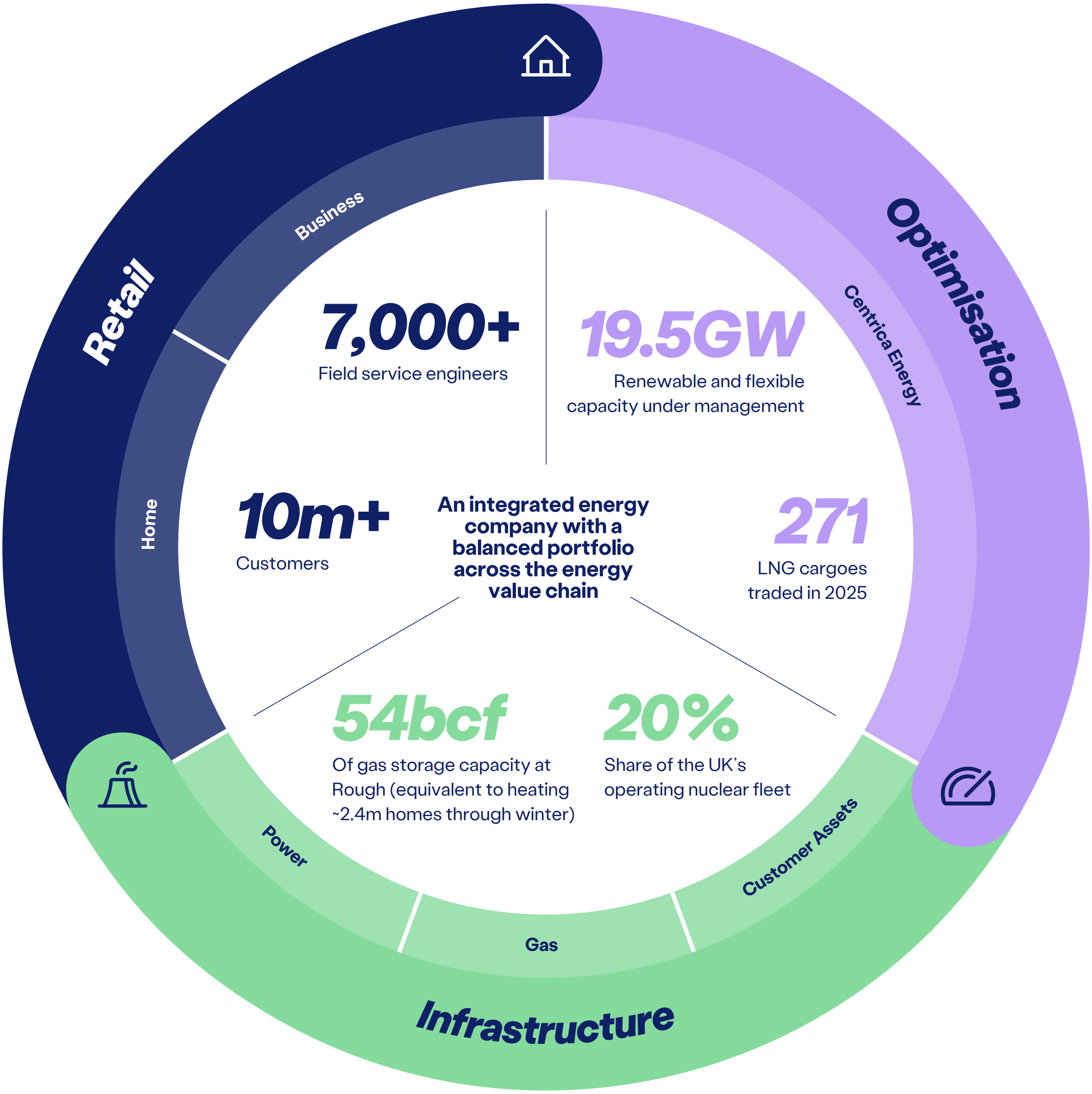
Outcome example

Members of the Board maintained oversight of our local community strategy to ensure effectiveness in supporting diverse needs. With a consideration of these needs, the Directors enabled the continued support of local good causes during the year which included £3m in donations and 10,500 volunteering days.

— **Read more** on pages 44, 71 and 85

Our business model

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



Our business structure

Retail

We provide a leading customer experience for energy supply and services across the UK and Ireland, helping customers decarbonise through reliable, affordable and innovative offerings.

Home

Energy Supply
Through our British Gas and Bord Gáis brands we 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, while decarbonising their homes. Our energy supply business is powered by ENSEK, an in-house digital platform for seamless customer account management and billing.

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

Business

We provide 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, while continuing to support the flexibility required for the future energy system.

Centrica Energy

Gas and Power Trading
Our gas and power traders operate in 29 power markets and 19 gas hubs across Europe and the United States, managing 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.

Bord Gáis Trading merged with Centrica Energy this year, strengthening our capabilities and enabling greater integration across the UK and Ireland.

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

Renewable Energy Trading & 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, and manage one of Europe's largest biomethane portfolios with our advanced trading and balancing services.

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, including our shares in the UK's existing nuclear fleet, Whitegate power station and our portfolio of batteries, renewables and gas peakers, with two 100MW peakers in Ireland to be commissioned during 2026.

This year, Centrica has also committed investment into the Sizewell C nuclear power station, reinforcing our long-term support for the UK's low carbon future.

Gas

Centrica's gas infrastructure division produces, stores and transports natural gas and is exploring carbon storage and hydrogen for the future. Our portfolio includes the Rough gas storage facility, 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, and 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, helping to deliver the advanced net zero goals for the country.

Our market trends

The energy system is undergoing a fundamental transformation, becoming more electrified, more intermittent and more decentralised, while consumers are looking for more bespoke propositions to help manage their energy needs.

Key market trends

Growing affordability concerns

Inflation remains elevated across the UK and Ireland, and our customers continue to face challenges from high costs and sluggish economic growth, with some customers struggling to pay bills.

We know that rising household bills are a real worry for many people across the UK. Tackling energy debt and fuel poverty is a priority for us and we've voluntarily committed £140m since 2022 to ensure no one faces these challenges alone.

Growing electrification

The UK's commitment to achieving net zero emissions by 2050 is accelerating investments in clean energy sources like wind, solar and nuclear, and increasing policy support for electrified heating and transport.

In 2025 we committed £1.3bn for a 15% equity stake in Sizewell C nuclear power station, investing in reliable, low carbon power for millions of homes, while creating thousands of high-quality jobs across the country.

Growing intermittency

With more unpredictable and intermittent energy generation coming from renewables, the energy system of the future needs to become more dynamic and responsive to balance supply, demand and storage.

This year we acquired the Grain LNG terminal from National Grid. Grain LNG delivers vital energy security for the UK, providing critical LNG regasification and rapid response storage capacity to balance the energy system.

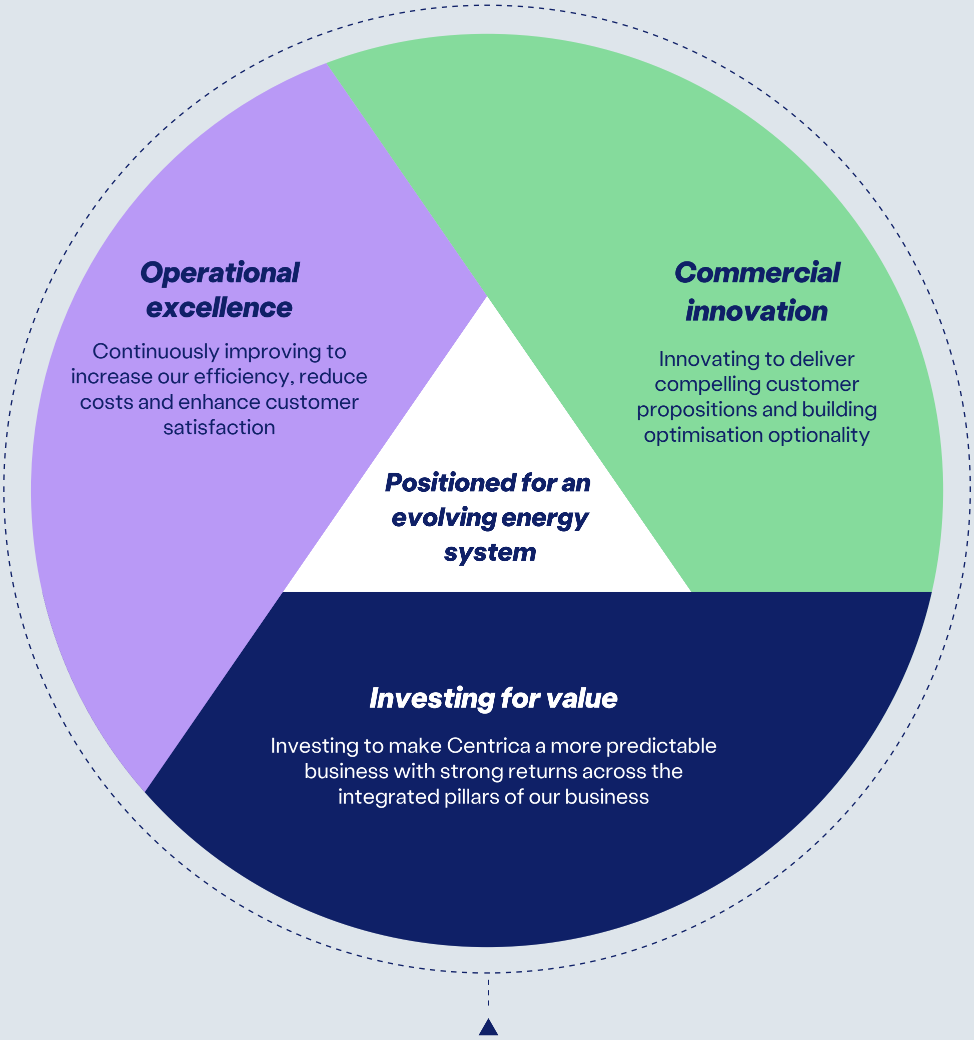
Growing consumer engagement

Advances in technology, such as artificial intelligence and machine learning, are revolutionising the energy sector, unlocking opportunities to improve customer offers, reduce costs and better manage our energy.

Earlier this year, British Gas completed the migration of all residential customers to our ENSEK platform. The platform enables better customer service and new innovative offerings, such as PeakSave, which helps customers lower their bills and manage their energy use more dynamically.

Our strategic drivers

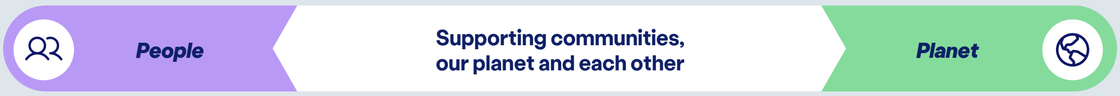
Our company plays an integral role in shaping a greener, more flexible and fairer energy system. We're adopting a simple, focused approach to capitalise on the current market trends and growth opportunities to create value for all our stakeholders.



People & Planet

Our People & Planet Plan is creating a more sustainable future – from becoming a net zero business by 2040 and helping our customers be net zero by 2050, to building the diverse and inclusive team we need to succeed whilst making a big difference in our local communities

— **Read more** on page 42



Group Chief Financial Officer's report

Russell O'Brien
Group Chief Financial Officer

Financial overview

The Group's adjusted EBITDA was £1,417m in 2025 (2024: £2,305m), adjusted operating profit was £814m (2024: £1,552m), and statutory operating profit was £106m (2024: £1,703m).

For more information on business unit performance, see pages 24 to 29.

Adjusted basic EPS of 11.2p (2024: 19.0p) also includes lower net interest income as we invested and returned capital to shareholders, although benefitted from a lower share count. Statutory basic EPS was a 1.5p loss (2024: 25.7p profit) and includes a £708m loss on exceptional items and certain re-measurements (2024: £151m profit), with £508m of impairments largely across our late-life gas field assets and investment in Nuclear (excluding Sizewell C).

Free cash flow (FCF) was a £167m outflow (2024: £989m inflow), which includes the impact of a significant increase in capital expenditure to £1,227m (2024: £564m).

The Group returned £1,064m (2024: £718m) to shareholders in the year, £827m through share buybacks and £237m through dividend payments (2024: £499m and £219m respectively), and ended the year with closing adjusted net cash of £1,487m (2024: £2,858m).

The reconciliation between statutory gross debt and adjusted net cash is shown in note 25.

Adjusted EBITDA, operating profit, earnings and dividend

		2025			2024		
Year ended 31 December (£m)	Notes	Business performance	Exceptional items and certain re-measurements	Results for the year	Business performance	Exceptional items and certain re-measurements	Results for the year
Adjusted EBITDA		**1,417**			2,305		
Group operating profit/(loss)	4(c)	**814**	**(708)**	**106**	1,552	151	1,703
Net finance income/(cost)	8	6	—	6	44	(68)	(24)
Taxation on profit/(loss)	9	(265)	102	(163)	(553)	239	(314)
Profit/(loss) for the year		**555**	**(606)**	**(51)**	1,043	322	1,365
Less: (Profit)/loss attributable to non-controlling interests		(21)	—	(21)	(59)	26	(33)
Earnings attributable to shareholders		**534**	**(606)**	**(72)**	984	348	1,332
Basic earnings per share	10	**11.2p**	**(12.7p)**	**(1.5p)**	19.0p	6.7p	25.7p
Full year dividend per share	11			**5.5p**			4.5p

Revenue

Total Group revenue included in business performance, which includes revenue arising on contracts in scope of IFRS 9, decreased by 9% to £22,365m (2024: £24,636m). This was largely driven by the impact of lower commodity prices, and lower seasonal gas price spreads.

Gross segment revenue, which includes revenue generated from the sale of products and services between segments, decreased by 8% to £24,563m (2024: £26,573m). Total statutory Group revenue decreased by 2% to £19,492m (2024: £19,913m).

A table reconciling the different revenue measures is included in note 4(b) of the accounts.

Exceptional items and certain re-measurements included within operating profit

Year ended 31 December (£m)	2025	2024
Certain re-measurements	(303)	279
Exceptional items	(405)	(128)
Exceptional items and certain re-measurements	**(708)**	151

The Group operating profit in the statutory results includes a net pre-tax loss of £303m (2024: £279m gain) relating to re-measurements, comprising of:

- A net loss of £345m on the re-measurement of derivative energy contracts predominantly due to a loss on delivery of contracts of £299m, together with net unrealised mark-to-market derivative losses of £46m from market price movements on existing and new contracts; and
- A net gain of £42m relating to a credit from the movement in the onerous LNG contracts position, partially offset by a debit relating to the movement in the onerous energy supply contract provision associated with the acquisition of AvantiGas ON Limited in 2022.

Further details can be found in note 7(a) to the accounts.

An exceptional pre-tax cost of £405m was recognised within the statutory Group operating profit in 2025 (2024: £128m) made up of:

- A £264m impairment of our power assets (2024: £75m), predominantly driven by a £251m impairment of our Nuclear investment (excluding Sizewell C) as a result of the reduction in both forecast and actual power prices, along with an increase to operating and capital expenditure assumptions, partially offset by life extensions at two stations;
- A £244m impairment of our gas field assets (2024: £nil) as a result of an update to the cessation of production date associated with the Morecambe field, together with changes to the discount rate assumptions used in the valuation model, along with an impairment of gas field assets included in the disposal group being sold to Serica Energy plc;
- An £80m gain on the disposal of our interest in the Cygnus gas field to Ithaca Energy; and
- A £23m credit (2024: £53m charge) relating to a decrease in legacy contract cost provisions for business activity that ceased a number of years ago, predominantly related to construction services.

Further details on exceptional items, including on impairment accounting policy, process and sensitivities, can be found in notes 7(b) and 7(c) to the accounts.

Net finance income

Net finance income on business performance was £6m (2024: £44m), reflecting a decrease in interest income from lower cash balances held during the year alongside lower UK interest rates, partially offset by a reduction in financing costs on bonds and bank loans. There were no exceptional financing items in the period (2024: £68m cost).

Taxation and adjusted effective tax rate

Business performance taxation on profit decreased to £265m (2024: £553m), reflecting lower Group operating profit. This excludes tax on joint ventures and associates. After taking account of our share of tax on joint ventures and associates, the adjusted tax charge was £322m (2024: £671m).

The resultant adjusted effective tax rate for the Group was 37% (2024: 39%), with a lower proportion of profits coming from highly taxed Infrastructure activities. The adjusted effective tax rate calculation is shown below:

Year ended 31 December (£m)	2025	2024
Adjusted operating profit	**814**	1,552
Add: JV/associate taxation included in adjusted operating profit	**57**	118
Net finance income	**6**	44
Adjusted profit before taxation	**877**	1,714
Taxation on profit	**(265)**	(553)
Share of JV/associate taxation	**(57)**	(118)
Adjusted tax charge	**(322)**	(671)
Adjusted effective tax rate (including JV/associate)	**37%**	39%

A charge totalling £19m (2024: £166m) related to the Electricity Generator Levy is included in the Group's cost of sales and in our share of the operating profits of joint venture and associates. The Levy is not an income tax and is not deductible for corporation tax purposes. If this had been treated as a tax, the Group's adjusted effective tax rate would have been 38% (2024: 45%). To the end of 2025, since coming into effect on 1 January 2023, a total charge of £511m has been recognised in the Group's cost of sales and in our share of the operating profits of joint venture and associates relating to the Electricity Generator Levy. Please see note 3(b) for more details.

Total certain re-measurements and exceptional items generated a taxation credit of £102m (2024: £239m), which when included with taxation on business performance generated a total taxation charge of £163m (2024: £314m).

See notes 3(b), 7(a), 7(b) and 9 for more details.

Group earnings

Profit for the year from business performance after taxation was £555m (2024: £1,043m) driven by the movements outlined above. After adjusting for non-controlling interests relating to Spirit Energy, adjusted earnings were £534m (2024: £984m).

Adjusted basic EPS was 11.2p (2024: 19.0p), which also includes the impact of a lower weighted average number of shares than in 2024, as a result of the share buyback programme.

After including exceptional items and certain re-measurements, including those attributable to non-controlling interests, the statutory loss attributable to shareholders for the period was £72m (2024: £1,332m profit).

The Group reported a statutory basic EPS loss of 1.5p (2024: 25.7p profit).

Dividend

In addition to the interim dividend of 1.83p per share, the proposed final dividend is 3.67p per share, giving a total full year dividend of 5.5p per share (2024: 4.5p per share).

The cash paid to Centrica shareholders in dividends in 2025 was £237m (2024: £219m), made up of the 3.0p per share final 2024 dividend and the 1.83p per share interim 2025 dividend.

Group cash flow, net cash and balance sheet

Group cash flow

Free cash flow (FCF) is the Group's primary measure of cash flow as management believe it provides relevant information to show the cash generation after taking account of the need to maintain the Group's capital asset base. FCF was an outflow of £167m (2024: £989m inflow). See explanatory notes on page 249 for further details and a reconciliation between statutory cash flow from operating and investing activities to FCF.

Year ended 31 December (£m)	2025	2024
Adjusted EBITDA excluding share of EBITDA from joint ventures and associates (i)	**1,095**	1,792
Dividends received	**135**	355
Tax paid	**(375)**	(636)
Working capital	**183**	124
Decommissioning spend	**(71)**	(80)
Capital expenditure (ii)	**(1,227)**	(564)
Disposals	**131**	4
Exceptional cash flows	**(38)**	(6)
Free cash flow	**(167)**	989
Net interest	**46**	34
Pension deficit payments	**(150)**	(176)
Movements in margin cash (iii)	**51**	131
Share buyback programme	**(827)**	(499)
Dividends – Centrica shareholders	**(237)**	(219)
Other cash flows affecting net debt (iv)	**(9)**	(76)
Adjusted cash flow affecting net cash	**(1,293)**	184
Opening net cash (as at 1 January)	**2,858**	2,744
Adjusted cash flow movements	**(1,293)**	184
Non-cash movements (v)	**(78)**	(70)
Closing adjusted net cash	**1,487**	2,858

(i) Excludes Centrica's share of JV and associate EBITDA of £322m (2024: £513m).
(ii) Capital expenditure is the net cash flow on capital expenditure, purchases of businesses, assets and other investments, and investments in joint ventures and associates. See page 250 for more information.
(iii) Net margin cash posted as at 31 December 2025 was £61m (31 December 2024: £105m).
(iv) 2024 includes £(68)m relating to exceptional financing costs in relation to debt repurchase and refinancing activities.
(v) 2025 non-cash movements includes £(100)m relating to new leases and the re-measurements of existing leases (2024: £(53)m) and £19m of leases transferred to held for sale relating to Spirit Energy.

The net inflow of working capital was £183m (2024:£124m) mainly driven by inflows in Infrastructure of £361m predominately relating to the release of working capital following the pausing of storage activities at Rough, and inflows in Optimisation of £194m driven by lower storage activity. This was partially offset by an outflow in Retail of £451m driven largely by Home Energy Supply as a result of lower commodity prices leading to a reassessment of direct debits and utilisation of credit balances by customers.

The collateral and margin cash inflow was £51m (2024: £131m).

Net investment

The net investment outflow for the period was £1,096m (2024: £560m). Within this, capital expenditure of £1,227m (2024: £564m) was predominantly driven by investments in Infrastructure, principally Sizewell C and flexible and renewable generation assets in Power, Grain LNG in Gas and the MAP in Customer Assets.

Net disposals of £131m (2024: £4m) related predominantly to the sale of a 46.25% Spirit Energy interest in the Cygnus gas field which completed in October 2025.

The table below provides a summary of total Group net investment by operating segment, which management uses to provide a measure of the Group's capital expenditure from a cash perspective, and a reconciliation of this measure to capital expenditure disclosed in note 4(e).

Year ended 31 December (£m)	2025	2024
Retail	**(68)**	(126)
Optimisation	**(28)**	(39)
Infrastructure	**(1,134)**	(388)
Of which: Sizewell C	**(387)**	–
Of which: Grain LNG	**(208)**	–
Of which: MAP	**(271)**	(104)
MAP consolidation adjustment (i)	**47**	19
Other	**(44)**	(30)
Capital expenditure	**(1,227)**	(564)
Net disposals	**131**	4
Total Group net investment	**(1,096)**	(560)
Add back:		
Capitalised borrowing costs	**(17)**	(11)
Inception of new leases and movements in payables and prepayments related to capital expenditure	**(97)**	(63)
Purchases of emissions allowances and renewable obligation certificates	**(890)**	(856)
Capital expenditure cash outflow subsequent to transfer to held for sale	**15**	–
Deduct:		
Net disposals	**(131)**	(4)
Purchase of businesses and assets, net of cash acquired	**22**	92
Investment in joint ventures and associates	**609**	–
Net purchase of other investments	**42**	56
Total Group capital expenditure (per note 4(e))	**(1,543)**	(1,346)

(i) The MAP consolidation adjustment reduces the capital expenditure recognised in the MAP for the internal margin and indirect costs on smart meter installation across the Group.

Group adjusted net cash

Accordingly, the Group's adjusted net cash position as at 31 December 2025 was £1,487m, compared to £2,858m on 31 December 2024. The breakdown of adjusted net cash is shown below:

Year ended 31 December (£m)	2025	2024
Current and non-current borrowings, leases and interest accruals	(2,821)	(2,867)
Derivatives	(71)	(107)
Gross debt	**(2,892)**	(2,974)
Cash and cash equivalents, net of bank overdrafts	4,272	5,693
Current and non-current securities	107	139
Adjusted net cash	**1,487**	2,858

Further details on the Group's sources of finance and net cash are included in note 25.

Statutory cash flow

Year ended 31 December (£m)	2025	2024
Statutory cash flow from operating activities	695	1,149
Statutory cash flow from investing activities	(690)	493
Statutory cash flow from financing activities	(1,397)	(1,548)
Movement in cash and cash equivalents	**(1,392)**	94

Net cash inflow from operating activities decreased to £695m (2024: £1,149m), reflecting the impact of lower adjusted EBITDA partially offset by lower tax paid.

Net cash outflow from investing activities was £690m (2024: £493m inflow). Within this, interest received decreased to £227m (2024: £317m) reflecting the lower interest rate environment and lower average cash balances, while dividends from our Nuclear associate decreased to £135m (2024: £355m). Capital expenditure increased to £1,227m (2024: £564m) as outlined above. This was partially offset by inflows from net disposals of £131m (2024: £4m).

Net cash outflow from financing activities was £1,397m (2024: £1,548m). Within this there was a net outflow on borrowings of £143m (2024: £539m) while financing interest paid reduced to £181m (2024: £283m) given lower interest rates. Cash distributions to equity shareholders were £827m (2024: £499m) through the Group's share buyback programme, and £237m (2024: £219m) related to ordinary dividend payments.

Pension deficit

The Group's IAS 19 net pension deficit was £295m at the year-end, compared with a £21m deficit at 31 December 2024, driven by lower than projected returns on the schemes' growth assets, and updates to member experiences and liability profile calculations following completion of the triennial review, which is usual practice. Partially offsetting these impacts was the net impact of changes in market rates and deficit payments.

The technical provisions deficit is used to determine the agreed level of cash contributions into the schemes. In February 2025, we reached agreement with the pension trustees on a March 2024 technical provisions deficit of £504m, with annual deficit contributions of around £150m in 2026 and £140m in 2027. On a roll-forward basis using the same methodology, consequent assumptions and contributions paid, the technical provision deficit would be around £300m at 31 December 2025 (31 December 2024: £450m). Further details on post-retirement benefits are included in note 22.

Decommissioning liabilities

The decommissioning provision of £1,302m (2024: £1,459m) is predominantly the estimated pre-tax net present cost of decommissioning gas production facilities at the end of their useful lives, based on 2P reserves, price levels, and technology at the balance sheet date. As at 31 December 2025 the provision balance was £961m for Spirit Energy, £321m in relation to the Rough field and £20m in the remainder of the business. Included within this is a reduction of £85m relating to the completed Spirit Energy disposal of a 46.25% interest in the Cygnus gas field, alongside a further £44m relating to the subsequent disposal agreed in December 2025 which remained held for sale at the year-end date. See note 12 for further details. The provisions are held gross of tax, with a corresponding deferred tax asset of £536m (2024: £605m).

Further details on decommissioning provisions are included in notes 3 and 21.

Balance sheet

Net assets decreased to £3,496m (2024: £4,812m), predominantly driven by the impact of items reported in equity, including a £770m reduction from the share buyback programme and £237m of dividends paid to shareholders, as well as an other comprehensive loss of £312m (2024: £120m) largely driven by an actuarial loss on pensions predominantly as a result of the experience loss in the IAS 19 position on fully reconciling to triennial review data.

Acquisitions, disposals and disposal groups classified as held for sale

During 2025 investments have been made in the Isle of Grain LNG terminal and the Sizewell C nuclear plant. These have not been accounted for as business combinations on the basis that the Group does not have the power to control these entities.

On 20 May 2025 the Group announced that it had agreed to sell part of Spirit Energy's interest in the Cygnus gas field, reducing its interest from 61.25% to 15%, to a subsidiary of Ithaca Energy plc for a headline consideration of £116m, alongside the transfer of £85m decommissioning liabilities. The sale has a commercial effective date of 1 January 2025 and the headline consideration has been increased by the net cash flows generated by the disposal group since this date. The sale completed and control passed on 1 October 2025 for a final consideration of £123m.

On 16 December 2025 the Group announced that it had agreed to sell the remaining 15% of Spirit Energy's interest in the Cygnus gas field and all other producing assets in the Greater Markham Area and Southern North Sea to Serica Energy plc. The sale had a commercial effective date of 1 January 2025 with a headline consideration of £57m and the transfer of £44m of decommissioning liabilities. The Group retains £159m of decommissioning liabilities in relation to the disposal group at the year-end date. The sale is expected to complete in the second half of 2026.

On 23 December 2025 the Group signed a sale and purchase agreement to dispose of Centrica Business Solutions Italia Srl and Centrica Business Solutions B.V. to Joulz B.V. for a headline consideration of €90m, with completion occurring in early February 2026. Further details on assets purchased, acquisitions and disposals are included in note 12.

Events after the balance sheet date

Details of events after the balance sheet date are described in note 27.

Risks and capital management

The Group maintains a stable overall risk profile, underpinned by a robust risk management framework, including the monitoring of key risk indicators and risk evolution against risk appetites. The Group undertakes an annual review of its principal risks to ensure continued strategic alignment and relevance. While areas of focus have evolved, the overall nature of the Group's principal risks remain broadly stable and consistent with prior disclosures.

The external environment remains complex and volatile with geopolitical tensions, state-affiliated cyber-threats, and ongoing policy uncertainty influencing supply chain and operational resilience risks. In response, the Group is intensifying supplier oversight, cyber resilience, and pursuing diversification strategies to mitigate concentration and dependency risks.

We continue to have a strong liquidity position, underpinned by ~£5bn of committed liquidity from relationship banks, with us having successfully exercised extension options in our committed liquidity facilities during the year.

Strategic capital deployment has accelerated, reflecting good progress on our long-term growth initiatives. Major investments include Sizewell C, a partnership stake in the Isle of Grain LNG terminal, and a new partnership with X-energy to deliver the UK's first advanced modular nuclear reactors; investments which enhance UK energy security. However, CES+ and Spirit continue to navigate complex strategic transitions, with dependencies on government support mechanisms to underpin future investment in the energy transition. Further, whilst inherent exposure to commodity price fluctuations and changes in demand continue to be effectively managed, the unpredictable regulatory and political outlook, including debate over net zero policy and targets, is impacting trading dynamics. The Group is actively monitoring these changes while advancing geographic diversification, including Centrica Energy's expansion into North America.

Economic headwinds and competitive pressures continue to challenge customer retention, however renewed customer focus is being driven by Centrica's new Home and Business organisational units. The Group is enhancing mitigation strategies to support vulnerable customers and ensure regulatory compliance, while accelerating technology transformation. Investments in AI and a Single Customer View platform aim to improve customer experience, maintain stable asset and health and safety risk profiles, and strengthen cyber resilience amid increasingly sophisticated threats.

Details of how the Group has managed financial risks such as liquidity and credit risk are set out in note S3. Details of the Group's capital management processes are provided under sources of finance in note 25.

Accounting policies

The Group's accounting policies and specific accounting measures, including changes of accounting presentation, selected key sources of estimation uncertainty and critical accounting judgements, are explained in notes 1, 2 and 3.

Russell O'Brien, Group Chief Financial Officer
18 February 2026

Our view on taxation

The Group takes its obligations to pay and collect the correct amount of tax very seriously.

Responsibility for tax governance and strategy lies with the Group Chief Financial Officer, overseen by the Board and the Audit and Risk Committee.

Our approach

Wherever we do business in the world, we take great care to ensure we fully comply with all our obligations to pay or collect taxes and to meet local reporting requirements.

We are committed to providing disclosures and information necessary to assist understanding beyond that required by law and regulation.

We do not tolerate tax evasion or fraud by our employees or other parties associated with Centrica. If we become aware of any such wrongdoing, we take appropriate action.

Our cross-border pricing reflects the underlying commercial reality of our business.

We ensure that income and costs, including costs of financing operations, are appropriately recognised on a fair and sustainable basis across all countries where the Group has a business presence.

We understand that this is not an exact science and we engage openly with tax authorities to explain our approach.

In the UK we maintain a transparent and constructive relationship with His Majesty's Revenue & Customs (HMRC). This includes regular, open dialogue on issues of significance to HMRC and Centrica. Our relationship with fiscal authorities in other countries where we do business is conducted on the same principles.

We carefully manage the tax risks and costs inherent in every commercial transaction, in the same way as any other cost.

We do not enter into artificial arrangements in order to avoid taxation nor to defeat the stated purpose of tax legislation.

We seek to actively engage in consultation with governments on tax policy where we believe we are in a position as a Group to provide valuable commercial insight.

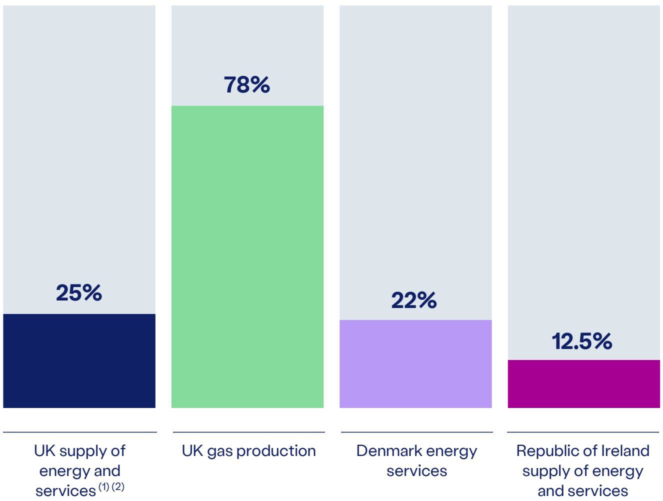
The Group's tax charge, taxes paid and the UK tax charge

The Group's businesses are subject to corporate income tax rates as set out in the statutory tax rates on profits table.

The overall tax charge is dependent on the mix of profits and the tax rate to which those profits are subject.

Statutory tax rates on profits

Group activities



(1) From 1 January 2023, revenues from our Nuclear and solar business are subject to Electricity Generator Levy (EGL) at 45% on wholesale revenues sold at an average price in excess of £75/MWh (adjusted for inflation), exceeding an annual threshold of £10 million. The EGL is accounted for as an expense and is included in cost of sales.
(2) The rate applicable to UK gas production is 78% comprising corporation tax of 30%, supplementary charge of 10% and Energy Profits Levy of 38%.
(3) The statutory rate of tax in the Republic of Ireland is 12.5%. Where the rate of corporation tax is below a minimum rate of 15% an additional rate of 2.5% applies.

Tax charge compared to cash tax paid

	2025 Current tax charge/(credit)	2025 Cash tax paid/ (received)
UK (including Petroleum Revenue Tax)(i)	296	337
Denmark(i)	9	19
Singapore	—	—
Republic of Ireland(i)	3	19
Rest of world	2	–
	310	**375**
Electricity generator levy(ii)	10	10
Total tax paid		**385**

Corporation tax is paid in instalments, generally based on estimates; one-off items and fluctuations in mark to market positions may cause divergence between the charge for the year and the tax paid.

(i) The UK payment in 2025 includes an amount relating to 2024 final instalment in our gas production business. Payments in Ireland and Denmark include amounts relating to 2024 when profits were higher.
(ii) Additional electricity generator levy of £9m is included in our share of the results of joint venture and associates operating profits making a total charge of £19m.

— Further information on the tax charge is set out in note 9.

— Our Group tax strategy, a more detailed explanation of the way the Group's tax liability is calculated and the timing of cash payments, is provided on our website at **centrica.com/responsibletax**

Business review

Segmentation Update

As part of our focus to drive faster and more impactful decision making, enhanced delivery for customers and cost efficiencies, we have streamlined management structures to simplify the Group. Reflecting the reorganisation, our Retail, Optimisation and Infrastructure portfolio will become our three reportable segments:

- Within Retail we have created two separate divisions, Home and Business.
  - Home includes all residential retail activities across the UK and Ireland, covering home energy supply and services.
  - Business brings together all business energy supply and services activities across the UK and Ireland. These were previously split across British Gas Energy, Bord Gáis Energy and Centrica Business Solutions.
- Optimisation comprises the activities previously reported as Centrica Energy, and the equivalent activities formerly reported as part of Bord Gáis Energy.
- Infrastructure includes Power, Gas and Customer Assets.
  - Power includes all power generation assets - our 20% stake in the UK's operating nuclear fleet, our investment in Sizewell C, and other power assets, principally our Irish assets and flexible and renewable assets previously reported within Centrica Business Solutions.
  - Gas includes our investment in Grain LNG, Spirit Energy and Centrica Energy Storage+ (Rough).
  - Customer Assets includes the MAP, previously reported within British Gas Energy.

Business Performance Summary

Adjusted EBITDA was £1.4bn (2024: £2.3bn). Adjusted operating profit was £0.8bn (2024: £1.6bn), while statutory operating profit was £0.1bn (2024: £1.7bn). For more information on Group financial performance please see pages 18 to 22 in the Group CFO report.

The breakdown of EBITDA and operating profit is shown below:

	Adjusted EBITDA		Adjusted operating profit	
Year ended 31 December (£m)	**2025**	2024	**2025**	2024
Retail	**574**	611	**424**	458
Optimisation	**196**	381	**155**	339
Infrastructure	**728**	1,357	**314**	799
Colleague profit share (i)	**(34)**	(25)	**(34)**	(25)
MAP adjustment (i)	**(47)**	(19)	**(45)**	(19)
Adjusted EBITDA / Adjusted Operating profit	**1,417**	2,305	**814**	1,552
Less: Share of joint venture and associate's EBITDA	**(322)**	(513)		
Adjusted EBITDA excluding share of EBITDA from joint ventures and associates	**1,095**	1,792		
Exceptional items and certain re-measurements			**(708)**	151
Group operating profit (Statutory)			**106**	1,703

(i) Reconciling items to Group Income statement.

Retail

Retail consists of our leading brands serving customers across the UK and Ireland in Home and Business, including British Gas, Bord Gáis Energy and Hive.

Year ended 31 December	2025	2024	Change
Operational			
Home Energy Supply customers ('000) (closing) (i)	**7,956**	7,907	1%
Home Services customers ('000) (closing) (i)	**2,939**	2,929	0%
Business customer sites ('000) (closing) (i)	**742**	735	1%
Home Energy Supply UK Touchpoint NPS (ii)	**33**	29	4pt
Home services UK Engineer NPS (ii)	**76**	73	3pt
Business UK Touchpoint NPS (ii)	**37**	28	9pt
Home energy supply complaints per UK customer (%) (iii)	**8.1%**	10.1%	(2.0)ppt
Home Services complaints per UK customer (%) (iii)	**4.8%**	5.3%	(0.5)ppt
Business complaints per UK site (%) (iii)	**5.2%**	5.8%	(0.6)ppt
Financial			
Adjusted EBITDA (£m)	**574**	611	(6)%
Adjusted operating profit (£m)	**424**	458	(7)%
Adjusted operating profit margin (%)	**2.6%**	2.7%	(0.1)ppt

All 2025 metrics and 2024 comparators are for the 12 months ended 31 December unless otherwise stated.

(i) Customers defined as:
Home Energy Supply - single households buying energy from British Gas and Bord Gáis Energy.
Home Services - single households having a contract or an on-demand job with British Gas Services, or Bord Gáis Energy, including warranty partnerships.
Business - British Gas Business and Bord Gáis Energy business customer sites.

(ii) Measured independently, through individual questionnaires, the customer's willingness to recommend British Gas following contact or a Home Services gas engineer visit.

(iii) Measured as a percentage of average customers over the year, UK only.

Operational Performance

We have continued to build on the strong 2024 operational performance across Retail. Complaints fell across all businesses, while NPS increased, including a record high in UK Home Energy Supply of 33, supported by the completion of customer migration onto our more flexible Ignition platform. We are progressing the migration of our SME business customers onto Ignition, with 44% now migrated, while we continue to review plans for our Irish customers. Once completed we expect this will help unlock further operational and financial efficiencies across the Retail portfolio.

We continue to address the root causes of customer contact by investing in, and simplifying, customer journeys, while further operational improvements supported continued low reschedule rates in Home Services of 4% (2024: 4%). The Trustpilot score for British Gas reflects these improvements, increasing to 4.4 stars, while we were awarded the Uswitch Energy Awards Best Overall Improvement winner for the second consecutive year.

Home Energy Supply customer numbers grew 1% to 7.96m, in the year, with 7.50m UK energy customers (2024: 7.46m) and 0.46m customers in Ireland (2024: 0.45m). We welcomed 91,000 UK customers through the Supplier of Last Resort ("SoLR") process following the failures of Rebel Energy in April and Tomato Energy in November, with 64,000 remaining on supply at the end of the year. These gains offset a small decrease in underlying customers. We saw increased levels of customer switching during the year, with more customers opting to move onto fixed priced tariffs. 32% of our UK customer base is now on a fixed price product, compared with 25% at the end of 2024. This trend is expected to continue, and we will remain focused on pricing efficiently and sustainably, with long-term value our key priority.

In Home Services, we are starting to see the benefit of better commercial innovation. Total customer numbers grew by 10,000 over 2025, as we began taking steps to transform our commercial offerings and diversify our customer portfolio, including offering our unique field force as a service in new partnerships with original equipment manufacturers, which added 71,000 customers.

Our traditional protection portfolio declined by 3%, although retention rates improved to 87% (2024: 86%). We continue to build new channels to support contract growth, with on-demand volumes increasing 28% compared to 2024, while we also increased boiler installs by 5% in the year, supported by new sales channels and optimising the end-to-end sales journey.

Our British Gas membership scheme is also growing quickly, with almost 600,000 members, helping to build stronger customer engagement to support further commercial growth, with conversion of around 7% to a paid protection contract.

In Business, customer sites increased by 1%, as we continue to focus on growing our SME portfolio.

Financial Performance

Retail delivered adjusted EBITDA of £574m and adjusted operating profit of £424m (2024: £611m and £458m respectively).

UK Home Energy Supply adjusted EBITDA was £224m and adjusted operating profit was £163m (2024: £331m and £269m respectively), with performance impacted by several factors. Warmer than normal weather was an £80m headwind, while the shape of the commodity curve also negatively impacted profitability. These headwinds were broadly offset by several regulatory reconciliations and other cost phasing items, including £42m from the final reconciliation of revenues under the Energy Price Guarantee scheme and a £41m benefit from lower Feed-in-Tariff costs than previously recognised.

Additionally, customers moving to fixed price products, typically at a discount to the standard variable tariff, reduced profitability compared to 2024.

In UK Home Services, strong efficient operations supported an improved result, with adjusted EBITDA of £169m and adjusted operating profit of £114m (2024: £114m and £67m respectively). Building on the momentum from the first half of 2025, top-line revenue grew 7% for the year, supported by our improved customer offerings and improving sales journeys, alongside increased smart installation volumes.

Operating margin improved 2.5ppts to 6.8%, with a sharp focus on efficiency, including improved engineer productivity and management of material and contractor spend. This more than offset the impact of increases in labour costs driven by the rise in employer National Insurance contributions.

Business Energy Supply in the UK delivered another strong performance in 2025, with adjusted EBITDA of £150m and adjusted operating profit of £138m (2024: £163m and £136m respectively). This was supported by growing customer sites and strong commercial performance in the optimisation of commodity costs and risk management of pricing in the year. Additionally, we made strong progress in embedding cost efficiencies through the streamlining of our organisational structure and reducing the use of third-party data and sales teams.

Reflecting good progress on cost efficiency driven by the transformation programme, Retail operating costs excluding bad debt and depreciation were 5% lower at £1,474m (2024: £1,559m).

Bad debt remains a focus, with the charge increasing in the year to £418m (2024: £369m), despite good progress on control initiatives. Within this UK Home Energy Supply bad debt increased to £277m (2024: £237m) and UK Business Energy Supply bad debt increased to £132m (2024: £120m) reflecting continued industry-wide challenges in both sectors, with the value of domestic debt owed to energy suppliers increasing to £4.5bn (page 10 of Ofgem's January 2026 State of the Market Report).

Optimisation

Centrica Energy

Year ended 31 December	2025	2024	Change
Operational			
Renewable and flexible capacity under management (GW) [(i)]	**19.5**	16.7	17%
Financial			
Adjusted EBITDA (£m)	**196**	381	(49)%
Adjusted operating profit (£m)	**155**	339	(54)%
Adjusted operating profit margin (%)	**2.6%**	5.2%	(2.6)ppt

All 2025 metrics and 2024 comparators are for the 12 months ended 31 December unless otherwise stated.

(i) Including assets that have signed contracts but are not yet operational.

Operational Performance

Centrica Energy, which now includes the optimisation activities previously reported within Bord Gáis Energy, continues to build its diverse portfolio of contracted physical positions, while leveraging its risk management and optimisation capabilities to add further value across the Group.

In our Renewable Energy Trading and Optimisation ("RETO") business, managed renewable and flexible capacity increased 17% to 19.5GW across the Nordics, Central and Southern Europe, the Baltics, and the UK. This growth reflects Centrica Energy's ongoing investment in skills and technology, which enables partners to access otherwise unavailable ancillary service markets. In-line with typical tendering and renewals activity, we expect assets under management to decline in the first half of 2026, before growing again in the second half of the year.

Our LNG business continued to perform well in 2025, proactively hedging our Sabine Pass offtake while continuing to expand the global portfolio. As such, we are well-positioned for an expected period of gas oversupply, with the portfolio now fully hedged to 2028 and over 80% hedged to the end of the decade through a range of physical LNG, pipeline gas and financial deals. Centrica Energy retains physical optionality in the event of market volatility.

Leveraging the knowledge built up from our North American LNG and pipeline gas deals, we opened our first North American office in New York during the year. Initially focusing on building a physical gas business, we see the potential to build an integrated optimisation business in North America over time, in-line with our incremental approach to expansion. Centrica Energy also continues to explore other geographical markets where the business model can be implemented.

Our Gas and Power Trading business, which typically benefits from price dislocations based on market fundamentals, faced gas markets driven by short-term geopolitical news flow and speculative capital disrupting fundamentals. European gas storage economics were also impacted by mandatory volume targets imposed by the EU to ensure sufficient gas in store ahead of winter. This reduced the storage capacity we chose to contract at the start of the year and our opportunity to optimise energy flows based on fundamentally driven price dislocations.

Financial Performance

Adjusted EBITDA was £196m and adjusted operating profit was £155m (2024: £381m and £339m respectively). Geopolitical uncertainty and EU storage targets heavily impacted the Gas and Power Trading result for the year, as we proactively reduced our activity levels, focusing on capital preservation and remaining disciplined rather than pursuing high-risk strategies. Performance improved in the second half of the year, with European summer/winter gas price spreads widening, however, they remain below longer-term averages, and structural changes in European gas storage regulation, despite now being more flexible, will continue into 2026.

The LNG and RETO businesses performed well, with LNG benefitting from hedged exposure in advance of delivery through a combination of physical and financial deals protecting the business from the emergent lower European-North American price spread.

Infrastructure

Infrastructure consists of our Power, Gas and Customer Asset businesses. This includes our investments in the UK's current operational nuclear fleet and Sizewell C, our Irish power assets and other flexible and renewable assets, alongside our 69% ownership in Spirit Energy, Centrica Energy Storage+ ("CES+") which is the operator of Rough, our 50% ownership of Grain LNG and our Meter Asset Provider ("MAP").

Year ended 31 December	2025	2024	Change
Operational			
Power			
Nuclear generation (TWh)	**6.6**	7.5	(12)%
Nuclear achieved power price (£/MWh)	**90**	132	(32)%
Whitegate power generation (TWh)	**2.1**	2.3	(9)%
UK Asset availability (%)	**93%**	93%	nm
Spirit Energy			
Total production volumes (mmboe)	**10.5**	13.3	(21)%
Of which: Retained production volumes (mmboe)	***3.3***	*3.7*	*(11)%*
Average achieved gas sales prices (p/therm)	**107**	132	(19)%
Lifting and other cash production costs (£/boe) (i)	**28.4**	25.3	12%
Centrica Energy Storage+ ("CES+")			
Volume in Rough reservoir (bcf) (ii)	**8**	41	(80)%
Customer Assets			
Centrica smart meters under management ('000)	**1,620**	446	263%
Financial			
Sizewell C equity investment (£m) (iii)	**(376)**	-	nm
Adjusted EBITDA (£m)	**728**	1,357	(46)%
Adjusted operating profit (£m)	**314**	799	(61)%
Capital expenditure (£m)	**(1,134)**	(388)	192%

All 2025 metrics and 2024 comparators are for the 12 months ended 31 December unless otherwise stated.

(i) Lifting and other cash production costs are total operating costs and cost of sales excluding depreciation and amortisation, dry hole costs, exploration costs and profit on disposal. Unit DDA rate is £18.5/boe (2024: £20.4/boe).
(ii) As at year end. 2025 closing volume consists of 8bcf of indigenous gas only (2024: 14bcf indigenous gas).
(iii) £376m equity investment into Sizewell C for 15% ownership. Regulatory asset base for Sizewell C funded with 35% equity and 65% debt. Group capital expenditure recognised in relation to Sizewell C of £387m includes transaction fees.

Operational Performance

Power

Nuclear output was 6.6TWh (2024: 7.5TWh), driven by unplanned outages, largely at Hartlepool, which was offline for the second half of 2025, with one reactor at the station returning to service at the start of February 2026, and the second reactor due to return to service by early March (as at 17th February 2026).

In Ireland, our 445MW combined cycle gas turbine (CCGT) Whitegate power station performed in line with expectations generating 2.1TWh in the year based on availability of 90%. Our two 100MW flexible natural gas peaking plants under construction in Athlone and Dublin experienced delays relating to gas and grid connections. With commissioning now expected to complete by around the middle of 2026, we have secured an extension to the start date of the 10-year capacity market contracts to mitigate potential associated losses on these projects against the ~€380m total investment (unchanged; Centrica share ~80%). We have also secured a 10-year capacity market contract of €56m p.a., to be fulfilled through a 334MW Open Cycle Gas Turbine (OCGT) at Cashla in Galway, Ireland. Planning is currently underway for the project with FID expected to be taken in early 2027. Once approved, this will take our power generation capacity in Ireland to ~1GW.

Gas

We disposed of Spirit Energy's remaining production assets in the Southern North Sea and the Netherlands through two transactions announced during 2025, generating expected cash proceeds of £180m, and transferring £129m of gross decommissioning liabilities. In October, we completed the sale of a 46.25% interest in the Cygnus gas field for a final consideration of £123m and the transfer of £85m of decommissioning liabilities. This was followed in December by the announced sale of the remaining 15% interest in Cygnus, and all other producing assets in the Greater Markham Area and Southern North Sea. Completion is expected in the second half of 2026, subject to regulatory approvals, for a headline consideration of £57m and the transfer of £44m of decommissioning liabilities. Following completion, the Morecambe Hub will become Spirit's principal producing asset, with retained reserves of 9mmboe. The decommissioning provision balance for Spirit Energy was £961m as at the 31 December 2025, reflecting the impact of disposals, and includes £159m of decommissioning retained relating to the disposal group at the year-end date. For more information on the disposals see note 12.

Going forward, Spirit Energy's focus will be on producing its remaining reserves safely and efficiently, and on decommissioning post-production facilities and wells while minimising the environmental impact. We have completed a series of activities at the Morecambe Hub to boost gas production and maximise economic recovery from the fields, which are expected to continue production through to around the end of the decade. Longer-term, the focus is on progressing the exciting opportunity to transform Morecambe into a carbon storage facility through the Morecambe Net Zero project, with the UK government identifying the project as a priority to reach FID during this parliament.

Total Spirit Energy production volumes were 21% lower in 2025 compared to 2024, with disposals accounting for half of the decline, alongside outages at Morecambe.

At Rough, having paused gas storage operations in 2025 owing to uneconomic seasonal gas price spreads, we await the conclusion of the UK Government's consultation on the future security of gas supply, which was published in November 2025 and closed on 18 February 2026. The consultation seeks to directly address the future role of gas storage, the resilience of supply infrastructure, and the commercial models needed to support assets such as Rough. A decision from the Government is expected in the first half of 2026.

In November, we completed the acquisition of the Isle of Grain LNG terminal for an enterprise value of £1.5bn, with our equity investment being approximately £200m for a 50% share. Since the acquisition completed we have been working closely with our partners ECP and the management team to set up Grain LNG as an efficient standalone business, while continuing to deliver best-in-class safety, reliability and efficiency for capacity holders. In collaboration with ECP, we have established strategic priorities and business goals for Grain LNG, focused on operational excellence, accelerating growth potential and creating long-term value for shareholders as we support the UK's energy transition. The terminal is 100% contracted until 2029, over 70% contracted until 2039 and over 50% contracted to 2045, resulting in highly visible, long-term earnings and cash flow. This supports an expected unlevered, post-tax nominal IRR of ~9% and an equity IRR of ~14%+.

Customer Assets

The MAP financed a further 1.2m smart meters in 2025, maximising our strong capital deployment and installation capabilities through British Gas. We now have over 1.6m smart meters under management, an increase of 263% from 2024, having only installed our first meter ~24 months ago. Using our experience of financing smart meters we have developed capabilities in small asset tracking and financing and we continue to explore adjacent market opportunities for further growth.

Financial Performance

Total Infrastructure adjusted EBITDA fell to £728m with adjusted operating profit of £314m (2024: £1,357m and £799m respectively), reflecting lower commodity prices and the pausing of storage operations, as well as outages in gas and power assets.

Within this, Nuclear adjusted EBITDA fell to £337m (2024: £610m), with adjusted operating profit of £180m (2024: £353m), predominantly driven by lower achieved prices and output, net of associated impacts from associate tax and the Electricity Generator Levy.

Spirit Energy adjusted EBITDA was £380m (2024: £707m) and adjusted operating profit of £166m (2024: £434m), with the decline year on year driven predominantly by lower achieved prices and production as outlined above.

Rough delivered a better than expected EBITDA loss of £45m and an adjusted operating loss of £45m (2024: £17m EBITDA profit and £2m adjusted operating profit) with strong operational reliability through the year supporting indigenous gas production, optimisation of commercial contracts and a range of cost efficiency measures which helped to offset the impact of uneconomic spreads and the pausing of gas storage operations.

Grain LNG adjusted EBITDA loss of £8m and adjusted operating loss of £15m for the period following transaction completion in

November reflected transaction and financing fees, with adjusted EBITDA moving forwards from 2026 expected to be around £100m per annum (Centrica share).

Our MAP saw adjusted EBITDA grow to £25m with adjusted operating profit of £8m (2024: £2m and £nil respectively) as the business continues to scale rapidly. We deployed £224m of capex in the year, performing strongly and exceeding our target of £200m investment for the year. This is after the MAP consolidation adjustment of £47m (2024: £19m) which reduces the capital expenditure recognised in Group reporting for the internal margin and indirect costs on smart meter installations across the Group.

Details of our forward hedging positions for 2026 and 2027 are outlined below:

Nuclear	2026	2027
Volume hedged (TWh)	4.8	1.8
Average hedged price (£/MWh)	76	73
Production volume (i) (TWh)	6.5-7.5	

(i) 2026 forecast generation volume.

Spirit Energy	2026	2027
Volume hedged (mmths)	137	83
Average hedged price (p/th)	120	86
Production volume (i) (mmths)	405-430	

(i) 2026 forecast production volume includes ~170-180mmths relating to assets held for sale

Key performance indicators

Our key performance indicators (KPIs) help the Board and executive management team assess performance against our strategy.

Financial

Group adjusted EBITDA (£m)

1,417 £m

2025	1,417
2024	2,305
2023	3,500

Group adjusted EBITDA reflects earnings before interest, tax, depreciation and amortisation and includes the Group's share of EBITDA from joint ventures and associates.

Group adjusted operating profit (£m)

814 £m

2025	814
2024	1,552
2023	2,752

Group adjusted operating profit is one of our fundamental financial measures.

Group adjusted basic earnings per share (EPS) (pence)

11.2p

2025	11.2p
2024	19.0p
2023	33.4p

EPS is a standard measure of corporate profitability. Adjusted EPS is used to measure the Group's underlying performance against its strategic financial framework.

Group free cash flow (£m)

(167) £m

2025	(167)
2024	989
2023	2,207

Free cash flow is the Group's primary measure of cash flow. It reflects the cash generation of the business after taking into account the need to continue to invest.

— **Read more** about our strategy on pages 14 to 17 and our financial performance on pages 18 to 29
— **Read more** about our non-financial performance on pages 42 to 57 and 253 to 255

Non-financial

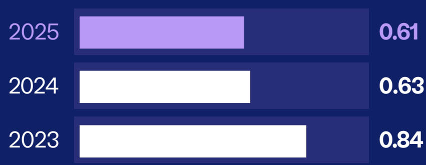
Home Services UK Engineer Net Promoter Score (NPS)[(1)]

Providing a great customer service builds trust and lasting relationships. With operational improvements and low reschedule rates, customer satisfaction continued to rise. Accordingly, NPS increased by 3 points.

Total Retail customers (m)[(2)]

Our ability to attract and retain customers underpins growth. Strong operational performance, greater levels of customer satisfaction and the Supplier of Last Resort process, led to customer numbers growing across our retail businesses by 1%.

Total recordable injury frequency rate (TRIFR)

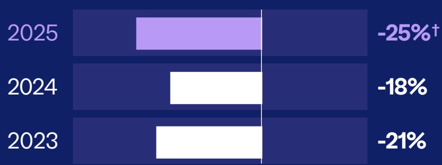


Safety is a top priority. We focused on preventative measures and process reviews, which drove a 3% improvement in TRIFR per 200,000 hours worked. Most incidents related to minor slips, trips and musculoskeletal injuries.

Colleague engagement[(3)]

An engaged team drives business success. Although top quartile performance was maintained for most of the year, uncertainty arising from organisational changes contributed to engagement landing at 0.1 points below the top quartile for our sector and 0.2 points lower than last year.

Total greenhouse gas (GHG) emissions – 50% reduction by 2032 and net zero by 2040 (Base year 2019)[(4)]



Net zero is key to the future of our business and planet. Reductions in GHG emissions are on track and grew from 18% to 25%. This followed a decrease in emissions from Liquefied Natural Gas shipping, power generation and gas production including an unplanned outage at Barrow Terminal.

† Included in DNV's independent limited assurance report. See page 253 or centrica.com/assurance for more.

(1) Measured independently, through individual questionnaires, the customer's willingness to recommend British Gas following a Home Services gas engineer visit. For wider Retail NPS, see page 25.

(2) Includes Home Energy Supply and Home Services households and Business customer sites. 2024 restated to align with scope. Comparable 2023 data is not available. For a wider breakdown, see page 25.

(3) Engagement is based on an average score out of 10 and measures how colleagues feel about the Company.

(4) The goal measures Scope 1 (direct) and 2 (indirect) GHG emissions based on operator boundary and is normalised to reflect acquisitions and divestments in line with changes in Group structure against a 2019 base year of 2,120,446tCO_2e. See more on page 45.

Our Principal Risks and Uncertainties

Effective risk management safeguards Centrica by helping to maintain a resilient, sustainable and well-governed business. It also provides insight into Principal Risks and uncertainties, strengthening strategic decision-making as we pursue our strategy, and supporting long-term value creation for our stakeholders.

Risk management and internal control framework

Centrica's Group risk management and internal control framework is designed to ensure that risks are identified, assessed, monitored and managed in line with our strategic objectives and stakeholder expectations, enabling informed decision-making and effective oversight of risk and control effectiveness. The Board retains ultimate responsibility for determining the Group's risk appetite, overseeing the effectiveness of Centrica's risk management framework and ensuring the ongoing alignment between our risk profile and strategic priorities.

Risk governance framework

Our risk governance framework defines the roles, responsibilities and purpose of risk management across the Group. Our Approach to Enterprise Risk Management Policy clearly articulates the role of the Board and its Committees. The following governance bodies operate within a structured monitoring and escalation framework:

- The Audit and Risk Committee (ARC);
- The Safety Environment and Sustainability Committee (SESC);
- The Centrica Leadership Team (CLT); and
- The Group Risk, Control and Compliance Forum (GRCCF).

These bodies receive regular reports to evaluate Principal Risks, determine alignment with risk appetite, review the effectiveness of mitigation strategies and track the progress of any improvement actions.

The Board is responsible for setting the tone from the top and aligning the Group's appetite with our long-term objectives, balancing our approach to pursuing opportunities while managing potential adverse impacts. Centrica operates in a complex and dynamic environment characterised by geopolitical uncertainties, a challenging cyber threat landscape, regulatory changes and rapid technological advancements. Understanding the nature of the risks and their potential to impact the sustainability of the Group enables us to develop a proportionate and resilient response. Our risk appetite reflects a balanced approach to risk and reward, guided by our commitment to maintaining a resilient, safe and sustainable business, operating in compliance with applicable laws, regulations and internal policies.

The Board has overall responsibility for ensuring that a sound approach to risk management and internal controls is maintained across Centrica. The Board reviews Principal Risks: those which could potentially threaten Centrica's business model, future performance and reputation, as part of its annual strategy and business planning process, thereby ensuring that our risk profile remains aligned with the Group's objectives and with the expectations of stakeholders.

Bi-annually, the Board, in conjunction with the ARC, assesses the Company's Principal and Emerging Risks, their alignment with the Group's risk appetite, and the Board annually approves all risk-related disclosures in the Annual Report and Accounts. Significant risk exposures or breaches of risk appetite are escalated and reviewed by the ARC and Board as required.

The ARC reviews the evolution of the Principal Risks on a quarterly basis, supplemented with quarterly 'deep dive' risk and control reviews of business units and functions on a rotational basis. The enterprise risk management process that underpins these responsibilities is reviewed annually by the ARC.

Management is responsible for monitoring adherence to risk appetite and ensuring appropriate mitigation strategies are in place, supported by action plans, monitoring, reporting and escalation to the relevant Governance forums.

Outcome for 2025:
Our Principal Risks and Risk Appetite Statements were reviewed and updated during 2025 to reflect the changing nature of our business and external environment. Refer to the Principal Risks section below.

A standardised methodology is in place to identify, assess, treat, monitor, escalate and report on risks across the Group in a consistent manner. A risk toolkit including guidance documents, templates, a risk glossary, as well as tools and training, support the application of risk management.

Our risk management process is set out in the diagram on page 33.

Group risk governance and oversight framework

The Board
- Overall responsibility for the Group's strategy and risk management
- Approves risk appetite in line with Group strategy and sets the tone from the top
- Approves the Group's Risk Management Framework

Safety, Environment and Sustainability Committee
- Oversees and monitors significant safety, health, environmental and other sustainable development risks
- Reviews climate-change-related reporting and disclosures

Centrica Audit and Risk Committee
- Oversees the overall effectiveness of the Group's risk management and internal controls framework
- Reviews quarterly risk and control reporting (including deep dives and significant escalations)
- Approves the annual Internal Audit Plan

Centrica Leadership Team (CLT)
- Owns management of the Group's Principal Risks and recommends Risk Appetite Statements for Board approval
- Embeds risk-informed decision-making and culture
- Reviews and challenges business unit and functional risk profiles
- Decides management actions and escalates significant appetite breaches to the ARC/Board

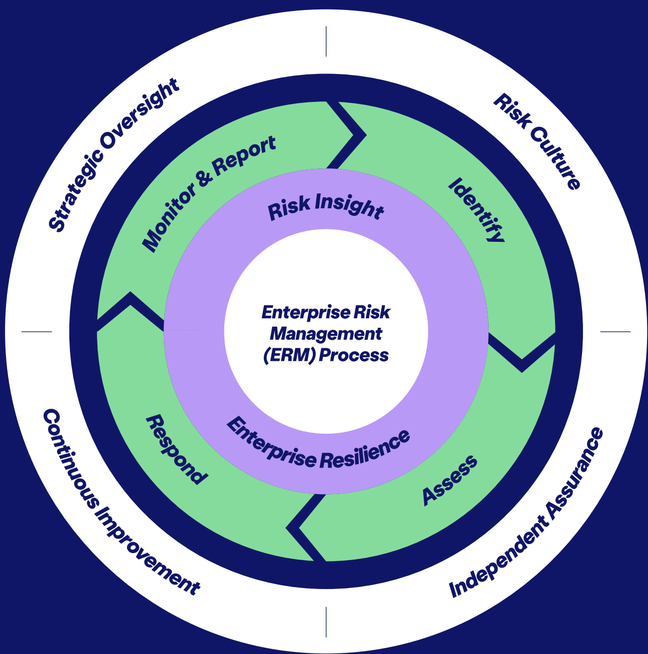
Structured risk review and escalation

–
Independent Enterprise Risk team advise, challenge and report

–
Escalation of significant and emerging risks, appetite breaches, control failures

–
Internal Audit coverage

–
Quarterly Group Risk, Control and Compliance Forum (GRCCF) chaired by General Counsel and attended by CFO, CRO and representatives from across the lines of defence



Risk appetite and forward-looking risk insight

–
Board-approved Risk Appetite Statements and management of associated tolerances

–
Trend analysis and forward-looking risk measures and key risk indicators (KRIs) with defined triggers

–
Stress testing and scenario analysis to assess resilience

Business units
- Ownership and accountability for assessing and managing risks within approved tolerances
- Quarterly business unit Risk and Control Committees review risk and control performance
- Escalation of significant and emerging risks, appetite and control failures

Group functions
- Set and maintain policies and procedures for Group functions that benefit from central policy oversight
- Monitor adherence and support business units, providing subject matter expertise functional risk insight and challenge
- Communicate significant risk and control themes and emerging risks to CLT, SESC and ARC

A top-down and bottom-up approach is followed for risk identification. A programme of strategic risk workshops informs our top-down risks which are supplemented by bottom-up risks. These are discussed at Risk and Control Committees (RACCs) which are held within each business unit and key function. These committees form an essential governance layer, providing structured oversight of risk profiles, including the completeness of risk identification, evaluating the likelihood and potential impact of risks. The Committees also review the status and effectiveness of controls and mitigation plans, as well as any incidents, near misses or compliance breaches.

The Group's approach to identifying emerging risks forms part of the overall risk management framework, incorporating both external and internal factors such as, continuing geopolitical volatility, sector insights, macroeconomic trends, regulatory developments and inputs from key stakeholders. Emerging risks are considered as part of both the executive level strategic planning process and the risk identification process at the operational level.

In our viability assessment we evaluate a range of 'severe but plausible' scenarios linked to the Group Principal Risks. This includes assessing the potential operational, financial and reputational impacts and the effectiveness of the mitigating actions available to the Group. The outputs of this analysis inform both our going concern and viability conclusions. For further information regarding the Group's resilience to Principal Risks please see the viability statement on page 40.

Internal controls

Our internal control framework is designed to anticipate, evaluate and mitigate risks within the Group's established risk appetite, supporting delivery of our strategic priorities. The framework is built on a comprehensive set of policies, principles and processes that guide business conduct and reinforce operational discipline. It provides a high degree of confidence in the accuracy, reliability and integrity of both financial and non-financial reporting, while ensuring adherence to applicable laws, regulations and internal requirements.

These controls are operated by skilled and experienced teams, enabled by our technology platforms, and strengthened through ongoing review and enhancement. This approach fosters informed decision-making, protects resources and sustains confidence among stakeholders.

The framework incorporates Entity-Level Controls (ELCs), which provide consistent governance, form the foundation for all controls and promote a strong control culture across the Group. They include a range of activity not limited to:

- Board and Management Committee oversight;
- Group-wide policies and standards;
- Delegation of authority framework; and
- Training and awareness programmes for relevant teams.

The internal control framework also includes specific measures for financial reporting and other key financial processes, with fundamental controls including:

- Monitoring new accounting standards and assessing their impact;
- Review of Group accounting judgements periodically;
- Monthly consolidation and balance sheet reconciliations;
- Monthly performance reviews comparing against forecasts and prior periods;
- Regular monitoring and sensitivity analysis of forecasted performance against budgets and thresholds;
- Review of IT general controls (user access, change management, segregation of duties); and
- Review and approval of external financial disclosures.

Confidence over the effectiveness of the internal control framework is obtained through the following regular internal activities:

- **First-line control self-attestation:** All key financial controls are periodically self-attested in our Governance, Risk and Compliance (GRC) tool by control owners. In addition, an annual attestation is obtained from management confirming the adequacy of their control environment and compliance with key controls.
- **Second-line assurance:** Independent testing of ELCs and significant financial controls by the Group controls function on a cyclical basis, with reporting on results and remediation plans.
- **Third-line Audit outcomes:** Reviews of selected financial and non-financial processes, with reporting on findings and actions. As needed, these are supplemented with external views, such as ISO certifications.

Principal Risks

The Group undertakes an annual review to ensure its Principal Risks remain strategically aligned, reflect shifts in the operating environment and capture emerging threats and opportunities.

During 2025, the Group completed a comprehensive refresh of its Principal Risks to ensure they provide a clear and forward-looking view of the most significant risks to Centrica's successful delivery of its strategy. This has helped to strengthen the foundations for enhanced internal control oversight, assurance and disclosure in anticipation of the forthcoming material control declaration requirements.

Notable changes that followed from the Principal Risk refresh are summarised below.

Updated Principal Risk	***Comments***
New Strategic resource allocation and deployment	Focuses on governance and delivery of the Group's strategic transformation and investments
Refined Customer	Reflects how evolving customer needs and priorities are supported through innovation, new technologies and ways of delivering value
Refined Safety and asset integrity	Blends safety and operational asset integrity
Refined Cyber, technology and resilience	Highlights broader technology and resilience perspective
New Third-party and supply chain resilience	Combining third-party/supply chain risk factors and considers resilience to operational disruption

In parallel, the Group's qualitative Risk Appetite Statements were updated to reflect the Board's expectations regarding acceptable levels of risk-taking in line with our Principal Risks and the areas most critical to our strategy, including strategic resource allocation, innovation, operational excellence, customer outcomes and financial discipline. This supports a balanced approach to risk and opportunity as we progress towards achieving the strategic ambitions set out in our strategy.

Throughout the following Principal Risk disclosure the stated risk trend indicates whether the level of risk exposure is considered to have improved, deteriorated or remained stable.

Strategic resource allocation and deployment

Risk trend Improved

Risk description

Centrica's ability to deliver its strategy depends on the timely, well-governed allocation of capital, talent and capabilities to the right opportunities. Ineffective allocation and/or deployment of capital, resources or transformational change initiatives may mean that capital is not employed in the planned timeframe or against strategic priorities, which could lead to increased costs, delayed delivery or reduced returns for shareholders.

Key drivers

- To differentiate Centrica from its competitors by investing in opportunities that are closely aligned with our strategic priorities, deliver attractive returns for shareholders and maintain an appropriate balance of risk.
- To ensure that all investment opportunities are evaluated within the context of our balance sheet and established investment guardrails, safeguarding Centrica's strong financial position.
- Rapid innovation within the energy sector necessitates acting on timely insight into market trends and emerging opportunities to drive strategic advantage.

Mitigations

Policies and frameworks

- The Centrica Investment Framework (CIF) sets clear guardrails on return expectations, financial impact and net zero alignment, with the strategic planning process governing capital allocation and transformation investment.

Governance and monitoring

- The Centrica Investment Committee (CIC) ensures that investment decisions align with the Board-approved risk appetite and the CIF.
- A monthly Enterprise Portfolio Board (EPB) ensures the delivery of the transformation programme is in line with Centrica's strategic goals, with significant opportunities escalated to CIC where appropriate.

Processes and controls

- The CIC oversees post-investment evaluations and reviews learnings.
- The CIC reviews and approves Group level assumptions that impact investment appraisals and capital allocation, including the central view of economic and fundamental assumptions (the 'Centrica House View') and Group and asset-specific Weighted Average Cost of Capital (WACC).

External relationship management

- Stakeholder engagement, market monitoring and active management of investor relations to ensure capital allocation is aligned to strategy and externally communicated commitments.

Credit and liquidity risk

Risk trend Stable

Risk description

Potential loss arising from a counterparty failing to meet its obligations in accordance with the agreed terms, and the risk of increased liquidity requirements affecting Group as well as counterparty performance.

Key drivers

- Commodity price risk exposes Centrica to both counterparty credit risk and liquidity risk, as well as customer debt risks.

- Commodity market volatility and high energy prices can increase cash and working capital requirements for both Centrica and our counterparties, increasing the risk of counterparty default and further contagion. This can also result in an increased likelihood of non-payment by both residential and business retail customers.

Mitigations

Policies and frameworks

- The Group Credit Risk Policy and Financing and Treasury Policy are reviewed and approved annually to ensure risk limits and guidelines reflect Board risk appetite.

Governance and monitoring

- The credit and liquidity risk appetite is approved by Centrica's Board, monitored monthly by the Centrica Leadership Team (CLT) via Group Finance reporting and managed by the monthly Financial Risk, Controls and Compliance forum (FRCC).
- The Board may request a risk capital reserve against Centrica's debt headroom, based on forecast balance sheet trajectories and informed by monthly risk capital reporting.
- Monthly Financial Performance Reviews monitor the forecast versus actual customer debt position, and the bad debt provision.

Processes and controls

- Daily monitoring of credit risk versus established limits, including credit exposures per counterparty and portfolio level reporting of Credit Value at Risk (CVaR), and defined escalation processes.
- Monitoring of liquidity risk versus established limits with defined escalation criteria alongside review of Group liquidity position, liquidity stress testing and committed liquidity.

Customer relationship management

- Active engagement to manage exposures and support customers with debt repayment, including tailored assistance for vulnerable customers, alongside continuing development and enhancement of customer debt management capabilities.

Sources of liquidity

- Access to diversified sources of committed and uncommitted liquidity, with Group liquidity underpinned by £5bn of committed liquidity from relationship banks.

Market risk

Risk trend Stable

Risk description

Potential for financial loss due to factors that affect the overall performance of financial markets, such as shifts in energy prices and volatilities, interest rate changes and foreign exchange fluctuations.

Key drivers

- Commodity exposures arise from Centrica's Retail, Infrastructure and Optimisation businesses, across power, gas and Liquefied Natural Gas (LNG) positions.
- Movements in commodity prices can impact revenue on sale of asset production, valuation of asset portfolios as well as revenue from the optimisation business.
- Short-term commodity exposures can arise when realigning established hedges to account for either changes in customer demand or unplanned supply outages from ageing infrastructure.

Mitigations

Policies and frameworks

- Hedging policies and trading risk limits are approved by the Group Risk Hedging Policy Committee.

Governance and monitoring

- Annual reviews and limit calibrations by the Group Risk Hedging Policy Committee.
- Monthly Finance Performance Review meetings monitor hedge decisions and risk exposures.
- Demand forecasting performance and hedge performance is monitored monthly by the Downstream Energy Margin Meeting.
- Centrica Energy's monthly Operational Performance and Oversight Committee (OPOC) reviews the end-to-end trading lifecycle.

Processes and controls

- Daily monitoring of trading risk versus established limits, including Value at Risk (VaR), position limits, and profit and loss drawdowns, and defined escalation processes.

Weather risk

Risk trend Stable

Risk description

Variations in weather patterns influence customer demand, generation supply and commodity prices, creating volatility in weather-related earnings and operational asset performance. Unseasonal temperatures or adverse weather events can result in lost sales margin, higher balancing costs (selling back excess commodity at a lower price or buying at a higher price) or impact asset availability.

Key drivers

- During periods of warm weather customers often consume less energy, thus reducing revenue. The financial impact can be compounded by selling back excess hedges at a loss, especially if commodity prices have fallen.
- In adverse cold weather scenarios, customers consume more energy, increasing costs and driving the need to procure additional volumes to meet the higher demand. If wholesale prices have risen to above residential and business customer price levels, Centrica will lose margin on these incremental volumes as the cost is higher than that charged to customers.

Mitigations

Governance and monitoring

- The monthly Downstream Energy Margin Meeting reviews weather impact analysis, hedging proposals and performance. This takes into account the dynamic hedging strategy implemented to manage the exposure to weather risk.

Processes and controls

- Forecasting of weather and the associated impact on demand with consideration given to historical norms, data provided by external meteorological services and elasticity of demand. These forecasts inform expected demand profiles with a feedback mechanism in place to adjust hedging positions and strategies.
- Options to mitigate extreme weather risk in our downstream businesses, including the consideration and decision on use of financial instruments.

External, regulatory, geopolitical and conduct

Risk trend Deteriorated

Risk description

Centrica's ability to operate and compete effectively is influenced by external political, regulatory and geopolitical conditions, as well as our own standards of conduct. Escalating geopolitical tensions, conflict and protectionist policies may disrupt global energy markets and supply chains, heighten compliance exposure and constrain the Group's agility to enter or exit key markets. Regulatory and policy changes can alter the attractiveness and our ability to participate in markets, affect financial returns or impose new compliance burdens that weaken investment confidence. In parallel, material breaches of law, regulation or Centrica's Code of Conduct could undermine trust, damage reputation and lead to legal or financial consequences. Together, these factors could constrain growth, increase costs and affect Centrica's ability to deliver its strategic objectives and serve customers reliably.

Key drivers

- Heightened scrutiny in UK retail energy and insurance sectors.
- Geopolitical instability and trade barriers complicate international operations.
- International climate policy shifts heighten strategic uncertainty.
- Growing unpredictability from affordability pressures and shrinking public finances.
- Any material failure to follow Centrica's standards of conduct or address Speak Up issues would undermine trust in our business.
- British Gas remains under investigation by Ofgem in relation to its legacy arrangements for the installation of prepayment meters under warrant. The investigation is ongoing and British Gas continues to engage extensively with the regulator with a view to securing a conclusion to this issue.

Mitigations

Policies and frameworks

- Centrica's Code of Conduct which emphasises commitment to integrity and compliance.
- Global Speak Up helpline for reporting misconduct, malpractice or broader unethical behaviour where employees and business partners can raise concerns without fear of retaliation.

Governance and monitoring

- Board oversight of the political and regulatory strategy and ARC oversight of standard of conduct.
- Disclosure Committee, which meets as is deemed necessary, to ensure full compliance with the requirements to make timely and accurate disclosure of information externally which includes, but is not limited to, identifying insider information.
- The quarterly GRCCF reviews regulatory, conduct and geopolitical matters including but not limited to those escalated from the bottom-up RACCs and the Centrica Energy Compliance and Regulatory Committee.
- Monitoring and oversight provided by the Legal, Regulatory, Ethics, Compliance and Secretariat (LRECS) leadership team.
- Compliance Assurance provides independent oversight of compliance and conduct risks through risk-based reviews, issue escalation and delivery of the annual assurance plan.

Processes and controls

- Corporate Affairs and Regulatory teams monitor legal and regulatory developments across jurisdictions and maintain an active dialogue with all regulators including with Ofgem, the Financial Conduct Authority and the Prudential Regulation Authority.
- Increased horizon scanning on emerging regulations and energy transition policies.
- Enhanced understanding of country risks, policy frameworks and opportunities to support geographic diversification.
- Define and maintain adequate regulatory frameworks to support investments in energy security.
- Integration of policy and regulatory affairs insights into the strategy definition and investment assessment process.
- The Financial Crime team monitors threats and adequacy of response to anti-money laundering and the threat of bribery and corruption.

Customer

Risk trend Stable

Risk description

Failure to understand and respond to changing customer needs may constrain Centrica's ability to deliver differentiated, value-adding products and services that are competitive and responsive to customer demands. This could lead to customer attrition, reputational damage, regulatory scrutiny and reduced operational and strategic agility.

Key drivers

- Customer expectations continue to evolve, driven by the energy transition, increased cost sensitivity, heightened service and reliability expectations, and the influence of digital-first experiences.
- Complexity of adopting and integrating innovative enabling technologies (including AI), management of legacy systems and effective use of data impact responsiveness to customer demands.
- Skilled engineer availability and ability to match net zero demand with delivery combine to influence customer experience and brand perception.
- Energy prices, price cap changes and retail competition challenge customer retention.

Mitigations

Governance and monitoring

- Management focus on customer experience and outcomes with robust oversight and governance at all levels of the organisation through to the Energy and Services Subsidiary Boards.

Processes and controls

- Significant ongoing transformational investments in customer relationship management, billing and supply chain systems and processes via internal transformation programmes. A Single Customer View has been developed in 2025 with further developments underway across all retail businesses to optimise benefit.
- Enhancements to our customer interaction are being made through Gen AI.
- Ongoing implementation of the strategic labour strategy ensuring availability of skills to service developing propositions and markets.

External relationship management

- Centrica Home remains highly engaged with Ofgem and government agencies to seek to address the cost of living crisis and to better support customers who are vulnerable and/or in significant debt.

People culture and workforce

Risk trend Stable

Risk description

Failure to align workforce planning with commercial growth, ensuring the right people are in the right roles at the right time, combined with an inability to consistently foster a culture of ownership, one team and a growth mindset, may lead to challenges in attracting, developing and retaining the talent and leadership required to deliver our Purpose and strategic objectives. This misalignment could constrain competitiveness, limit growth opportunities and erode investor confidence.

Key drivers

- A competitive labour market, especially for emerging skills, creates challenges in attracting, developing and retaining critical capabilities for future needs.
- Workforce wellbeing issues – physical and mental – can impact productivity and engagement.
- Maintaining a competitive support package with salary, bonuses, pensions, health benefits, flexible working and development opportunities.

Mitigations

Governance and monitoring

- Key metrics on absence, health, wellbeing, attrition, diversity and inclusion are monitored and inform our response to any deterioration in workforce wellbeing.

Processes and controls

- Strategic Workforce Planning and capability analysis guides investments, retention and succession decisions.
- Regular performance reviews and Centrica's Talent Framework ensure critical roles are filled, succession plans are robust and career development is intentional.
- Wellbeing is supported through health initiatives and colleague-led networks.
- A colleague-centric property portfolio fosters productivity, collaboration and future-ready workspaces in sustainable, accessible locations.

Climate change

Risk trend Stable

Risk description

Inadequate governance or ineffective implementation of Centrica's Climate Transition Plan, including its published commitments, targets and supporting processes, may impair the Group's ability to respond to regulatory or market changes, and misleading disclosures, resulting in commercial and reputational damage, stakeholder distrust and potential regulatory or legal consequences.

Key drivers

- Sustained pressure from government, investors and customers to commit to meaningful carbon reduction targets set against recognition of the need for continued use of fossil fuels, due to slower than anticipated transition to low carbon alternatives.
- Market and affordability pressures may constrain the pace of low carbon investment.
- Emerging regulations in which Centrica, and its subsidiary businesses, will be legally obligated to comply with UK, European Union or international sustainability management and reporting requirements.
- Increased focus on 'greenwashing' and greater rigour on how organisations market low carbon products and propositions.

Mitigations

Policies and frameworks

- Our Climate Transition Plan includes targets and ambitions out to 2050 which guide our approach to achieving a low carbon future.
- CIF contains a net zero guardrail to ensure alignment with our Climate Transition Plan, including our green-focused investment commitment (see page 54).
- Centrica businesses are required to comply with Group climate and sustainability reporting standards.
- Green Claims Principles provide guidance to manage and avoid 'greenwashing' risk across the Group.

Governance and monitoring

- SESC, chaired by an independent Non-Executive Director, reviews climate change information and monitors progress in the implementation of Centrica's Climate Transition Plan.
- Progress against the Climate Transition Plan is incorporated into executive remuneration.
- Climate-related disclosures are prepared in line with the international Greenhouse Gas (GHG) Protocol and UK Transition Plan Taskforce (TPT) requirements, with reporting subject to internal review and external assurance to ensure accuracy and completeness.

Processes and controls

- Regular engagement with stakeholders including investors, governments, regulators and others, to evolve insight and inform approach.
- Ongoing monitoring, modelling and scenario analysis, ensures progress and that plans remain appropriate and effective.
- External disclosures subject to policies, standards, review and approval.

Safety and asset integrity

Risk trend Stable

Risk description

Centrica's diverse and asset-intensive operations carry varying health, safety and environmental (HSE) risk profiles. Failure to maintain effective asset integrity and HSE management through robust design, maintenance, inspection and operational safety standards and associated controls across the Group's operations could lead to serious injury, environmental harm, regulatory sanctions, asset impairment or prolonged downtime, impacting financial performance and stakeholder trust. As Centrica expands and introduces new green technologies, assets and operational models, the complexity of the risk landscape continues to increase. Maintaining scalable, integrated frameworks and governance arrangements for asset integrity, process safety and assurance is essential to protect people, the environment and business value.

Key drivers

- Management and operation of an ageing asset base increases the focus required on HSE and asset integrity to ensure safety issues, environmental harm, outages and impaired performance do not materialise.
- Changes, upgrades and additions to Centrica's asset base that may require new skills or safety protocols.

Mitigations

Policies and frameworks

- A mature HSE framework supported by robust management systems, training and assurance.
- Group-wide policies and standards, periodically reviewed and updated by a safety working group, set out the minimum HSE requirements which all business units are required to adhere to.

Governance and monitoring

- SESC provides Board oversight of relevant performance metrics, assurance activity and the approach to HSE risk management across business units.
- Performance monitoring and regular reviews of HSE frameworks and safety risks through CLT meetings.
- Regular review of our HSE risks by the HSE RACC.
- Centrica's presence on the Board of EDF Energy Nuclear Generation Group Limited allows oversight of the operational performance and strategic decisions related to the nuclear fleet.

Processes and controls

- Regular inspection and maintenance programmes, contingency planning for outages, and oversight of operations to ensure asset reliability and compliance throughout the asset lifecycle.
- Standardising and scaling best practice processes across assets and undertaking regular assurance to maximise reliability and availability.
- Ongoing collaboration with key regulators including the Health and Safety Executive and Environment Agency to ensure legal compliance for all Centrica operations.

Cyber, technology and resilience

Risk trend Stable

Risk description

Insufficient cyber defences and response capabilities, inadequate user access management or weaknesses in technology change control, could expose Centrica to cyber threats, data breaches or prolonged system outages. Increased digital dependency within Centrica, combined with escalating complexity and the frequency of cyber threats, may lead to a breach of critical systems, resulting in loss of service, theft of confidential data, customer detriment, brand damage, financial loss, fines and regulatory intervention.

Key drivers

- Increase in the frequency and complexity of cyber-attacks targeting critical energy infrastructure.
- Rising ransomware sophistication and potential for misuse of AI for complex attacks.
- Increased digital connectivity and use of operational technology across Centrica can increase supply chain and operational vulnerabilities.
- Evolving nature and reach of regulations beyond the jurisdictional border of the legal entity.

Mitigations

Policies and frameworks

- Business continuity plans have been developed and implemented.
- Business units adhere to a suite of cyber and technology standards and frameworks.

Governance and monitoring

- Monitoring and oversight by the Cyber Steering Committee, and the Technology Risk and Control Committee.
- Procurement Resilience Governance Forums review controls for supplier continuity and resilience.

Processes and controls

- Ongoing threat intelligence gathering, collaboration and information sharing with industry peers and the National Cyber Security Centre.
- Cyber-attack simulations build security capabilities and improvements in controls.
- Cyber-awareness and training programmes, which strengthen the operating effectiveness of access and change management controls.

Third-party and supply chain resilience

Risk trend Stable

Risk description

Centrica's ability to deliver its strategy and maintain reliable operations depends on the resilience, performance and integrity of its supply chain and critical third-party partners. Reliance on outsourced delivery models, specialist contractors and global suppliers heightens exposure to disruption, cost escalation and compliance risks. Weaknesses in supplier resilience, assurance or oversight could lead to operational disruption, financial loss or reputational harm.

Key drivers

- Increasing supply chain complexity.
- Reliance on outsourced delivery models, specialist contractors and global suppliers heightens exposure to disruption, cost escalation and compliance risks.
- Third-party weaknesses introduce risks to business continuity, operational reliability (including cyber compromise) and to Centrica's reputation.

Mitigations

Policies and frameworks

- The Procurement Policy and standards provide a consistent framework for procurement of goods and services that encourages competition while maintaining a strong focus on risk management.
- The Procurement Controls Framework sets out the key control practices that manage procurement-related risks, underpin the delivery of business objectives and establish minimum control requirements. It provides structured controls that span all principal and operational risk areas.
- Operational resilience, contingency, crisis and continuity readiness is maintained across Group operations and third parties.

Governance and monitoring

- Group Procurement Risk and Control Committee is held quarterly to review risks and controls.
- Resilience Governance Forums review business unit controls for business continuity and resilience including supplier resilience and continuity of supply.

Processes and controls

- Key process controls from within the Procurement Controls Framework monitored by management.
- Tender exception monitoring ensures contracts are tendered competitively to increase confidence in supplier capability and deliver value for money.

Assessment of viability

Viability statement

In accordance with provision 31 of the UK Corporate Governance Code, the Directors have assessed the long-term prospects and viability of the Group over the three-year period to 31 December 2028. In forming this assessment, the Board have considered the Group's business model (as set out in the Strategic Report on pages 14 to 15), liquidity and credit metric projections, and the Principal Risks (pages 32 to 39).

The Board and its Committees review the viability assessment methodology, key assumptions, scenario analysis and results on a bi-annual basis. The Financial Risk, Controls and Compliance Forum (FRCCF) provided challenge on the 'severe but plausible' thresholds, scenario design and liquidity outcomes, ensuring the assessment reflects a realistic and appropriately stretching set of conditions.

Assessment of prospects

In making this assessment, the Directors have considered the following factors, both in relation to the Group's strategic plan and its current competitive position, and in the longer-term assessment of the Group's prospects:

- The Principal Risks (set out on pages 32 to 39) which are believed to cause the most material financial impact and hence form the basis of the scenarios modelled on the following page
- Our purpose and strategic ambition to energise a greener, fairer future
- Climate-related risks, which underpin our enhanced climate commitments as outlined in our Climate Transition Plan (page 55). These are incorporated in the strategic plan and are reflected in long-term investment allocations and operational assumptions
- Market trends, including commodity price volatility, customer behaviour, the macroeconomic environment, competitive pressures and the wider political and regulatory landscape.

Assessment period

The Directors continue to monitor the viability of the Group over a three-year period, aligned with the Group's financial planning cycle. This period represents the time horizon over which the Board has reasonable operational and market visibility. Furthermore, the Group's most significant risks continue to be shorter-term in nature including commodity prices, trading performance, margin cash requirements, weather and asset performance.

Key assumptions

The model used for this assessment incorporates the following assumptions:

- No material acquisitions or disposals beyond those already announced
- Continued access to diversified funding sources and successful refinancing of facilities maturing within the period, reflecting the Group's strong relationships with its banking group
- Pension scheme payments remain in line with the agreed deficit recovery plan.

The Directors have assessed the impact of a stressed high and low commodity price environment on the Company. Based on current positions held, the Directors determined that a prolonged low-price environment has a more material impact on Group headroom than a high-price environment. In assessing the impact of a significant low commodity price environment, the following assumptions have been adopted as a severe but plausible forecast.

Low price environment	2026	2027	2028
NBP Gas (p/th)	40	39	36
Baseload Power (£/MWh)	38	37	36

Assessment process

The Directors reviewed analysis assessing the Group's resilience to a range of external shocks by evaluating the liquidity headroom under a range of stressed conditions.

The Group maintains a strong liquidity position supported by a well-diversified financing profile and access to multiple sources of term funding. As at 31 December 2025, the Group has total committed credit facilities of £5.0bn (£3.1bn undrawn), of which £1.5bn reach maturity within the viability period in 2028, in addition to cash and cash equivalents of £4.3bn.

Centrica's liquidity management framework is designed to ensure resilience under a range of operating and market conditions. Robust processes exist to manage and monitor liquidity requirements, with a focus on trading entities and the possible impacts of stressed market conditions. This involves ensuring flexibility in accessing a broad suite of funding sources, including committed credit facilities, uncommitted letters of credit, commercial paper programmes and other short-term funding options. Further detail on the Group's liquidity position, including its indebtedness and available committed facilities, is provided in note 25 of the financial statements.

Three 'severe but plausible' stress scenarios, outlined on the following page, have been applied to the underlying business plan, each combining multiple Principal Risks. An additional 'extreme case', combining all risks occurring simultaneously, was also reviewed.

For each scenario, the Directors evaluated the projected impact on headroom in the three-year period. Whilst the 'Economic Downturn and Adverse Retail Market' scenario saw the greatest impact, the Group maintained sufficient headroom in all scenarios without the need for mitigations. However, mitigations could be deployed to accelerate headroom recovery and reduce the risk of credit downgrade. Suitable actions could include reductions in operating or capital expenditure and the temporary suspension or reduction of returns of capital to shareholders.

Reverse Stress Testing identified theoretical extreme conditions that could exhaust the Group's financial resources. The combination of events required to reach this point is considered highly implausible given the Group's current financial strength and diversified risk portfolio. As such, we believe that these conditions do not constitute a 'severe but plausible' threat to the Group's viability.

Conclusion

Based on the results of this analysis, the Directors have a reasonable expectation that the Company will be able to continue to operate and meet its liabilities as they fall due, throughout the period to at least 31 December 2028.

Multi-risk scenarios modelled	Level of severity reviewed	Links to Principal Risks
Scenario 1 Economic Downturn and Adverse Retail Market	A prolonged low commodity price environment, reducing Infrastructure asset profitability and increasing margin cash requirements, is compounded by warm weather risk and broader retail market challenges	• Market risk • Credit and liquidity risk • Weather risk • Customer • External, regulatory, geopolitical and conduct
Scenario 2 Operational Disruption	Extended operational downtime driven by cyber threats, supply chain failures, unexpected asset outages or industrial action	• Safety and asset integrity • Cyber, technology and resilience • Third-party and supply chain resilience • People culture and workforce
Scenario 3 Trading and Hedging Underperformance	Underperformance of Optimisation business coupled with credit risk associated with financial loss due to counterparty default	• Market risk • Credit and liquidity risk
*Credit rating downgrade (applied across all scenarios)	Increased collateral requirement arising from a single-notch credit rating downgrade	• Credit and liquidity risk
Transformation delivery (applied across all scenarios)	Risks to delivery of strategic transformation benefits embedded in the baseline financials used for this assessment	• Strategic resource allocation and deployment

* Whilst our current credit metrics show no cause for concern with regards to a credit rating downgrade, for each risk scenario considered, an additional impact from a single-notch credit rating downgrade has been assumed.

People and Planet

Supporting communities, our planet and each other.

Launched in 2021, our People & Planet Plan consists of five Group-wide goals that support the United Nations Sustainable Development Goals and accelerate action on issues that matter deeply to our business and society – from achieving net zero and creating the diverse and inclusive team we need to get there, to making a big difference in our local communities.

In 2025, we continued to make steady progress against most of our goals but are behind on others. This reflects the reality that transformation takes time and that we have had to adapt plans in line with the changing needs of customers during the energy crisis alongside evolving business priorities.

Looking ahead, we remain confident that we will achieve our goals. We look forward to working with our stakeholders to energise a greener, fairer future.

— **Read more** about our non-financial performance on pages 253 to 255

— **Read more** in our wider reports at **centrica.com/performanceandreports**

Our People & Planet Plan

Supporting communities, our planet and each other

People

Supporting every colleague to be themselves to better serve our customers and communities.

We want to:

GOAL 1 – Create an engaged team that reflects the full diversity of the communities we serve by 2030(1)

GOAL 2 – Recruit 3,500 apprentices and provide career development opportunities for under-represented groups by 2030 (2,000 apprentices by the end of 2025)

Planet

Supporting every customer to live more sustainably.

We want to:

GOAL 4 – Help our customers be net zero by 2050 (28% greenhouse gas intensity reduction by the end of 2030)

GOAL 5 – Be a net zero business by 2040 (50% greenhouse gas reduction by the end of 2032)

GOAL 3 – Inspire colleagues to give 100,000 days to build inclusive communities by 2030 (35,000 days by the end of 2025)

Doing business responsibly
Underpinned by strong foundations to ensure we act fairly and ethically – from customer service to human rights

(1) All company and senior leaders to reflect latest 2021 Census data for working populations. This means 48% women, 18% ethnically diverse, 20% disability, 3% LGBTQ+ and 4% ex-service by 2030 (40% women, 16% ethnically diverse, 10% disability, 3% LGBTQ+ and 3% ex-service by the end of 2025).

People

Supporting every colleague to be themselves to better serve our customers and communities.

Goal 1

By 2030, we want to:
Create an engaged team that reflects the full diversity of the communities we serve, with all company and senior leaders to be 48% women, 18% ethnically diverse, 20% disability, 3% LGBTQ+ and 4% ex-service (40% women, 16% ethnically diverse, 10% disability, 3% LGBTQ+ and 3% ex-service by the end of 2025)(1)

2025 Progress against goal:

On track | Behind

	All company(2)	Senior leaders(2)
Women	30%	34%
– Excluding Field engineers	43%	34%
Ethnically diverse	16%	10%
Disability	6%	6%
LGBTQ+	4%	2%
Ex-service	2%	3%

(1) Aligns with latest 2021 Census data for working populations.
(2) Beyond gender, data is based on voluntary disclosure of 94% ethnically diverse, 53% disability, 61% LGBTQ+ and 4% ex-service. All company relates to everyone who works for Centrica. Senior leaders include colleagues above general management and spans senior leaders, the Centrica Leadership Team and the Board.

To get to net zero, we need the best team – a diverse mix of people and skills, where everyone feels welcome and able to succeed. Following the launch of our goals in 2021, leadership shared an open letter with colleagues outlining plans to attract, promote and retain more diverse talent. Progress has followed, with improvements of up to 6ppts since 2021 and 1ppt during 2025 (see page 253). Initial gains were driven by stronger recruitment and retention practices, whilst recent efforts have centred on building a more inclusive culture and strengthening succession planning –initiatives that take longer to show measurable impact. Like many in our sector, increasing women in engineering remains a focus given our team reflects the male-dominated market, which impacts our overall gender representation that is otherwise on track. Diversifying senior levels and growing disability representation are also key areas we continue to work on.

In 2025, we strengthened inclusion by:

- Embedding our Every Colleague Counts Action Plan and associated inclusion campaign to drive progress and accountability;
- Running targeted campaigns to attract more women into engineering via our award-winning apprenticeship programme (see Goal 2), including a collaboration with social media influencer Holly Hobbs to break down barriers to entry;
- Creating an environment where colleagues can thrive – from expanding learning and development opportunities and introducing new preventative sexual harassment training, to launching more inclusive policies that support wellbeing and were enabled through collaboration with our diversity networks and trade unions. This includes in the UK, extending paternity leave from two to eight weeks fully paid and developing a sector-first Transgender Inclusion Policy for colleagues undergoing gender-affirming treatment.

In 2026, we will continue to embed our Action Plan to help every colleague feel they belong, are counted and included. We also hope to encourage more colleagues to disclose their diversity information so that we can better support our people and track progress more effectively. To grow momentum, 2025 milestones will be superseded with 2028 milestones for our team to be 45% women, 17% ethnically diverse, 15% disability, 3% LGBTQ+ and 3% ex-service.

Top 50

Ranked in The Times Top 50 Employers for Gender Equality for the fourth consecutive year and the Glassdoor Top 50 Best Places to Work in the UK for the first time since 2017

Wider gender breakdown(3)

	2025		2024	
	Women	**Men**	Women	Men
Board	**46% (6)**	**54% (7)**	45% (5)	55% (6)
Senior executives and direct reports	**29% (28)**	**71% (67)**	32% (23)	68% (49)
Senior leaders	**34% (142)**	**66% (277)**	34% (149)	66% (289)
All company	**30% (6,110)**	**70% (14,463)**	31% (6,425)	69% (14,613)

(3) Relates to direct Centrica employees. Total headcount differs from elsewhere as Spirit Energy, Centrica Business Solutions Services International, ENSEK and Swyft Energy employees and contractors are not included above. See pages 82 to 83 for Board diversity.

Goal 2

By 2030, we want to:

Recruit 3,500 apprentices and provide career development opportunities for under-represented groups (2,000 apprentices by the end of 2025)[1]

2025 Progress against goal:

On track | Behind

Apprentices	1,947

(1) Base year 2021.

We want to harness talent from under-represented groups to build a future that is greener and fairer. That's why we will hire the equivalent of one apprentice every day over the course of this decade to achieve our 2030 goal.

In 2025, we welcomed 410 apprentices to our team which brings our total to 1,947 apprentices since 2021. Although intake increased by 21% during 2024–25, changes in business requirements and phasing alongside the need to provide operational stability during the energy crisis, reduced hiring opportunity in recent years and meant we fell slightly short of our 2025 milestone. Likewise, this affected the number of women in our Field-based engineering apprenticeships, with representation dipping from 19% to 15%. Performance remains, however, significantly better than the 0.3% national average for trained female gas engineers, demonstrating the positive progress being made to diversify engineering through our ambition for women to make up 50% of our engineering apprentices by 2030. Meanwhile, we continued to provide career development opportunities for wider under-represented groups (see Goal 1), alongside dedicated pathways for ex-forces personnel and athletes.

We expect to get back on track with our forward-facing plans, supported by targeted recruitment and marketing campaigns. As our 2025 milestone retires, we will now set our sights on achieving our new milestone of 3,000 apprentices by the end of 2028.

Goal 3

By 2030, we want to:

Give 100,000 days to build inclusive communities (35,000 volunteering days by the end of 2025)[2]

2025 Progress against goal:

On track | Behind

Days	42,104

(2) Base year 2019.

We channel the power of our people to create inclusive communities because stronger communities, are key to a more sustainable future.

In 2025, colleagues donated 10,465 days which was broadly similar to 2024. With cumulative progress totalling 42,104 days since 2019, we have surpassed our 2025 milestone and are on track to deliver our 2030 goal. Gains have been made possible by making volunteering a big part of our culture. This was achieved through The Big Difference, our local community programme that inspires colleagues to get involved in local causes they care passionately about – whether that's running energy support pop-ups with partners like the British Gas Energy Trust, or inspiring the next generation to be greener via the Get Set for Positive Energy schools programme delivered in partnership with Team GB and ParalympicsGB.

To deliver the step up needed out to 2030, our 2025 milestone will be replaced with a new 2028 milestone of 75,000 volunteering days. We will endeavour to achieve this by continuing to expand volunteering opportunities and embed annual targets in team plans to drive take-up.

In addition to volunteering in 2025, we supported communities with donations, fundraising and wider contributions totalling around £500m[3]. A substantial part of this spend goes towards helping customers and communities with their energy bills through industry initiatives.

Alongside the hundreds of millions of pounds spent each year on industry initiatives like the Warm Home Discount, our £140m voluntary energy support package established during the peak of the energy crisis in 2022–23, continued to be utilised. This is the largest voluntary support package provided by an energy company in the UK and Ireland, and is mainly distributed via British Gas for households and businesses through initiatives including 'You Pay: We Pay' (see page 46), alongside dedicated funds via charity partners like the British Gas Energy Trust in the UK as well as Focus Ireland and the Money Advice and Budgeting Service in Ireland.

Organisations like these are at the heart of our communities and are effective in reaching people with the greatest social need. We therefore maintained our wider investment in the British Gas Energy Trust to ensure customers and non-customers alike could receive extra help with their energy bills. This allowed the Trust to not only provide direct energy advice and grants, but enabled dedicated support at over 40 funded community projects including via Citizens Advice.

(3) Comprises £505.4m in mandatory and £42.8k in voluntary contributions to support vulnerable customers and communities with their energy through schemes like the Warm Home Discount and Energy Company Obligation, alongside £4.8m in charitable contributions. See more on page 255.

>400

Apprentices welcomed to our team during the year

30%

Proportion of colleagues who volunteered

>£230m

Cumulative invested in the British Gas Energy Trust, helping over 830,000 people with their energy bills since 2004

Planet

Supporting every customer to live more sustainably.

Goal 4

By 2050, we want to:

Help our customers be net zero (28% greenhouse gas intensity reduction by the end of 2030)[1]

2025 Progress against goal:

On track Behind

Reduction	18%

(1) Net zero goal measures the greenhouse gas (GHG) intensity of our customers' energy use including electricity and gas with a 2019 base year of 182gCO_2e/kWh. Target is normalised to reflect acquisitions and divestments in line with changes in Group customer base. It's also aligned to the Paris Agreement and based on science to limit global warming, corresponding to a well below 2°C pathway initially and 1.5°C by mid-century.

The biggest thing we can do to tackle climate change, is to help our customers transition to lower carbon and sustainable energy use. This is because around 90% of our total GHG emissions (Scope 1, 2 and 3) comes from gas and electricity consumed by customers (Scope 3).

Towards this in 2025, our energy, services and solutions helped reduce the GHG intensity of our customers' energy use by 18% against the 2019 base year – equivalent to the annual emissions of 1.5m homes. Savings since 2019 have predominantly been driven by the continued decarbonisation of the energy we sell alongside energy efficiency and optimisation solutions like Hive smart thermostats and electric vehicle (EV) chargers. Savings were up from the 10%[2] reduction achieved in 2024, mainly as a result of the zero carbon content of our reported electricity fuel mix increasing from 77% to 90% against the UK national average of 58%. We are currently ahead of our goal glidepath and remain on track to achieve our mid-and long-term goals.

(2) Restated due to availability of improved data.

During the year, we helped customers decarbonise power, heat and transport by:

- Enabling a route-to-market for renewable and flexible capacity under management which totalled 19.5GW (81% renewable);
- Expanding market-leading capability to make low carbon technology more affordable and accessible – whether through initiatives like heat pump performance guarantees that supported the sale of 2,400 heat pumps last year, or enabling third-party eco-tech to be managed alongside our own solutions which resulted in 3m devices being connected via the Hive app; and
- Empowering over 1.3m customers to shift energy use away from peak demand with PeakSave, helping cut carbon, costs and pressure on the grid.

As set out in our Climate Transition Plan (see page 55), we remain committed to helping customers reduce emissions, including via 2030 climate ambitions to connect 5m devices to the Hive platform and supply 100% renewable or zero carbon power in the UK and Ireland.

Goal 5

By 2040, we want to:

Be a net zero business (50% GHG reduction by the end of 2032)[3]

2025 Progress against goal:

On track Behind

Reduction	25%†

† Included in DNV's independent limited assurance report. See page 253 or centrica.com/assurance for more.

(3) The net zero goal measures Scope 1 (direct) and 2 (indirect) GHG emissions based on operator boundary. Comprises emissions from all operated assets and activities including the shipping of Liquefied Natural Gas (LNG) alongside the retained Spirit Energy assets in the UK and the Netherlands. Non-operated nuclear emissions are excluded. Target is normalised to reflect acquisitions and divestments in line with changes in Group structure against a 2019 base year of 2,120,446tCO_2e. It's also aligned to the Paris Agreement and based on science to limit global warming, corresponding to a well below 2°C pathway initially and 1.5°C by 2040.

In early 2025, we published our updated Climate Transition Plan which accelerated our net zero target from 2045 to 2040 — putting us a decade ahead of global expectations for delivering net zero. Good progress has been made with a 25% emissions reduction against our 2019 base year. This was up on the 18% reduction achieved in 2024 following lower emissions from LNG shipping, power generation and gas production including an unplanned outage at Barrow Terminal. Sustainable savings were also delivered from rolling out EVs across our road fleet and optimising property energy use, supported by our flexible approach to working which lets colleagues work from home or the office.

Although we are ahead of our glidepath and broadly on track to meet our mid- and long-term goals, our path to net zero won't be linear. This is because we must balance reducing emissions with ensuring a reliable and affordable energy supply to guard against geopolitical risk and intermittency as renewables scale. In 2025, we therefore continued to invest in renewable and low carbon capacity alongside gas and LNG supplies whilst constructing four peaking power plants that will initially run on gas until hydrogen is ready. With gas expected to remain a key part of the energy transition in the near-to-mid-term, these actions are necessary but mean our emissions are likely to rise from 2026 before falling again from 2029.

Further emission reductions will be driven by climate ambitions in our Climate Transition Plan (see page 55) – from net zero gas production by 2035, to net zero baseload power generation by 2034–39.

Our foundations

Our People & Planet Plan is underpinned by strong foundations to ensure we act fairly and ethically.

Customers

Positive progress has been made in delivering stronger customer service. Continued investment in training for engineers and contact centre colleagues alongside customer service systems, resulted in lower complaints and higher Net Promoter Scores across our Retail businesses (see pages 25 and 31). In recognition that energy bills remained a real worry for customers, we prioritised ongoing support during 2025. This included 'You Pay: We Pay', a first-of-its-kind initiative which commits us to match energy payments from struggling customers and is funded by our £140m energy support package created during 2022–23 (see page 44). In just over a year since launching 'You Pay: We Pay', over 16,000 customers are benefitting from the initiative with a commitment of nearly £13m to be matched in payments.

Colleagues

We want every colleague to feel safe, valued and engaged. In 2025 we kept safety front of mind, achieving zero workforce fatalities alongside improvements in our total recordable injury frequency rate which fell by 3% to 0.61 per 200,000 hours worked (see page 31). We did, however, experience a Tier 1 process safety event at the Rivers Terminal operated by Spirit Energy. The event related to hydrocarbon containment loss and fortunately resulted in no injuries. In 2026, we will continue to strengthen safety culture among colleagues and contractors by focusing on preventing containment losses, mitigating gas and electrical risks, as well as enhancing contractor management and road safety practices.

Alongside physical health, we prioritised mental health and wellbeing. Throughout 2025, we encouraged colleagues to speak openly about how they were feeling and promoted both proactive and reactive support – from our company-funded healthcare plan and 24/7 emotional helpline and GP access, to our wellbeing app and 180-strong network of colleague Mental Health First Aiders (see page 102). This commitment to accessible and in-the-moment support, led to over 100,000 mental health and wellbeing interactions during the year.

Focus was maintained on fair reward practices – whether that's paying at least the Real Living Wage in the UK or upholding equal pay and reducing pay gaps (see pages 102 to 103). Our UK gender pay gap remains largely driven by more men working in higher paid jobs like engineering, and more women working in valued but lower paid roles like customer service. Our median gender pay gap increased slightly from 13% to 16% during 2024–25. Our ethnicity pay gap which we publish voluntarily remained at 7% median, and is due to similar factors as the gender pay gap. We remain committed to reducing our pay gaps over time as we work to transform our business, sector and society to make it more inclusive (see pages 43 to 44 and 47).

Proactive action like this is crucial for positive colleague engagement and productivity. We are encouraged that despite significant organisational changes underway to simplify our business and improve customer outcomes, we saw only minor changes in colleague engagement. We maintained our top quartile performance for the majority of the year, with our year-end position landing at 7.9 out of 10. This is 0.1 points below top quartile for our sector and 0.2 points lower than our 2024 score. In 2026, we will continue to support our colleagues as we focus on delivering our strategy whilst ensuring everyone feels valued, included and motivated to energise a greener, fairer future. Understanding Company performance is a key element of this, so we will share our financial results and strategic updates with colleagues throughout the year at townhalls and via other channels, just as we did in 2025.

Mental health leader

Investor group CCLA, ranked us as a UK leader for our approach and disclosure on mental health for the fourth year running

Underpinning our approach to colleagues, is our commitment to equality. Our policies lay the foundation in helping us uphold equal opportunities across the full employment cycle – from recruitment and development, to performance reviews and career progression. These policies and associated processes and training, enable us to strive towards the elimination of discrimination, harassment and victimisation, whilst promoting fair and objective decision-making based on work-related criteria and individual merit.

As part of our commitment to equality, we recognise the particular need for greater national and global progress to ensure equal access to employment, development and progression for people with disabilities. That is why our People & Planet Plan (see page 42), is actively focused on increasing disability representation across the Company.

Positive progress has been made to support people with disabilities. This includes providing inclusive recruitment, reasonable adjustments and access to wider support and wellbeing initiatives – all whilst building a more inclusive culture across the Company to ensure every colleague feels counted and included. Our approach is continually strengthened through active engagement. For example, we engage forums such as our 10+ colleague networks and specifically our Neurodiversity and Diverse-ability networks who support and celebrate the physiological and neurological diversity of colleagues, alongside our external membership with the Business Disability Forum. Although there is more progress to be made, these activities have helped us maintain our Level 2 Disability Confident Employer status and increased disability representation by 5ppts at an all company and senior leadership level since our People & Planet Plan was launched in 2021.

Ethics

Our Code and Values set out the standards we expect for anyone who works for us or with us. This enables us to operate in a mutually beneficial way for colleagues and our communities.

At the heart of Our Code, is our commitment to uphold and contribute positively to advancing internationally recognised human rights standards, which include but are not limited to the United Nations (UN) Global Compact and UN Guiding Principles on Business and Human Rights. Consequently, we take action to ensure colleagues and supply chain workers never knowingly cause or contribute to human rights abuses and are protected themselves through activities such as employment checks, risk-based training, ongoing due diligence, and monitoring of supplier selection and renewal.

Like many other companies, our greatest risk to human rights is within our supply chain. If suppliers receive a high-risk rating relating to the country where they operate and/or the products or services provided via our due diligence checks, we consider appropriate action which may include undertaking a third-party audit to better understand the level of risk and collaborating to raise standards. If suppliers cannot or will not improve, we reserve the right to report the abuse and end the relationship.

In 2025, we conducted 35 on-the-ground site inspections alongside remote worker surveys. The audits spanned workwear as well as the manufacturing of solar panels, battery systems, smart meters and wider electrical products across Cambodia, China, India, Malaysia, Thailand, Tunisia, Turkey and the UK. We did not identify instances of human rights abuses such as modern slavery but found 249 non-compliances across labour as well as health and safety practices. None of the non-compliances were 'business critical'. Improvement plans have been agreed with suppliers and remediation activity identified for 72% of non-compliances, with the remainder subject to ongoing monitoring to ensure remediation during 2026.

Due diligence and monitoring across supplier selection and contract renewal, also ensured compliance with sanctions on Russia during 2025.

Clear guidance on bribery and corruption is additionally provided via Our Code as well as our Anti-Fraud and Anti-Bribery and Corruption (ABC) Statement. As part of our approach, we prohibit any improper payments such as facilitation payments, regardless of value or jurisdiction, and exchange gifts and hospitality responsibly which includes declaring them on a register. Following the introduction of the Economic Crime and Corporate Transparency Act 2023, we also delivered briefings on beneficiary fraud and associated mitigation responsibilities for senior managers during the year, which complemented wider ABC training. A register is additionally used to help record and manage potential or actual conflicts of interest.

In 2025, 97% of colleagues completed annual training on Our Code and confirmed they would uphold its principles. If anyone suspects contravention across matters such as safety, equality, human rights or ABC, an independent and confidential 24/7 Speak Up phone and online helpline is available. During 2025, 236 reports were received via Speak Up which is in line with the external benchmark for a company our size. An additional 226 grievances were raised directly with HR which likewise reflects a culture where colleagues feel able to raise concerns without fear of retaliation. The majority of reports raised across Speak Up and grievance channels, related to interpersonal relations, with each report thoroughly investigated. Periodic monitoring is undertaken quarterly by the Board's Audit and Risk Committee to ensure process and controls remain effective.

Environment

Alongside GHG emissions, we monitor and manage our wider environmental impact (see page 255). During 2025, our water consumption remained relatively consistent with 2024, decreasing by 2% to 348,958m^3. Meanwhile, our waste increased by 39% to 23,109 tonnes. The rise was mainly due to construction of the 30MW Dyce battery storage plant in Aberdeen which is due to be fully operational in 2026.

— **Read more** about our Modern Slavery Statement at **centrica.com/modernslavery**

— **Read more** in our wider reports at **centrica.com/performanceandreports**

Non-Financial and Sustainability Information Statement

In line with the Non-Financial Reporting Directive and Section 414CB of the Companies Act 2006, as amended by the Companies (Strategic Report) (Climate-related Financial Disclosure) Regulations 2022 Companies Act 2006, we have set out where the relevant information we need to report against can be located.

This includes an explanation of the relevant Group policies which relate to the stated matters below, together with an overall summary of their effectiveness, including specific examples of how the policies are implemented alongside due diligence processes conducted and associated outcomes.

Reporting requirement	***Section***
Business model	• Business overview and Our strategic drivers – Pages 14 to 17
Reporting requirement and policy position Our Code sets out our position on key issues by providing a high-level summary of key policies that form the foundation for how we do business. — **Read more** at **centrica.com/ourcode**	**Due diligence and outcome**
Colleagues Our policy states that we work collaboratively to create a workplace that has a respectful and inclusive culture whilst offering fair reward and recognition. We're also committed to working safely and provide proactive support to ensure colleagues' health and wellbeing.	• Chair's statement – Page 5 • Group Chief Executive's statement – Pages 8 to 9 • Our stakeholders – Page 12 • Our Principal Risks and uncertainties: External, regulatory, geopolitical and conduct, People culture and workforce, Safety and asset integrity, and Cyber, technology and resilience – Pages 37 to 39 • People and Planet – Pages 43 to 44, 46 to 47 and 51 to 52 • Key performance indicators (KPIs) – Pages 31, 43 to 44, 46 to 47, 56 and 253 to 255
Environmental matters This policy sets out that we endeavour to understand, manage and reduce our environmental impact. Towards this, we will play our part in the transition to net zero.	• Chair's statement – Page 5 • Group Chief Executive's statement – Pages 8 and 10 • Our stakeholders – Pages 12 to 13 • Our business structure, Our market trends and Our strategic drivers – Pages 15 to 17 • Business review – Pages 26 to 28 • Our Principal Risks and uncertainties: Weather risk, External, regulatory, geopolitical and conduct, Customer, People culture and workforce, Climate change, and Safety and asset integrity – Pages 36 to 39 • People and Planet including TCFD – Pages 45, 47 and 49 to 57 • KPIs – Pages 26 to 28, 31, 45, 47, 54 to 56, 253 and 255
Social matters Our policy states that we will treat all of our customers fairly. As part of this, we strive to provide services and solutions that meet their needs as well as care for customers who need extra support. We also want to make a big difference by helping to create more inclusive and sustainable communities. We partner with community and charity organisations on key issues and inspire colleagues to volunteer and fundraise.	• Chair's statement – Pages 4 and 6 • Group Chief Executive's statement – Pages 7 and 9 to 10 • Our stakeholders – Pages 12 to 13 • Our business overview, Our market trends and Our value drivers – Pages 15 to 17 • Business review – Page 25 • Our Principal Risks and uncertainties: External, regulatory, geopolitical and conduct, Customer, Safety and asset integrity, Cyber, technology and resilience and Third-party and supply chain resilience – Pages 37 to 39 • People and Planet – Pages 44 to 47 • KPIs – Pages 25, 31, 44 to 47, 56 and 253 to 255
Human rights Our commitment to human rights ensures that wherever we work in the world, we respect and uphold the fundamental human rights and freedoms of everyone who works for us or with us, or is a customer of ours.	• Our stakeholders – Pages 12 and 13 • Our Principal Risks and uncertainties: External, regulatory, geopolitical and conduct, People culture and workforce, Safety and asset integrity, Cyber, technology and resilience, and Third party and supply chain resilience – Pages 37 to 39 • People and Planet – Pages 43 and 46 to 47 • KPIs – Pages 43, 46 to 47 and 254 to 255
Anti-bribery and corruption Our policy commits us to working with integrity, within the laws and regulations of all the countries in which we operate and in accordance with recognised international standards. This includes not offering or accepting bribes or other corrupt practices. We will not tolerate any form of bribery or corruption from suppliers or others.	• Our Principal Risks and uncertainties: External, regulatory, geopolitical and conduct – Page 37 • People and Planet – Page 47 • Based on materiality, KPIs specific to anti-bribery and corruption are not reported externally

Task Force on Climate-related Financial Disclosures

Our strategy drives the energy transition forward, helping our customers, communities and our business journey to net zero.

We play a key role in tackling climate change by focusing on providing lower carbon energy, services and solutions. This transition alongside physical climate change, brings risks and opportunities for our business. We follow the Task Force on Climate-related Financial Disclosures (TCFD) framework (see page 57) to effectively disclose our approach to governance, risk management and strategy alongside metrics and targets, in relation to our business' climate-related risks and opportunities. We have achieved full compliance with TCFD since mandatory reporting was introduced in 2022.

Governance

Tackling climate change is core to our Purpose and strategy, which is why governance over climate matters is fully embedded across the business. The Board is supported in its duty to oversee climate-related matters via a series of Board-level and executive-level committees (see page 50). In 2025, climate matters were reviewed by the Board and its Committees at a number of meetings, including all three meetings of the Safety, Environment and Sustainability Committee (SESC), as well as via the Board Strategy Review and Strategic Financial Plan process.

The Board's ability to oversee climate matters relies on strong collective capability. Capability is reviewed annually by the Nominations Committee and supported by an annual Board performance review process to identify strengths alongside improvement areas (see pages 81 to 82). 'Climate change and sustainability' is a key criterion in the Skills Matrix employed, covering climate science, risk, mitigation and stakeholder expectations.

In 2025, over 60% of the Board had climate-related competencies, enabling effective governance (see pages 62 to 66).

To build expertise, climate change continued to be integrated into Board training with deep dives run on the impact of US politics on sustainability, progress of key net zero policies and emerging sustainability regulation. Regular management updates on performance, risks and opportunities, supplemented training for the Board and wider leadership team. As the transition deepens, climate expertise will continue to be strengthened.

Effectiveness in tackling climate change is embedded in remuneration for Executive Directors and colleagues (see pages 86 to 115). We assess performance in tackling climate change or issues arising via two reward schemes:

- **The Annual Incentive Plan** has targets and weightings set annually by the Remuneration Committee and considers progress against our Climate Transition Plan which forms one of 18 metrics, with a total combined weighting of 37.5%; and
- **The Restricted Share Plan** has a three-year vesting and two-year holding period, with the Committee making decisions on targets and performance subject to a performance underpin for the consideration of sanctions, fines, major incidents, poor financial performance, and lack of progress against our Climate Transition Plan or wider sustainability performance.

Listing rule compliance

We have complied with the requirements of UKLR 6.6.6R, by including climate-related financial disclosures that are consistent with the four TCFD pillars and the 11 recommended disclosures that are set out on page 57. Our climate-related financial disclosures additionally comply with the requirements of the Companies Act 2006, as amended by the Companies (Strategic Report) (Climate-related Financial Disclosure) Regulations 2022.

TCFD TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES

Our governance and disclosure approach is guided by our materiality assessment over sustainability topics and the impact this has on our business and stakeholders. The assessment identifies material issues and relevant regulations, enabling management to measure, manage and disclose effectively.

Our climate governance framework

The Board

Has ultimate responsibility for climate change and delegates authority to its Committees

Sets People and Planet strategy and integrates climate considerations into business planning whilst overseeing progress on climate targets and risk management. Approves annual reporting. Chaired by Kevin O'Byrne, Company Chair, with attendance including the Group Chief Executive who has overall accountability for climate change (see pages 59 to 71).

Challenge ↓ ↑ **Report**

Board Committees

Provides challenge and reviews updates from senior leaders, with outputs shared with the Board

Audit and Risk Committee (ARC)
Meets quarterly to review mitigations for Principal Risks like climate change. Oversees process of audits as well as financial statements and non-financial disclosures. Chaired by Nathan Bostock, Independent Non-Executive Director (INED), with a successor to be announced during 2026 (see pages 72 to 80).

Nominations Committee
Meets three times a year to ensure the Board and its Committees maintain the right balance of skills, knowledge and experience including climate-related expertise. Chaired by Kevin O'Byrne (see pages 81 to 82).

Safety, Environment and Sustainability Committee (SESC)
Meets three times a year to support the Board on climate oversight. Responsibilities include approving net zero proposals, monitoring progress, risks and opportunities, reviewing climate-related reporting such as TCFD whilst considering stakeholder views. Chaired by Heidi Mottram, INED, who will be succeeded in 2026 by Amber Rudd, INED (see pages 84 to 85).

Remuneration Committee
Meets four times a year to ensure Executive Directors are appropriately rewarded, factoring progress against the Climate Transition Plan. Chaired by Carol Arrowsmith, INED, and is due to be succeeded by Sue Whalley, INED, in May 2026 (see pages 86 to 115).

Challenge ↓ ↑ **Report**

Centrica Leadership Team (CLT)

Ensures ongoing oversight and challenge on climate strategy

Meets as needed across 11 annual meetings chaired by the Group Chief Executive. Monitors progress on net zero targets, ambitions and Principal Risks. Its sub-committee, the Centrica Investment Committee, reviews investment opportunities for their impact on delivering net zero.

Challenge ↓ ↑ **Report**

Sub-groups

Supports leadership on integrating climate change into strategy

TCFD working group[(1)]
Ongoing engagement led by Group Sustainability with engagement across Group Strategy, Risk, Finance and Reward, to ensure reporting requirements and climate strategy is embedded Group-wide.

Group Risk, Control and Compliance Forum (GRCCF)
Meets quarterly to monitor Group risks, including Principal Risks and controls. Chaired by the Group General Counsel with the Group Chief Financial Officer, Group Chief Risk Officer and business representatives in attendance (see page 33).

(1) Group Head of Sustainability develops and socialises the Company's Climate Transition Plan and related progress, whilst co-ordinating and influencing related activities. Director of Corporate Business Strategy embeds climate change into our strategic planning and investment frameworks. Group Head of Enterprise Risk Management (ERM) integrates climate risk into the ERM Framework. The Group Head of Accounting, Reporting and Tax supports the business to understand the financial impacts of net zero. The Group Head of Reward integrates sustainability targets into remuneration frameworks.

Risk management

Climate change became a Principal Risk in 2021 and remained so in 2025. Climate and other risks are managed through our Enterprise Risk Management (ERM) Framework, ensuring consistent identification, assessment and response. Principal Risks are assessed over 0-5 years, with Emerging Risks feeding into the operational risk identification process and Board strategic planning. A double materiality assessment is undertaken by the Group Sustainability team to help establish what impacts, risks and opportunities (IROs) to test. Key functions across the business input into this process to inform IRO identification, including Group Enterprise Risk to integrate financial impacts.

Climate-related risks are discussed within business unit risk and control meetings, with risks formally considered at the quarterly GRCCF, before being reported up to the CLT and the Board's ARC. This is supported by more detailed climate reports spanning strategy and performance alongside risks and opportunities, shared with the SESC. The Board Strategy Review and Strategic Financial Plan process, further examines external factors such as market, competition, technology and policy alongside strategic plans, enabling the Board to review robustness of strategic proposals and transition plans.

— **Read more** about Risk on pages 32 to 39 and 50

Strategy

Following the initial scenario analysis conducted in 2022, we refreshed our assessment during 2025 in line with best practice to undertake a full update every three years.

The 2025 disclosure is categorised by risk and opportunity type: transition and physical. Given the Group's diversified nature and the resulting uniqueness of transition risks, we have aligned the transition section with our business model, encompassing Retail, Optimisation and Infrastructure, including assets such as Rough which is now in scope due to its potential life extension.

Findings indicate that whilst Centrica faces both transition and physical climate-related risks and opportunities across the Group, we remain well-positioned to manage the transition to a low carbon economy, with an overall net positive outlook across all material risks and opportunities across assessed scenarios (see pages 53 to 54). The outcome is contingent on the successful execution of our strategic plans alongside broader global progress towards net zero.

Net financial benefit

Our modelling suggests an overall net financial benefit for Centrica across material risks and opportunities

Transition risks and opportunities
Retail

To evaluate risks and opportunities for our Retail business, we applied our established in-house model to assess potential positive and negative impacts across key areas. The analysis uses the National Energy System Operator's (NESO's) 2025 Future Energy Scenarios (FES), which contain pathways both above and below 2°C of global warming ('Falling Behind' and 'Holistic Transition' pathways), allowing us to test the resilience of the business under differing rates of decarbonisation. FES provide key assumptions on energy demand, production and use cases, which vary by scenario and timeframe. This allows detailed modelling of potential impacts in the UK and Ireland at the product and commodity level, considering factors such as hydrogen adoption and technology scale-up like EVs. For Ireland, we adapt scenarios to reflect differences – such as a higher proportion of off-grid consumers – whilst keeping the pace of decarbonisation to align with national ambition.

The model covers core business activities included in five-year financial plans, maintaining constant market share and unit margins beyond our plans. This approach enables us to estimate potential gross margin (GM) growth or decline through to 2050, based on the assumption that we deliver our plans and sustain performance levels.

The outcome of our scenario analysis (see page 53) shows an overall net financial benefit across all scenarios assessed, meaning we are well-positioned to respond to transition risks and opportunities as well as physical ones. If warming is limited to 1.5°C, we project a net positive financial impact of 5–10% by 2050 compared to our 2024 Group GM. Meanwhile, in a scenario which leads to 2°C warming, potential gains exceed 10% by 2050. This is because as an integrated energy company, resilience is built into our business model which enables us to adapt to the energy transition at any pace. In any given scenario, the potential for risks to manifest is subject to uncertainty, as are the opportunities and our ability to pivot and capitalise on them.

The key transition risks and opportunities for Retail remain broadly consistent with our 2022 assessment, although there is some variation in scale. The primary transition risk continues to be the gradual phase-out of natural gas for heating which will remain essential until the mid-2030s with an accelerated decline thereafter, affecting British Gas and Bord Gáis Energy. Current scenarios indicate a slower phase-out than previously modelled, which reduces short-term risk.

Since the last analysis, the opportunity from electrification has grown significantly, driven by sectors such as transport and heating. We are confident in our ability to harness these opportunities, supported by systems and capabilities that enable us to transition towards supplying energy, services and solutions for a cleaner future.

For example, we have:

- Restructured around the customer to ensure we deliver tailored and innovative offerings – from our Hive smart thermostat and competitive heat pump performance guarantees to help residential customers save time and money, to our bespoke multi-technology packages that empower commercial customers be more competitive, resilient and advance their net zero ambitions; and
- Equipped our engineers with green skills to meet growing demand for low carbon services and solutions. Against our ambition for 3,000 engineers in the UK and Ireland to have green skills by 2030, we have already cross-skilled 1,900 engineers to deploy technologies like EVs, heat pumps and smart meters via our award-winning training academies.

£35m

Investment in our new state-of-the-art academy and energy transition research lab in Leicestershire – due to open in 2026, the site will strengthen productivity as well as our operational capability and infrastructure needed for net zero

Optimisation

We used our ERM methodology to assess the materiality of risks and opportunities identified through the double materiality process, validating results with high-level quantitative modelling based on NESO's FES view of UK and European markets. Assumptions include delivering our five-year financial plans and maintaining market share.

The analysis indicated that our gas trading and LNG business in aggregate, are inherently resilient across all scenarios, with no material risks identified. Whilst a risk of gas market contraction exists, it is immaterial at the Group level given the relatively limited exposure of our activities in the Optimisation business. The analysis did, however, reveal a material opportunity both in the medium and longer term related to our investment in enabling services such as Power Purchase Agreements (PPAs) alongside energy balancing and storage services as renewable and low carbon generation and production technologies scale-up. In particular, our trading business is well-placed to capitalise on Europe's expanding renewables and storage market, especially under a 1.5°C scenario with projected gains exceeding 10% of GM by 2040. For example, we have 19.5GW of renewable and flexible capacity under management and want to increase this to 30GW by 2030.

Infrastructure

Our Power business strategy is to build a diversified portfolio of power generation, flexibility and storage assets, focusing on contracted and regulated revenues which provide significant resilience to climate-related transition risks and opportunities. We conducted price curve analysis using Aurora's latest 2025 net zero scenario, incorporating commodity and carbon prices across assets with merchant revenue exposure. We reviewed our current portfolio and our future strategy for our power business. The assessment included our battery energy storage systems, gas peakers, Whitegate power station and Nuclear interests, as well as wind and solar beyond contracted periods, which identified no material risks.

Within our Centrica Energy Storage+ (CES+) portfolio, such as the Rough gas storage facility, Easington Gas Terminal and the Isle of Grain LNG Terminal acquired in partnership with Energy Capital Partners during 2025, we assessed potential risks and opportunities through the ERM process whilst working with subject matter experts to determine potential scale. Given the early-stage nature of some technologies and regulatory frameworks, we mapped internal scenarios to temperature pathways, supported by NESO's assumptions. In a <2°C scenario (High Hydrogen), we identified a significant long-term opportunity to convert Rough and Easington for large-scale hydrogen storage and production, with a positive impact of 5–10% in operating profit by 2050 compared to a baseline natural gas storage extension scenario. This redevelopment depends on government support, without which this opportunity would not transpire, but we remain ready to invest and enhance the UK's low carbon energy security.

Additional opportunities exist within our Infrastructure business, such as converting Morecambe gas fields into a world-class carbon storage facility. As this is contingent on government decisions regarding carbon capture and storage development in the UK, current uncertainty means it is too early to model.

We have taken steps to safeguard our infrastructure business from transition risks. This includes streamlining the portfolio in recent years and divesting Spirit Energy's interests in the Cygnus gas field and other producing assets in the Greater Markham Area and Southern North Sea, which is expected to complete in 2026. These actions reduce potential transition risks for the Group and allow us to focus on opportunities.

Physical risks and opportunities

Across the Group, physical risks and opportunities were assessed and largely considered 'low' in impact over the near and long term. We reviewed acute risks related to short-term events such as wave height and flooding, as well as chronic risks arising from long-term climate shifts like sea level rise or sustained heatwaves. These assessments utilised recognised external tools, like the WRI Aqueduct platform, to model different timeframes and temperature scenarios. Assessment focused on assets more exposed to physical risks across Infrastructure, spanning CES+, Spirit Energy and Power.

Low risk was confirmed using UK Met Office scenarios from 2024 which predict minimal sea level rise where we operate, reducing the likelihood of production disruption at our offshore and coastal assets, even under extreme conditions. The Isle of Grain LNG Terminal was found to be exposed to flooding although its comprehensive flood defences are designed to offer resilience until at least 2070. As with our previous assessment, the only potential material risk identified was reduced heating demand under an extreme >4°C warming scenario by 2050. This is, however, partly offset by higher cooling demand which creates a natural hedge against many transition risks.

Supply chain risk was reassessed and remained 'low' in significance, effectively managed through supplier engagement, hedging strategies and collaboration. In 2025, 47% of our strategic suppliers completed our assessment. As with our previous analysis, over 90% of responders had resilience plans in place to mitigate risk, reporting storms and extreme weather as the most likely disruptive events. Additional analysis was undertaken to confirm the resilience of our Services business against severe climate-related disruption events that could delay the supply of critical product components, concluding that the overall risk to the Group remains low.

Our asset impairment analysis was refreshed using price forecasts aligned to a <2°C scenario. Some assets were identified as exposed and therefore subject to testing. The Nuclear analysis (excluding Sizewell C) indicated a possible positive impact with an impairment write-back of £157m as net zero forecasts exceeded the impairment base-case baseload power prices. For gas peaking power stations, solar and battery assets, impact was considered relatively low, with potential impairment to rise by £50m due to lower forecast profit capture in the net zero forecasts. With announced Spirit Energy Exploration & Production gas field disposal, the assets are no longer materially sensitive to net zero scenarios. See Notes 3 and 7 for climate-related impacts on financial reporting judgements.

Summary of our most material risks and opportunities

Materiality ● 0-5% (low) | ● 5-10% (medium) | ● >10% (high)

↑ Potential positive financial impact | ↓ Potential negative financial impact

In the analysis which spans over 95% of the Group, the following Retail, Optimisation and Infrastructure tables include our most material risks and opportunities. Whilst less material than all other key risks in the long term, we have also included our material Physical risk which is in our Retail business as it's important to transparently show the impact of Physical risk on GM. Materiality is based on Group GM which has been used for the analysis of all opportunities and risks, aside from the opportunity to convert Rough which uses operating profit to better reflect the nature of the asset (see page 54). 2024 values have been employed for both GM and operating profit, given this was the most recent period available when undertaking the assessment in 2025. Both well-below and well-above 2°C scenarios for global warming have been used to demonstrate the spectrum of rapid and slow progress on climate change in our key markets, and the impact this may have on our business. All listed 'opportunities' result in a potential positive impact on our financials whilst all listed 'risks' correlate to a potential negative impact on the Group. For example, Retail concludes with an overall positive net financial benefit for that part of the Group across all climate scenarios and time periods assessed, whilst significant positive financial impacts are also reported via opportunities in both Optimisation and Infrastructure.

Retail

Climate-related trend	Potential impact		Materiality (versus 2024 GM) 2030	2040	2050	Strategic response
Transition away from fossil fuelled heating (TCFD category: Transition – Policy, Markets and Technology)	**Risk:** Reduced GM from the sale and servicing of natural gas residential boilers and commercial combined heat and power (CHP) units	>2°C	↓ (low)	↓ (low)	↓ (low)	Strengthen market share in heating installations and sustain our position as the leading provider of heating solutions across the UK and Ireland.
		1.5°C	↓ (low)	↓ (medium)	↓ (high)	
Growth in low carbon heating market (TCFD category: Transition – Policy, Markets and Technology)	**Opportunity:** Increased sales and servicing of electric and hydrogen fuelled heating systems, alongside associated opportunities in fabric upgrade including insulation	>2°C	↑ (low)	↑ (low)	↑ (low)	Continue to focus on delivering our ambition for 20,000 heat pump sales per year by 2030, whilst building bespoke propositions for electric heating.
		1.5°C	↑ (low)	↑ (low)	↑ (low)	
Transition away from natural gas and energy efficiency (TCFD category: Transition – Policy, Markets and Technology)	**Risk:** Reduced GM from the sale of natural gas and growth in energy efficiency	>2°C	↓ (low)	↓ (medium)	↓ (high)	Aim to grow customer numbers in the UK and Ireland energy supply by introducing innovative tariffs and add-ons that enable the transition to low carbon energy.
		1.5°C	↓ (medium)	↓ (high)	↓ (high)	
Growth in low carbon heating market (TCFD category: Transition – Policy, Markets and Technology)	**Opportunity:** Increased sales of electricity and clean gas for heating	>2°C	↑ (medium)	↑ (medium)	↑ (high)	Positioned with systems and capabilities to capture rising demand and deliver tailored energy propositions, with ambition to have 33% of customers engaged in green or flexible energy in the UK by 2030.
		1.5°C	↑ (medium)	↑ (high)	↑ (high)	
Growth of EV transport market (TCFD category: Transition – Markets)	**Opportunity:** Access to new and growing value pools related to EV charging installations, operation and maintenance, as well as energy supply	>2°C	↑ (low)	↑ (high)	↑ (high)	Strategy to capture growing electricity demand from EVs, offer bespoke solutions including demand-side response via Hive, and achieve our ambition to connect 5m devices to the Hive platform by 2030.
		1.5°C	↑ (medium)	↑ (high)	↑ (high)	
Growth in demand for renewable energy (TCFD category: Transition – Energy Source)	**Opportunity:** Growth in behind-the-meter solar and battery markets, driven by decarbonisation and flexible services	>2°C	↑ (low)	↑ (low)	↑ (low)	Positioned to support home generation solutions like solar and battery storage via the Hive platform and Bord Gáis Energy in Ireland, whilst serving the commercial sector with multi-tech solutions to help reduce energy costs and achieve energy independence.
		1.5°C	↑ (low)	↑ (medium)	↑ (medium)	
	Retail net position across material risks and opportunities	>2°C	↑ (medium)	↑ (high)	↑ (high)	Analysis indicates a net financial benefit for the Group across all scenarios, supported by our strategic plans, portfolio and capabilities.
		1.5°C	↑ (medium)	↑ (high)	↑ (medium)	
Rising mean temperatures (TCFD category: Physical Chronic)	**Risk:** Reduced sales of natural gas and electricity for heat (less material than all other key risks but included for transparency as our only material Physical risk)	>4°C	↓ (low)	↓ (low)	↓ (medium)	Strategic aim to grow UK and Ireland energy supply and home services, including selling cooling technology.
		<2°C	↓ (low)	↓ (low)	↓ (low)	

Materiality ● 0-5% (low) | ● 5-10% (medium) | ● >10% (high)

↑ Potential positive financial impact | ↓ Potential negative financial impact

Optimisation

Climate-related trend	Potential impact		Materiality (versus 2024 GM)			Strategic response
			2030	2040	2050	
Growth in demand for renewable energy (TCFD category: Transition – Energy Source)	**Opportunity:** Growth in renewable and low carbon generation and production technologies, alongside the need for enabling services such as PPAs, balancing services and battery storage	>2°C	↑	↑	↑	Established renewable energy trading and optimisation capability with PPAs across Europe, managing 15.7GW of renewables and 3.8GW of flexible assets across 13 markets, with the ambition for 30GW of third-party assets under management by 2030.
		1.5°C	↑	↑	↑	

Infrastructure

Climate-related trend	Potential impact		Materiality (indexed against 2024 operating profit)			Strategic response
			2030	2040	2050	
Growth in demand for renewable energy (TCFD category: Transition – Energy Source)	**Opportunity:** To convert Rough gas storage facility to store hydrogen and produce hydrogen at scale[1]	<2°C	↓	↑	↑	Depending on government support, we are ready to invest in transforming Rough to store hydrogen and advancing plans to deliver 3GW of hydrogen production capacity at Easington Terminal, enabled via Humber Hydrogen Hub partnerships.

(1) An operated joint venture structure has been assumed for the conversion of Rough. Materiality is indexed against operating profit instead of GM to better reflect investment levels required for redevelopment and depreciation over the asset's lifetime. Materiality illustrates the within year difference between a natural gas storage scenario which serves as the baseline, with a hydrogen storage scenario which represents the <2°C scenario.

All scenarios showed significant market disruption as the energy transition progresses, requiring adaptability. We note, however, that long-term scenarios involve significant uncertainties and dependencies, particularly relating to the development of supportive government policy as well as the development and take-up of new and existing technologies, which should be considered when reviewing insights from the analysis.

To seize the opportunities presented by the energy transition, our investment strategy is targeting £4bn in total from 2023–28, with over 50% for green projects. This is a big rise from less than 9% in 2022. To align investment with our net zero targets, we have a net zero guardrail in our Board-approved investment framework. This involves the Group Head of Sustainability being a member of the Centrica Investment Committee, and the Group Sustainability team reviewing all investment proposals for impact as well as attributing 'green' classification.

Meanwhile, our internal carbon price is used as relevant, to guide commercial decisions aligned with our Climate Transition Plan (see page 55) – from bidding in the energy market auction for new assets and PPAs, to hedging in a way that supports fuel mix decarbonisation.

Metrics and targets

We have a best practice approach to GHG reporting and setting climate targets. In line with TCFD, we disclose metrics, targets and ambitions relevant to our business and stakeholders, enabling effective management and mitigation.

Our metrics cover global GHG Scope 1, 2 and 3 emissions alongside energy consumption (see page 55). Following a decrease in emissions from LNG shipping, power generation and gas production in 2025, our Scope 1 and GHG intensity reduced. Scope 2 emissions rose mainly as a result of higher electricity demand from new battery storage systems becoming operational and increased EV fleet activity. Scope 3 emissions reduced largely due to the zero carbon content of our electricity fuel mix increasing. Total GHG emissions and energy use KPIs have undergone annual limited external assurance since 2012.

Our targets introduced in our People & Planet Plan are focused on being a net zero business by 2040 and helping our customers be net zero by 2050 (see page 45). Based on science[1] and aligned with the Paris Agreement, they support UK and EU net zero targets. Our business target achieves net zero ahead of a 1.5°C pathway whilst our customer target aligns with a well-below 2°C pathway in the short term and 1.5°C in the long term. Within the trajectory of our customer target, we have needed to reflect the slower than expected pace of heating decarbonisation. Across our targets, we will responsibly manage hard-to-remove residual emissions which are expected to be significantly less than 10% of our emissions in the 2040s, with our carbon trading team executing high-quality removal projects like tree planting.

(1) We cannot progress Science Based Target initiative (SBTi) validation due to ongoing delays in Oil and Gas guidance, which the SBTi believes applies to us.

Our targets receive limited external assurance on a rotational basis every three years and in 2025, we remained on track with both our customer and business net zero targets (see page 45).

Our ambitions set out in our Climate Transition Plan (see right) advance progress towards our People & Planet net zero targets, addressing key risks and opportunities. They are embedded into budgets, business plans and accounting assumptions. Most of our climate ambitions are on track (see page 56). We have, however, revised our ambition for a zero emission van fleet by 2030 due to continued slow growth in public EV rapid charging infrastructure and the risk charging delays pose to customer service. From 2026, we will instead work towards a zero emission van order book by 2030 which remains aligned with best practice and national targets.

Although our metrics, targets and ambitions relate to our most material climate-related risks and opportunities, we also track less material environmental metrics such as water and waste (see pages 47 and 255). Our reporting will evolve in line with best practice.

Climate Transition Plan

We published our updated Climate Transition Plan at the start of 2025 to go further and faster towards net zero, whilst increasing transparency around the steps we intend to take.

In line with best practice, we provide a full update on our Climate Transition Plan every three years. In our latest Plan, we accelerated our target to be a net zero business by 2040 (five years earlier than planned) and maintained our target to help our customers be net zero by 2050. We also created a new suite of expanded climate ambitions to drive meaningful progress towards our targets over the next five-to-ten years – from connecting 5m devices to the Hive platform by 2030, to supplying 100% renewable or zero carbon power in the UK and Ireland by 2030 (see page 56 for a full list of our ambitions).

We continue to engage government, partners, investors, customers and others, to ensure we maintain an open dialogue on the considerations needed for net zero. This approach will ensure we don't leave anyone behind as we journey to net zero.

93.44%

Shareholder advisory approval rate achieved at the Annual General Meeting in 2025

— **Read more** about our Plan at **centrica.com/climatetransition**

Our energy use and GHG emissions	**2025**	2024
Total GHG emissions (Scope 1 and 2)(1)	**1,580,933tCO_2e(2) †**	1,732,328tCO_2e(3), (4)
Scope 1 GHG emissions	**1,571,517tCO_2e(5) †**	1,725,987tCO_2e(3), (6)
Scope 2 GHG emissions	**9,415tCO_2e(7) †**	6,341tCO_2e(3), (8)
Scope 3 GHG emissions(9)	**18,294,835tCO_2e**	21,860,510tCO_2e
Total GHG intensity by revenue(10)	**81tCO_2e/£m(11)**	87tCO_2e/£m(12)
Total energy use	**7,177,638,803kWh(13) †**	7,925,163,679kWh(14)

Read more about our performance on pages 45 and 54. Reporting practices for environmental metrics are drawn from the WRI/WBCSD Greenhouse Gas Protocol and Defra's Environmental Reporting Guidelines. Reporting is additionally based on operator boundary which is the more commonly used approach for reporting environmental matters, and includes all emissions from our shipping activities relating to LNG alongside the retained Spirit Energy assets in the UK and Netherlands. Non-operated nuclear emissions are excluded.

† Included in DNV's independent limited assurance report. See page 253 or centrica.com/assurance for more.

(1) Comprises Scope 1 and Scope 2 emissions as defined by the Greenhouse Gas Protocol.

(2) Comprises UK 604,640tCO_2e and non-UK 976,293tCO_2e.

(3) Restated due to availability of improved data.

(4) Comprises UK 579,094tCO_2e and non-UK 1,153,234tCO_2e.

(5) Comprises UK 595,709tCO_2e and non-UK 975,808tCO_2e.

(6) Comprises UK 572,985tCO_2e and non-UK 1,153,002tCO_2e.

(7) Market-based, comprises UK 8,931tCO_2e and non-UK 485tCO_2e. Sum of constituent parts does not align with total due to rounding. Location-based is 16,492tCO_2e.

(8) Market-based, comprises 6,109tCO_2e and non-UK 232tCO_2e. Location-based is 17,347tCO_2e.

(9) Includes emissions from the following Scope 3 categories defined by the Greenhouse Gas Protocol: purchased goods and services, capital goods, fuel and energy related activities, waste generated in operations, business travel, employee commuting, upstream and downstream transportation and distribution, use of sold product and investments. All emissions are calculated in line with the methodologies set out by the Greenhouse Gas Protocol's technical guidance, apart from working from home emissions which are based on methodology set out in EcoAct's homeworking emissions whitepaper. Other categories spanning upstream leased assets, processing of sold products, end-of-life treatment of sold product, downstream leased assets and franchises, are not included because they are not relevant to our business.

(10) Carbon intensity of revenue is employed as our intensity measure because it is the most meaningful intensity measure for our diverse business and is the most widely used and understood measure for climate-related stakeholders such as CDP. Based on statutory revenue.

(11) Comprises UK 38tCO_2e/£m and non-UK 266tCO_2e/£m.

(12) Comprises UK 36tCO_2e/£m and non-UK 314tCO_2e/£m. Non-UK value has been restated due to availability of improved data.

(13) Comprises UK & Offshore 2,006,825,467kWh and non-UK energy use 5,170,813,337kWh.

(14) Comprises UK & Offshore 1,812,987,689kWh and non-UK energy use 6,112,175,991kWh. Sum of constituent parts does not align with total due to rounding.

Our climate transition dashboard – progress against our Climate Transition Plan

Includes our net zero targets, supported by our climate ambitions

2025 Progress against targets and ambitions:
● On track | ● Behind

Targets and ambitions[(1)]	***2025 Progress***
Help our customers be net zero by 2050 (28% GHG intensity reduction by 2030)	**18% reduction**
5m devices connected to the Hive platform by 2030	3.0m
20,000 heat pumps sold to customers per annum by 2030	2.4k
80% of electricity customers with access to smart services in the UK by 2030[(2)]	69%
33% of customers engaged in green or flexible energy in the UK by 2030	19%
100% supply of renewable or zero carbon power in the UK and Ireland by 2030	90%
3,000 engineers with green skills in the UK and Ireland by 2030	1.9k
Be a net zero business by 2040 (50% GHG reduction by 2032)	**25% reduction**[†]
Net zero baseload power generation by 2034–39	–[(3)]
Net zero gas production by 2035	
Net zero gas storage by 2035	
Net zero LNG shipping by 2035	
Zero emissions vehicle fleet – Cars: 100% by 2026	91%
Zero emissions vehicle fleet – Vans: 100% by 2030[(4)]	33%
Over 50% green investment from 2023-28	49%

† Included in DNV's independent limited assurance report. See page 253 or centrica.com/assurance for more.

(1) Climate ambitions listed were introduced via our updated Climate Transition Plan published in 2025 (see page 55). They replace the previously reported ambitions set out in our first Climate Transition Plan published in 2021, which were reported against for the last time in our Annual Report and Accounts 2024. As this is the first year of reporting against our new ambitions, prior year 2024 performance is not available across the full suite. 2024 performance where available and where previously reported includes: Customer net zero target GHG intensity: 10% reduction, heat pumps sold: 3.2k, business net zero target GHG reduction: 18%, zero emission car fleet: 83%, zero emission van fleet: 32%, and green investment: 37%. With the introduction of our new ambitions, it's worth noting that our previous heat pump ambition has been extended from 2025 to 2030 - this better reflects the pace of heat decarbonisation and heat pump adoption as we seek to grow our share of the addressable heat pump market whilst building in appropriate stretch. The glidepath trajectory for ambitions is not linear as they were modelled around the expectation that demand would increasingly grow, resulting in accelerated delivery as we near the target date.

(2) Working electricity smart meter.

(3) Progress is not measured quantitatively. Progress is instead measured through a range of factors including operational efficiencies as well as the development of policies, permits, licences, technology and partnerships needed to achieve net zero by the ambition date. A summary of 2025 progress is as follows. Power generation ambition: We are evaluating emerging decarbonisation technologies at Whitegate power station including the role of ammonia and hydrogen production. Gas production ambition: Spirit Energy has met milestones for emissions reduction. Gas storage ambition: Engagement with government on Rough redevelopment for hydrogen storage and production continues. LNG shipping ambition: Efficiency upgrades of long-term chartered vessels has resulted in exceeding the efficiency improvement milestone for 2025.

(4) The ambition for our van fleet will be revised in 2026 to focus on having a zero emission van order book by 2030. Progress will be reported against the revised ambition in our Annual Report and Accounts 2026 (see page 55).

Task Force on Climate-related Financial Disclosures

The table below sets out the 11 TCFD recommendations and where the related information can be found.

— **Read more** about each of these areas in our Climate Transition Plan at **centrica.com/climatetransition**

Recommendation	***Recommended disclosure***	***Pages***
Governance	a) Describe the Board's oversight of climate-related risks and opportunities	• Pages 5, 8, 12, 49 to 50 and 59 to 71
	b) Describe management's role in assessing and managing climate-related risks and opportunities	• Pages 49 to 51, 54 to 55, 71 to 82 and 84 to 107
Risk management	a) Describe the organisation's processes for identifying and assessing climate-related risks	• Pages 32 to 34 and 50 to 54
	b) Describe the organisation's processes for managing climate-related risks	• Pages 32 to 34, 36 to 39 and 51
	c) Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organisation's overall risk management	• Pages 32 to 34, 36 to 39 and 51
Strategy	a) Describe the climate-related risks and opportunities the organisation has identified over the short, medium, and long term	• Pages 51 to 55, 144 to 148 and 155 to 159
	b) Describe the impact of climate-related risks and opportunities on the organisation's businesses, strategy, and financial planning	• Pages 51 to 55, 144 to 148 and 155 to 159 • CDP 2025 submission centrica.com/CDP25
	c) Describe the resilience of the organisation's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario	• Pages 51 to 55
Metrics and targets	a) Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process	• Pages 51 to 56 • Data centre at centrica.com/datacentre
	b) Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 GHG emissions, and the related risks	• Pages 51 to 55
	c) Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against targets	• Pages 45 and 54 to 56

The Strategic Report has been approved by the Board and signed on its behalf by:

Raj Roy
Group General Counsel
& Company Secretary
18 February 2026