Workforce Disclosure Initiative

WDI Survey 2024

Centrica

COMPANY DETAILS

Reporting period

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

01 January 2023

Question Number	Question Text	Question Tier	Privacy setting of Answer	Scoring Information	Answer Criteria
	End date		Mandatory Public		0

31 December 2023

1   GOVERNANCE

Governance structure and management

Question Number	Question Text	Question Tier	Privacy setting of Answer	Scoring Information	Answer Criteria

| 1.1 | Which workforce-related topics are subject to Board level oversight (Board members and committees), if any? Select all that apply. | F | Mandatory Public | | Yes/No |

All of the following items will be selected via the online submission.

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

| 1.2 | Identify the Board members and committees and/or executive management positions with governance responsibility for workforce matters in the company's direct operations and supply chains. State their remit of responsibility. | F | Mandatory Public | | 150 word limit |

The Board comprises of two Executive Directors (CEO and CFO) alongside nine Non-Executive and Independent Directors, and the Chair. The Board ultimately has responsibility for agreeing strategy proposed by HR/others on workforce matters and holding them to account. They're supported by a number of Committees and forums, principally the Safety, Environment and Sustainability Committee (SESC) and Centrica

Leadership Team (CLT). Together, they review attraction and retention of workers, human resources, diversity, equity and inclusion (DE&I), training and development, worker engagement, forced labour/trafficking/modern slavery, human rights, mental health, occupational health and safety (H&S), responsible sourcing, grievances and whistle blowing. The latter two also go to the Audit and Risk Committee who additionally review compliance and risk whilst the Remuneration Committee predominantly covers wage levels and pay equity. Meanwhile, the Nominations Committee reviews senior attraction and retention for succession planning.

1.3	Describe how information on workforce matters is integrated into governance processes, and how this informs company strategic planning.	F	Mandatory Public		250 word limit

The Board has overall responsibility for and regularly reviews workforce matters. Members sit on people-focused Committees to optimise collaboration with leaders and inform strategic decisions. Workforce strategy and performance are primarily managed via triannual SESC meetings and around eight CLT meetings a year. Progress against our People & Planet Plan together with plans to achieve them are reviewed. At least annually, SESC and CLT reviews and approves the forward business schedule for the year, comprising of priority areas and standing items like engagement, H&S, training, DE&I and responsible sourcing, proposed by leaders from Responsible Business, Responsible Sourcing, Talent, Resourcing, Reward, Learning and Employee Experience amongst others, with the Group Chief People Officer and Group General Counsel and Company Secretary overseeing. SESC also receives reports from Internal Audit and Risk on adequacy of systems to identify and manage people-related risks and opportunities, whilst tabling key areas of focus like human rights and skills, with any pertinent issues including action against modern slavery recommended for Board consideration. The Board additionally receives minutes, actions and updates from wider Committee Chairs to assist overseeing key issues like DE&I, remuneration and incentives. The Nominations Committee further assists the Board with succession planning. Workforce divisions report these stated issues to the stated bodies and challenge performance or areas of improvement. Through good governance like this, we've the right strategic planning in place to add value to our business model which ensures we can deliver on our purpose: to energise a greener, fairer future.

1.4	How does the company ensure those with governance responsibility (identified at Q1.2), posses, or have access to, sufficient expertise on workforce matters, such as those identified at Q1.1? Provide one example of how the	F	PUBLIC		250 word limit

	company has ensured sufficient expertise for those with governance responsibilities.				

It's vital for the Board to have workforce expertise that's regularly refreshed and updated. This enables them to understand and champion the needs of colleagues. Workforce engagement is a shared responsibility across the Board, so expertise is assessed annually and during recruitment, including reviewing past employment history as well as consulting on knowledge/establishing gaps. Training and an annual engagement plan is then established. During 2023, Board members travelled to sites including Easington Terminal, Brigg and Park House, to meet colleagues and understand their working environment as well as any concerns. Board members and business leaders also host listening sessions with colleagues on key issues like DE&I, and receive insight via quarterly engagement surveys which includes KPIs to track how colleagues feel about leadership and whether they feel their voices are heard/acted upon. The Board are additionally supported by our Shadow Board of diverse colleagues who serve a 24-month term and regularly meet leaders to share views and ensure colleague-centric outcomes. Our Joint Council comprised of union leaders and our leaders, further ensures key concerns/developments are discussed collaboratively. To safeguard Board effectiveness on workforce and wider matters, in line with the UK Code, we run an annual Board Evaluation Review which is facilitated by an independent third party every three years. The 2023 evaluation highlighted areas for action for 2024 including additional training on AI alongside global insights into the supply chain. The Chair, informed by the Nominations Committee, is also responsible for Board training and discusses needs with each Director.

Performance incentives

Question Number	Question Text	Question Tier	Privacy setting of Answer	Scoring Information	Answer Criteria
1.5	How does the company assess and incentivise the performance of those with governance responsibility (identified at Q1.2) for workforce matters, such as those identified at Q1.1? Include relevant KPIs and weighting in compensation or remuneration schemes.	F	PUBLIC		250 word limit

Our governance structure enables the effective evaluation of performance which is reflected in remuneration arrangements. The Board and its Committees regularly review and challenge progress against KPIs and targets across key issues including DE&I (e.g. gender parity 2030 goal), engagement, HSE (e.g. process safety), Our Code compliance and modern slavery incidence. To ensure the Board and its Committees operate effectively, a performance evaluation is conducted to assess how they've discharged their duties and associated company performance annually, with an externally facilitated evaluation every third year. Feedback on individual Directors is generally flowed into the annual review process. The 2023 independent assessment concluded that the Board and its Committees operate effectively, with actions agreed to deliver continuous improvement such as further training to ensure appropriate understanding of new and emerging issues. The remuneration plan for Executive Directors is tied to short and long-term performance incentives across a range of balanced scorecard metrics like engagement, safety and the transition to net zero. The Annual Incentive Plan has targets and weightings allocated annually by the independent Remuneration Committee, whilst the Restricted Share Plan has a three-year vesting period and a two-year holding period with the Committee making decisions on targets and performance that are subject to a performance underpin to ensure consideration of any sanctions or fines and/or a major safety incident, alongside progress against broader ESG KPIs. Where relevant, performance is embedded in wider leadership objectives, with associated compensation arrangements. This approach ensures we drive progress and accountability across ESG.

Delegating authority				

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

The Board and Group Chief Executive Officer has overall responsibility for business strategy which encapsulates workforce matters. To discharge duties effectively, delegated authority is given to relevant Committees - primarily the SESC but also the CLT, Audit and Risk, Nominations and Remuneration Committees. The SESC reviews and recommends the Group sustainability strategy, key initiatives, new commitments and policies for approval. SESC additionally monitors progress relating to areas like our People & Planet Plan goals or modern slavery prevention. Our Group

Chief People Officer is key in overseeing the management of workforce issues, including setting policies and procedures. She consults and briefs her People Leadership Team, who in turn have responsibility for embedding policies and procedures as well as advancing action on projects to better support colleagues. Involved teams cover a spectrum of specialisms needed to advance progress – from Reward, Procurement and Learning & Development, to Internal Communications and DE&I. Collaboration is also sought beyond the People function as needed, including with the VP for Business Ethics, H&S and Financial Risk. Leaders receive training to support their teams to deliver effectively, overseeing their day-to-day management alongside conducting quarterly performance reviews. Leaders also flag and monitor associated risks and opportunities via the Enterprise Risk & Controls team. Information and activities applicable to colleagues are cascaded via a variety of methods depending on nature and audience, spanning communications from leaders on email, team meetings and all-company townhalls, or via policy updates, internal news articles and online modular training.

Question Number	Question Text	Question Tier	Privacy setting of Answer		Answer Criteria
1.7	Does the company have a public commitment to respect all internationally recognised human rights that is approved at Board level? Provide a link to or attach the relevant public documents. If the company does not have the commitment, explain why not and any plans to adopt one, including an expected date for publication.	F	Mandatory Public		150 words

Our Code of conduct sets out our approach to human rights which is aligned to internationally recognised standards that are approved by the Board.

- Our Code

Question Number	Question Text	Question Tier	Privacy setting of Answer		Answer Criteria
1.8	Does the company have a public commitment to prohibiting, identifying, and preventing forced labour, modern slavery and human trafficking in its operations and value chain? Provide a link to or attach the relevant public documents. If the company does not have the	F	Mandatory Public		URL/doc upload 150 words

	commitment, explain why not and any plans to adopt one, including an expected date for publication.				

Our Code of conduct sets out our approach to prohibiting, identifying and preventing forced labour, modern slavery and human trafficking in our direct operations as well as our wider value chain at www.centrica.com/ourcode. Our annual Modern Slavery Statement supports Our Code and provides further information on our approach and ongoing commitment on this important issue at www.centrica.com/modernslavery.

1.9	Does the company have a public commitment to provide a remedy where it has caused or contributed to adverse human rights impacts affecting/linked to its business operations and relationships? Provide a link to or attach the relevant public documents. If the company does not have the commitment, explain why not and any plans to adopt one, including an expected date for publication.	F	Mandatory Public		150 words

We have a public commitment to provide remedy where we may have directly or indirectly contributed to adverse human rights impacts. This commitment is available in Our Code of conduct and our Modern Slavery Statement. Available at: www.centrica.com/ourcode and www.centrica.com/modernslavery.

2   RISK ASSESSMENT AND HUMAN RIGHTS DUE DILIGENCE

Human rights and due diligence

Question Number	Question Text	Question Tier	Privacy setting of Answer		Answer Criteria

2.1	Does the company conduct regular human rights due diligence to identify, prevent, mitigate and account for human rights risks and adverse impacts?	F	Mandatory Public		Yes/No

Yes

2.1a	If yes, provide more information (see guidance for what to include).	F	Mandatory Public		250 word limit

We conduct due diligence to identify, prevent, mitigate and account for human rights impacts, with processes aligned to ILO core conventions, UN Guiding Principles on Business and Human Rights and OECD Guidelines for Multinational Enterprises. Diligence spans direct operations, suppliers and business partners. Risks are aggregated at Group with analysis typically occurring at business unit (BU) and project level quarterly. In direct operations, we've a low level of risk with robust policies, processes and practices, including checks on the right to work. We focus effort on supply chain where the risk is greater. We use third party supplier sustainability management platforms alongside country and commodity risk rating tools, to undertake due diligence in line with our Responsible Sourcing Policy during onboarding and subsequent evaluations. If a supplier is flagged higher risk, we undertake a site inspection or remote worker survey. Findings are shared with relevant personnel to determine appropriate action, like collaborating to create corrective action plans or terminating our relationship and reporting the abuse. Procurement may also flag risks with relevant risk teams and commercial leaders, including the Board, who may request a deep dive session. To support the process, higher risk teams receive targeted human rights training whilst all colleagues undertake Our Code training which is reviewed annually. KPIs track effectiveness such as completion of training, number of grievances and audits. We see positive outcomes including audits identifying 142 non-compliances in 2023 that were addressed via corrective action plans to raise labour standards. See more: [Modern Slavery Statement](#).

Risks and Opportunities					

Question Number	Question Text	Question Tier	Privacy setting of Answer		Answer Criteria

| 2.2 | Describe the company's process for identifying and assessing workforce risks and opportunities in its direct operations. Include how the company's human rights due diligence activities inform the process. | F | PUBLIC | | 250 word limit |

Identification and assessment of risks and opportunities (R&O) are captured via risk registers and managed through the Enterprise Risk Management Framework (ERM) which addresses 0-3-year risks, with longer term risks typically assessed via Board strategic planning. R&O are assessed at BU level with subject matter experts incorporating stakeholder feedback (e.g. trade unions, customers, colleagues) to determine impact, likelihood and mitigating controls. As we operate in accordance with human rights law, we identified some human rights risks including modern slavery. Day-to-day ownership sits with business management, with BU and Group R&O discussed quarterly at the Group Risk and Controls Review, chaired by the Chief Risk Officer and CLT as needed. BU and Group risk profiles then undergo a further deep dive at the Board's Audit & Risk Committee. The Board reviews risk in its strategy review and assesses the Company's Principal and Emerging risks whilst approving the Principal Risk and Uncertainties disclosure (centrica.com/ar23, p28-37). Annually we evaluate our System of Risk Management and Internal Control, which is supported by an annual certification of controls and adherence to Group policies by senior management. We continually evolve our people strategy to seize strategic opportunities. As part of this, the Board approved our People & Planet Plan to energise a more sustainable and inclusive future in 2021. This involved Responsible Business and business leaders, undertaking a materiality assessment based on internal and external feedback via interviews and research, to target areas of greatest importance.

| 2.3 | Describe the company's process for identifying and assessing workforce risks and opportunities in its value chain, if different from Q2.2. Include how the company's human rights due diligence activities inform the process | F | PUBLIC | | 250 word limit |

The same process in Q2.2 applies for the supply chain in identifying and assessing workforce R&O, funnelling identified R&O into the Group's ERM process. However, certain processes to identify and reduce risk whilst maximising opportunities, are pertinent to share. For example, we continuously risk rate suppliers using a country and sector risk segmentation tool that considers the product or service being offered alongside any risks like human rights. Suppliers identified as potentially medium or high risk undergo an enhanced risk assessment which considers their sustainability standards, including labour and workers' rights. Suppliers that continue to be categorised as high risk receive a site visit or remote worker survey from a third-party auditor, to review human rights, labour and H&S practices. During the process, workers are observed and any contacts made are considered in the assessment. If the supplier fails to meet our standards, we may collaborate to raise standards or terminate

our relationship. Results are communicated via the auditor and corrective action plans are tracked by Procurement Managers. Outcomes are shared at least annually at SESC ahead of publication of our Modern Slavery Statement. We also harness the expertise of third-party stakeholders like the Slave Free Alliance, to gain insight into potential human rights issues and strengthen processes. The Director of Global Business Services, Risk and Control, has responsibility for ensuring a responsible supply chain and embedding this commitment via Procurement Managers. Procurement Managers receive targeted training to identify R&O in ongoing engagements.

2.4	Identify three workforce opportunities for the business relating to the company's direct operations and/or supply chain.	F	Mandatory Public	
Business opportunities *(Please note row headings cannot be edited nor rows added)*	**Category of opportunity (select one)**	**Description (25 words)**	**More details (150 words)**	
Opportunity 1	- Diversity & Inclusion	To build a more sustainable future, we need a diverse mix of people and skills, where everyone feels welcome and able to succeed.	Achieving net zero is a big challenge and to get there, we need the best team – a diverse mix of people and skills, where different thoughts and ideas can come together, to create innovative solutions that meet the needs of our customers and the energy transition. That's why we're focused on reflecting the full diversity of the communities we serve by 2030. By advancing our culture of inclusion and targeting greater representation, we're confident we can attract, promote and retain more diverse talent, who feel motivated, engaged and able to be their best selves at work. This will ensure we energise a greener, fairer future for everyone.	

| Opportunity 2 | - Training | Training and skills development is critical to providing an excellent service to customers today and tomorrow. | We're focused on creating development opportunities for colleagues and under-represented groups, so that we can serve the needs of our customers and progress the energy transition. To achieve this, we've set a goal to create 3,500 apprentices and provide skills development opportunities more broadly. As a result, colleagues will have the opportunity to develop a fulfilling and exciting career that they can be proud of. In turn, their skills will help us satisfy customers and successfully navigate the energy transition in a way that doesn't leave anyone behind. |
| Opportunity 3 | - Employee Engagement | Strong employee engagement drives increased productivity whilst reducing unplanned employee turnover, attrition, and absence. | Having a happy and healthy workforce is key to running and growing a successful business. To ensure we have the engaged team that's needed to deliver for our customers, we listen to colleagues and strive to act quickly on issues that matter to them. We also aim to provide a caring and supportive environment that enables our colleagues to feel empowered and be able to thrive. |

| 2.5 | What action has the company taken, or intends to take, to ensure these opportunities add value to the company? If none, please explain why not and any plans to do so in the future. | F | PUBLIC | | Table (250 word limit) |

Business opportunities	Action taken to capitalise on identified opportunities
Opportunity 1 – Diversity & inclusion	We're supporting every colleague to be themselves and better serve our customers. We support the recommendations of the FTSE Women Leaders' Review and Parker Review targets in relation to gender and ethnic diversity, and we're advancing action with our dedicated DE&I Positive Action Plans to attract, promote and retain more diverse talent. The Plans are in place for each BU, with leaders reviewing quarterly to drive progress and accountability. Towards this, we're focused on 1) advancing diversity of representation with our People & Planet Plan goal to reflect the full diversity of our communities by 2030 – this means targeting all company and senior leaders to be 48% women, 18% ethnically diverse, 20% disability, 3% LGBTQ+ and 4% ex-service (in line with Census data for working populations). In support of this, we're 2) focused on providing equity of opportunity through initiatives like challenging recruiters to draw up diverse shortlists and interview panels, as well as providing targeted talent and development programmes alongside succession planning. We're also focused on 3) valuing difference by growing our culture of inclusion and sense of belonging through educational and awareness opportunities, delivered via centralised training, guidance and/or our colleague-led diversity networks. To empower leaders to understand the diverse needs of their team and support them better, they run listening sessions with colleagues and regularly engage our Shadow Board of diverse colleagues. We want our supply chain to equally embrace DE&I and include a commitment to do so in our Responsible Sourcing Policy.

Opportunity 2 – Training and skills	Having the right blend of skills is essential for providing an excellent service and seizing the opportunities of the energy transition. One of our core areas of training is customer service to improve satisfaction and reduce complaints, so we provide dedicated training based on customer insights and KPIs. With training being a consistent topic that colleagues want us to prioritise, we launched My Learning Campus, which hosts a range of interactive online training alongside targeted talent and development programmes. With a fundamental shift in skills and training needed to get to net zero, we're well placed to build on our current position and grow thousands of fulfilling green jobs via our world-class training academies whilst cross-skilling existing colleagues. For example, our engineers possess a myriad of skills that can be utilised in the energy transition, so we've already started to cross-skill them to fit electric vehicle charging points and heat pumps. We're also tapping into the talent of under-represented groups to grow a more inclusive and sustainable future. This can be demonstrated by our commitment to recruit 3,500 apprentices by 2030, with around 2,000 onboarded since 2021. Moreover, we want 50% of our smart energy apprentices to be women by 2030 and are running targeted recruitment and marketing campaigns to build on the 14% achieved so far. We additionally work with organisations like Tech We Can to develop essential STEM skills and grow the talent pipeline for our business and sector, which has so far reached over 60,000 students.
Opportunity 3 – Employee engagement	Whilst engagement has historically been impacted by issues like business reorganisation and COVID-19, engagement has grown year-on-year over the last four years and by the end of 2023, was approaching top quartile performance. At the heart of improvement, is our desire for all colleagues to feel happy, healthy, and motivated. We listened to colleagues and acted on key issues, such as feeling connected to strategy and leaders alongside broader issues like training, work patterns, DE&I and wellbeing. For example, we continue to run regular leader-led townhalls that help bring our strategy, purpose and leaders to life whilst giving colleagues the opportunity to ask questions or share concerns/ideas. We've also bought in FlexFirst which enables colleagues to better balance work with personal commitments by choosing when they want to work from home or come into the office. In recognition of the challenges colleagues face with the cost-of-living crisis, we've further strengthened employee recognition, reward and support schemes – from setting up a Colleague Support Foundation to provide vital advice and grants, to encouraging preventative action via our 100-strong plus network of Mental Health First Aiders. Additionally, we know that enabling colleagues to give back is big driver of engagement. So we're empowering colleagues to contribute to local causes they care passionately about and in 2023, colleagues volunteered over 7,200 days towards our target 100,000 days by 2030. We run quarterly engagement surveys and focus groups, enabling continuous dialogue and the ability to adjust plans to respond to colleague needs.

| 2.6 | What are the company's salient human rights issues relating to workers' rights in the company's value chain? Select the area of the business as applicable. | F | Mandatory Public | | Table |

Salient human rights issues *(Please note row headings cannot be edited nor rows added)*	Category of human rights issue	Description (25 words)	More details (150 words)	Area of the business [drop down, *not scored*]
Issue 1	- Health & Safety and Wellbeing	Keeping workers safe and well is a top concern because failure to do so, could result in avoidable harm alongside adverse reputational and regulatory impact.	We've controls, procedures and support suites that help our people stay safe and well - from colleagues working at home or in the office, to engineers travelling to homes and businesses or working at one of our energy assets. We're therefore committed to reinforcing a strong safety culture and a proactive approach to wellbeing, because keeping colleagues fit and healthy is a core foundation of how we do business. Indeed, significant H&S or wellbeing events could not only cause people avoidable harm, but impact service-levels as well as lead to regulatory, financial, and reputational repercussions that would adversely affect some/all of our businesses. In our supply chain, the risk of not protecting the health, safety and wellbeing of workers is greatest in operations where machinery is involved, such as factories, and in higher risk	- direct operations - first tier supplier

			countries which typically include Bangladesh, Cambodia, China, Hong Kong, India and Pakistan.	
Issue 2	- Modern slavery & child labour	Modern slavery and child labour is a hidden but real risk, causing undoubted harm and reputational damage. We have a zero-tolerance approach to this issue.	Whilst we have zero-tolerance for modern slavery and child labour, we know that risk exists, especially in our supply chain where we've less transparency and control over activity. Based on associated jurisdictional and industry risk, the following areas are most at risk and include suppliers that provide technology and solar products alongside battery systems, as well as those that manufacture garments, and which often have operations in areas like Bangladesh, Cambodia, China, Hong Kong, India and Pakistan. At the same time, we must look within our direct operations to ensure that all colleagues have freely and legally chosen to work for us. With the rising risk of modern slavery over the last decade, all companies in the UK are required to publish an annual statement, setting out whether they've identified modern slavery issues and the steps taken to mitigate risk or seek resolution.	- direct operations - first tier supplier
Issue 3	- Diversity & inclusion	Everyone deserves being treated fairly. It's therefore essential that our people and partners respect diversity and provide an inclusive environment, free from harassment and discrimination.	Whilst we pride ourselves on being an inclusive place to work, we know there's always more we can do to reduce risk by challenging and investigating harmful behaviour. We must therefore maintain a continued focus on ending all forms of discrimination and harassment – including racism, sexism, ageism, or any other factor that may hinder a person's	- direct operations - first tier supplier

			ability to be themselves and be treated fairly at work, irrespective of whether the intention was conscious or unconscious. Within our supply chain, workers may be discriminated or harassed on the basis of their gender, sex, race or religion amongst other factors. Workers most at risk include those who may appear more vulnerable, such as women, the young or old, as well as migrants and refugees.	

Note: Tier 2 suppliers have been reviewed for higher risk categories such as branded electrical goods, metering and polysilicon for solar.

2.7	How did consultations with workers and/or worker representative bodies, including trade unions, help the company identify these salient human rights issues? State the stakeholders consulted.	F	Mandatory Public		Table

Salient human rights issues *(Please note row headings cannot be edited nor rows added)*	Consultations with workers and other stakeholders (250 words)
Issue 1 - Health & Safety and wellbeing	Within our business, we've H&S and wellbeing management systems, that include policies, standards and procedures, to protect and support colleagues/third parties. We invest in training and regularly engage agencies like the Oil and Gas Authority and UK HSE, to ensure legislative/regulatory compliance, whilst collaborating with organisations like the CCLA, to promote wellbeing best practice. We frequently engage lead UK trade unions such as GMB, Unite, Prospect and Unison. We use their input to create and update H&S policies and procedures, support incident investigation, conduct inspections and input into addressing risk areas. Union safety representatives receive updates on wellbeing metrics and HSE reports, to assist this process. Moreover, colleagues are engaged directly face-to-face and online, to capture feedback. For example, our Involve Me forum enables input on safety workwear whilst focus

	groups and Our Voice engagement surveys, ask colleagues to share how we can better support them - such as during the cost-of-living crisis. In our supply chain, we work with external sustainability supply chain platforms and analysts, to review risk of new and strategic suppliers. Higher risk suppliers will then receive either an independent audit site visit or remote worker survey, to assess working environments and seek feedback from workers. If risk is identified, this will typically result in a collaborative action plan to raise standards. Meanwhile, ethical and trade organisations like the Responsible Sourcing Council, enable us to stay abreast of best practice, to continually inform identification and mitigation of H&S and wellbeing risk.
Issue 2 - Modern slavery & child labour	Internal and external stakeholder views are essential in aiding our identification and mitigation of forced as well as child labour. For example, our external supply chain experts review and rate the risk of forced labour for all new and strategic suppliers, which enables us to identify whether further exploratory action is needed. If required, we may then use an independent auditor to conduct a site inspection or remote worker survey, whose views are vital in providing a clearer picture of the potential or actual level of risk. Workers are interviewed as part of this process whilst also having the opportunity to share concerns more broadly via an independent and anonymous Speak Up helpline. All of these channels, help us determine appropriate action – whether working with the supplier to establish an action plan to raise standards, or ending our relationship and reporting the abuse. Meanwhile, we partner with ethical and trade organisations such as the Responsible Sourcing Council, the Slave Free Alliance and Utilities Against Slavery, to stay informed and evolve best practice within and across sectors, which informs our approach within direct and indirect operations. We also work with employment agencies and recruitment teams to ensure effective controls across our direct operations, including right to work screening and adopting the 'employer pays' principle, so that temporary and permanent workers, never have to pay to work for us.
Issue 3 - Diversity and inclusion	We consult internal and external stakeholders to identify discrimination and harassment risk so that we can set our sights on eradicating it. For example, we draw on external stakeholder insight by harnessing events like 'Me Too' and 'Black Lives Matter' movements, as well as embracing the UN Sustainable Development Goals like 'Gender Equality' and 'Reduced Inequalities'. We also encourage colleagues to speak up via their line manager, People function, employee representative, trade union or our anonymous Speak Up online and phone-based helpline, to help us better understand incidence, risk and ultimately take action. Colleague feedback from focus groups, engagement surveys and our employee-led diversity Networks or Shadow Board, additionally supports us in this process. Likewise, trade unions and worker representatives like Unison and Unite, remain a key part of the resolution process and supports us to align with best practice. To identify discrimination and harassment in our supply chain, we run the same process as set out in H&S and forced labour. This includes external supply chain experts reviewing and risk-rating new and strategic suppliers for discrimination and harassment. We use an

independent auditor to provide site inspections or remote worker surveys for higher risk suppliers, whose views provide clarity on appropriate action – from establishing an action plan, to terminating our relationship and reporting the abuse. Meanwhile, we partner with ethical and trade organisations like the Responsible Sourcing Council, to stay attuned to latest insight to evolve responsible practices.

| 2.8 | What action has the company taken, or intends to take, to prevent and mitigate salient human rights issues identified? | I | PUBLIC | Rule 4 (max 3 points) | Table |

Salient human rights issues *(Please note row headings cannot be edited nor rows added)*	Action taken by the company
Issue 1 - Health & safety and wellbeing	Within our business, our H&S and wellbeing management systems include policies, standards, and procedures, to help protect colleagues and third parties. These are available to colleagues and as needed, rolled into induction, refresher training, awareness campaigns and leadership communications. Colleagues also undertake the annual Our Code training which includes the commitment to a safe and healthy workplace. Colleagues are encouraged to speak up about concerns to their line manager, via the Speak Up helpline, or seek expert advice via the wellbeing suite of support which includes an on-demand app, a company-funded benefit healthcare plan for all, and our 100-strong network of mental health first aiders. We also engage the likes of the Oil and Gas Authority, UK HSE, Enhesa and the CCLA, to ensure compliance with legislative/regulatory requirements and grow best practice. Due diligence is additionally undertaken over suppliers to reduce risk. This includes risk rating all new and strategic suppliers and if needed, conducting further evaluations and site inspection or remote worker surveys. The majority of identified improvement areas arising from audits during 2023 related to health and safety, so we've worked with suppliers to embed corrective action plans and raise standards. All suppliers are required to uphold clauses in supplier contracts to ensure the health and safety of workers, whilst our labour practice toolkit encourages adoption of strong H&S practices. The SESC reviews safety performance three times a year and supplier due diligence at least annually, ensuring effective challenge and oversight.

Issue 2 - Modern slavery & forced labour	All suppliers are required to uphold anti-modern modern slavery and child labour clauses in contracts whilst our labour practice toolkit helps advance labour practices to and beyond compliance. We additionally conduct supplier due diligence which includes risk rating all new and strategic suppliers and if needed, conducting a site inspection or remote worker surveys, to help us better understand the risk and resultant action needed – whether that's working with the supplier to raise standards, or terminating our relationship and reporting the abuse. To this end, we ran 20 site audits and deployed over 6,600 remote worker surveys during 2023. Training is also a vital part of mitigating risk and so Procurement Managers received over 100 hours of dedicated training to enhance ability to identify and report signs of modern slavery or child labour. Within our business, we also aim to educate and raise awareness of modern slavery, requiring all colleagues to undertake the annual Our Code training which includes a commitment to uphold human rights whilst running awareness campaigns and encouraging concerns to be raised via our Speak Up helpline, enabling investigation and remedial action. Meanwhile, we partner with organisations like the Slave Free Alliance and Utilities Against Modern Slavery as well as the Solar Steward Initiative, to advance necessary collective action. The SESC and Board reviews risk and sufficiency of action at least annually.
Issue 3 - Diversity & inclusion	Our Code sets the requirement for colleagues and partners to support a diverse and inclusive culture that's free from discrimination, harassment and bullying. We require all colleagues to complete training and declare they'll uphold this commitment annually, whilst encouraging concerns to be raised via line managers, People team or the anonymous Speak Up helpline. Education is vital part of mitigating risk, so we run training on areas like unconscious bias and race discrimination, whilst openly discussing issues at townhalls, focus groups and colleague network events. We've additionally provided training to leaders and People functions to enable them to robustly challenge undesirable behaviour and better support victims. We've also committed to protect workers by ending our relationship with abusive customers. Our People & Planet Plan goal to build a more inclusive workplace by 2030, has really helped drive progress and accountability, with the SESC reviewing performance and action plans three times a year. In our supply chain, all suppliers have diversity and inclusion clauses they must uphold as part of doing business with us. We also risk rate all new and strategic suppliers and where necessary, conduct independent site inspections and remote worker surveys to better understand risk and pursue mitigating actions – whether that's working together on an action plan, or terminating our relationship and reporting the abuse. In 2023, remote worker surveys were deployed to over 6,600 workers. Collaboration with organisations like the Responsible Sourcing Council and trade unions are engaged as needed, to address challenges through open dialogue.

	Remediation and effectiveness of actions in the direct operations				

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

Around the world, the solar supply chain has been identified as higher risk. This is because solar panels are reliant on polysilicon production which is predominantly made in China, where there's potential links to forced labour in the Xinjiang Uyghur Autonomous Region (XUAR). We therefore take our responsibility very seriously to monitor developments in relation to forced labour allegations at a raw material level, and have taken the following actions to minimise the risk of knowingly or inadvertently procuring solar panels with a connection to XUAR within their supply chain. For instance, we have: 1) conducted a market review to establish a preferred supplier list, using our enhanced due diligence to assess a supplier's potential exposure to XUAR across the entire solar panel supply chain, 2) extended our independent expert audit programme to solar for the first time, 3) collaborated with other industry participants and external experts to influence/drive improvements via the Solar Stewardship Initiative, and 4) our Human Rights and Modern Slavery Steering Group agreed a set of principles that drive further transparency within our supply chain to ensure the ongoing ethical procurement of solar panels. We will continue to monitor the situation and act accordingly.

3   WORKFORCE COMPOSITION

	Structure and location of direct operations				

Question Number	Question Text	Question Tier	Privacy setting of Answer		Answer Criteria

| 3.1 | Provide the total number of employees in the company's direct operations. | F | Mandatory Public | 0 |

22,195 total headcount comprising of 20,497 employees, 123 fixed-term employees and 1,575 second party contingent workers.

Note: We do not include people employed by Spirit Energy due to people management systems not being integrated.

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

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

Significant operating location	Percentage (%) of total employees in the direct operations
Group/Global	100
UK	94
Europe	5
USA	1

| 3.2a | Please define what a "significant operating location" is for your company. | F | Mandatory Public | | 150 word limit |

We define a 'significant operating location' as a country or region where we have the strongest presence in terms of brands, colleagues and revenue. For example, British Gas and Hive are based in the UK, Bord Gais Energy in Ireland and Centrica Business Solutions spans both of these locations as well as having a presence in the USA and Europe amongst other countries further afield. Our Europe operations include Ireland, Netherlands, Germany, Belgium, Denmark, and Sweden. Countries further afield include Israel, India and Singapore. The majority of our colleagues are located in the UK, Ireland and Denmark. Group/Global has been provided to easily share aggregated performance as we believe it's important to transparently provide our overall company performance alongside the wider country-specific breakdown.

| 3.2b | How many operating locations does your company have in total in your direct operations? | F | Mandatory Public | | 50 word limit |

We have direct operations in 11 countries. These include the UK, Ireland, Netherlands, Germany, Belgium, Denmark, Sweden, the USA, Israel, India and Singapore. Across these countries, we have nearly 50 specific sites, the vast majority of which are based in the UK.

| 3.3 | Provide the number and/or percentage (%) of the company's employees on each contract type as a proportion of the total direct operations workforce. | F | Mandatory Public | Table |

Contract type	Total number of employees on each contract type	Percentage (%) of all direct operations employees on each contract type
Indefinite/permanent employees	n/a	92
Fixed-term/temporary employees	n/a	1
Full-time employees	n/a	87
Part-time employees	n/a	13
Non-guaranteed hours employees (casual workers, on-call employees, zero-hours contracts)	n/a	0

| 3.4 | Provide the gender balance (as a percentage (%)) for each contract type in Q3,3, as well as the overall gender breakdown of your direct operations workforce. | F | Mandatory Public | | Table |

Contract type	Female (%) of employees on each contract type	Male (%) of employees on each contract type	Non-binary (%) of employees on each contract type
Indefinite/permanent employees	30	70	0
Fixed-term/temporary employees	47	53	
Full-time employees	26	74	
Part-time employees	65	35	
Non-guaranteed hours employees (casual workers, on-call employees, zero-hours contracts)	0	0	
Total direct operations workforce	30	70	

| 3.5 | Provide the total number and/or percentage (%) of the company's other direct operations workers as a proportion of the total direct operations workforce. | F | Mandatory Public | Table |

Contract type	Total number of employees on each contract type	Percentage (%) of all direct operations employees on each contract type
Contractors (independent, self-employed)	274	1
Agency workers (e.g. labour agency, recruitment agency workers)	1,301	6
Franchisee workers	0	0
Other workers (e.g. subcontracted service workers, third-party workers)	0	0

| 3.6 | Provide the gender balance (as a percentage ((%) of the figures presented at 3.5) for each contract types. | I | PUBLIC | Table |

Contract type	Female (%) for each contract type	Male (%) for each contract type	Non-binary (%) for each contract type
Contractors (independent, self-employed)	n/a	n/a	n/a
Agency workers (e.g. labour agency, recruitment agency workers)	n/a	n/a	n/a
Franchisee workers	n/a	n/a	n/a
Other workers (e.g. subcontracted service workers, third-party workers)	n/a	n/a	n/a

Note: We don't hold diversity data for contractors and are therefore, unable to complete the table.

| 3.7 | Scope of disclosure (relates to 3.5-3.7) | Mandatory Public | Dropdown |

☐ domestic operations/HQ only
☐ all significant operating locations
☐ ≤25% of direct operations workforce
☐ 26%-50% of direct operations workforce
☑ 51%-75% of direct operations workforce
☐ **≥76% of direct operations workforce - selected**
☐ All direct operations workforce – selected

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

No

3.8b	If no, state if there is likely to be a change in the use of contingent workers in the future.	I	PUBLIC	Not scored	150 words

The proportion of second party contract workers remained fairly steady at 7.1% in 2023, compared to 7.2% in 2022. We have no plans to change use of contingent workers in the future and therefore believe these numbers will remain relatively stable during 2024.

4 DIVERSITY AND INCLUSION

Monitoring diversity and inclusion

Question Number	Question Text	Question Tier	Privacy setting of Answer		Answer Criteria
4.1	What action has the company taken, or intends to take, to improve diversity and inclusion? State any time-bound diversity and inclusion targets and/or KPIs set and progress achieved, as applicable. Attach or upload documents or policies as relevant.		PUBLIC		250 word limit

We've DE&I Positive Action Plans to help attract, promote and retain more diverse talent. Towards this, we're creating a team that reflects the diversity of our communities by 2030, with all company/senior leaders to be 48% women/18% ethnically diverse/20% disability/3% LGBTQ+ and 4% ex-service (2025 milestones: 40%/16%/10%/3%/3% respectively). Since launching in 2021, we've seen strong progress with our goals improving by up to 4%. Performance in 2023, however, remained relatively static and indicates that it'll take time to deliver systemic change. In particular, diversifying senior levels and growing disability representation are focus areas, as is attracting more women into engineering given our large Field engineering team reflects the existing male-dominated market which impacts our overall Group performance that would otherwise be on track (41% verses 30%). We're also recruiting 3,500 apprentices by 2030 with the ambition for 50% of smart energy apprentices to be women. 14% of smart energy apprentices are now women (gas-safe registered average: 0.2%). For our efforts, we've ranked in The Times Top 50 Employers for Gender Equality for the third consecutive year. Initiatives to build a more inclusive team further include diverse shortlists, targeting talent programmes, and creating our diverse Shadow Board of colleagues to drive colleague-centric decisions. These advances are good for colleagues and our business. For example, our world-class carers leave allowance has estimated benefits of ~£1.8m annually through avoided unplanned absence, presenteeism and recruitment costs. We share DE&I performance with colleagues quarterly and seek feedback through focus groups, listening sessions and engagement surveys.

Uploads: Diversity, Respect and Inclusion Policy (full document) and People & Planet Plan Update 2023 (pages 15-23).

4.2	Provide the percentage (%) of the company's total direct operations workforce within each age category.	F	Mandatory Public		Table

Age group	Percentage (%) of total direct operations workforce
<30 years old	16
30-50 years old	64
>50 years old	20

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

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

Question Number	Question Text	Question Tier	Privacy setting of Answer		Answer Criteria
4.3	Provide the percentage (%) of the company's total direct operations workforce by race or ethnicity. If the company is legally prohibited from collecting ethnicity data in all of its locations, they can explain that in the online reporting platform in a 150 word text box and the company won't be penalised.	C	PUBLIC		Table

Race or ethnicity category	Percentage (%) of total direct operations workforce
Ethnic diversity overall	15
White	59
Asian	10
Black	3
Minority ethnic	2
Unknown (blank/prefer not to say)	26

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

| 4.4 | Provide the percentage (%) of persons with disabilities in the company's total direct operations workforce.

If the company is legally prohibited from collecting disability data in all of its locations, they can explain that in the online reporting platform in a 150 word text box and the company won't be penalised. | F | Mandatory Public | | Number |

3%

| 4.5 | Provide the percentage (%) of the company's total direct operations workforce in leadership positions by gender. | F | Mandatory Public | | Table |

Seniority level	Percentage (%) of total direct operations workforce	Female (%) at each seniority level	Male (%) at each seniority level	Non-binary (%) at each seniority level
Board	0.06	42	58	0
Executive committee (senior executives, C-Suite)	0.08	25	75	0
Senior management (any position/individual who directly reports to the Executive committee)	0.57	43	57	0

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

Question Number	Question Text	Question Tier	Privacy setting of Answer		Answer Criteria
4.6	Provide the percentage (%) of the company's total direct operations workforce in leadership positions by race or ethnicity. If the company is legally prohibited from collecting ethnicity data in all of its locations, they can explain that in the online reporting platform in a 150 word text box and the company won't be penalised.		PUBLIC		Table

Race or ethnicity category	Board (%)	Executive committee (senior executives, C-Suite) (%)	Senior management (any position/individual who directly reports to the Executive committee) (%)
Ethnic diversity overall	8	13	8
White	92	87	87
Asian	8	13	8
Black	0	0	0
Minority ethnic	0	0	0
Unknown (blank or prefer not to say)	0	0	5

| 4.7 | Provide the percentage (%) of the company's total direct operations workforce with disabilities in leadership positions.

If the company is legally prohibited from collecting disability data in all of its locations, they can explain that in the online reporting platform in a 150 word text box and the company won't be penalised. | I | PUBLIC | | Table |

Seniority level *(Please note row headings cannot be edited nor rows added)*	The percentage (%) of the company's total direct operations workforce with disabilities
Board	0
Executive committee (senior executives, C-Suite)	6
Senior management (any position/individual who directly reports to the Executive committee)	5

| 4.8 | What action has the company taken, or intends to take, to increase diversity in leadership positions? Include details on senior leadership training and mentoring opportunities provided and uptake among under-represented demographic groups, as applicable. | C | PUBLIC | | 250 word limit |

Our DE&I strategy focuses on attracting, promoting and retaining more diverse talent to create the diverse company we all want and need to energise a greener, fairer future. To reflect the diversity of our communities, we set goals for all levels, including senior leaders, in line with Census data, targeting 48% women, 18% ethnic diversity, 20% disability, 3% LGBTQ+ and 4% ex-service by 2030. BUs have tailored DE&I Positive Action Plans to achieve these goals which are reviewed quarterly by the Group Chief People Officer and Senior People Managers, together with BU Managing Directors. The CLT, SESC and Board are also updated on progress at least three times a year. Progress is challenged and plans adjusted if we fall short of expectations. To drive progress, we've implemented initiatives like diverse shortlists and succession planning for senior roles as

well as targeted development and secondments. For example, we run bespoke talent development and mentoring programmes that support over 150 people from under-represented groups to advance their careers – from the Black Leadership Academy to the 30% Club, and our in-house reverse mentoring that pairs senior with junior colleagues. Programme effectiveness is monitored and measured via survey feedback and assessing subsequent progress of participants, with adjustments made where performance could be optimised. Additionally, we see our flexible working practices and carer-friendly policies, enable senior leaders to progress careers whilst balancing personal commitments. For example, they say increased flexibility and support, has enabled take-up of development opportunities that otherwise wouldn't have been possible.

| 4.9 | Provide the rate of internal hires (as percentage (%) of total internal hires) by gender. | I | PUBLIC | Rule 4 (max 3 points) | Table |

Gender	Internal hire rate (%)
Female	33
Male	67
Non-binary	0

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

Question Number	Question Text	Question Tier	Privacy setting of Answer		Answer Criteria

| 4.10 | Provide the rate of internal hires (as percentage (%) of total internal hires) by race or ethnicity.

If the company is legally prohibited from collecting ethnicity data in all of its locations, they can explain that in the online reporting platform in a 150 word text box and the company won't be penalised. | C | PUBLIC | | Table |

Race or ethnicity category	Internal hire rate (%)
Ethnic diversity overall	17
White	66
Asian	11
Black	3
Minority ethnic	3
Unknown (blank/prefer not to say)	17

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

| 4.11 | Scope of disclosure (relates to Q4.2-4.8):
- what part(s) of the business does this data cover?
- if providing ethnicity data, state the source of the ethnicity categories used in Q4.3, Q4.5 and Q4.8 or provide more information on how the categories are defined if using an internal classification system
- If the company is restricted from collecting data on employees' age, state which jurisdictions this restriction applies to. | PUBLIC | | 250 word limit |

Data relating to gender and age spans all direct workers across the business and is hosted in our Workday People Management system. Meanwhile, ethnicity data encapsulates information from colleagues on a voluntary basis via self-identification for those based in the UK, Ireland and USA, where the majority of our workforce are based. Collection of ethnicity data is categorised in Workday, with employees selecting their ethnicity from a list of recognised categories from local Census or relevant governmental reporting agency – for example in the UK, we use 20 ethnicity categories aligned to the 2021 Census of England and Wales. We've then aggregated these distinct categories into Asian, Black, Minority ethnic and White, for reporting purposes. Disability is additionally captured via Workday through colleague self-declaration. We don't collect diversity data for contingent workers.

4.12	Does the company collect any other categories of diversity data, if any? Select all that apply from the drop down list.	PUBLIC		Drop down

- Sexual orientation – selected
- Gender identity – selected
- Socio-economic status
- Religion and belief
- **Other - selected**

4.12a	For each category selected, provide evidence that this data has been collected.	PUBLIC		150 word limit

2023 tracking relied on self-declaration of direct employees, mainly via Workday. With gender representation, women constituted 30% of all company and 32% of senior leaders against our 2030 gender parity goal (behind). 0.01% chose not to declare their gender. Disability representation at an all company level was 3% and senior levels 2%, against our 2030 goal of 20% (behind). LGBTQ+ at an all company level was 3% (on track) and senior leaders was 2% (on track) verses our 2030 goal of 3%. Ex-service personnel is tracked in the UK and US only via our employee Network and against our 2030 goal of 4%, 2% of all company and senior leaders identified as ex-service (on track). Identification of carers is managed via the carers register by People teams based on UK only, and in 2023, over 2,000 colleagues identified as a carer. See our People & Planet Plan report.

Question Number	Question Text	Question Tier	Privacy setting of Answer		Answer Criteria
4.12b	For any categories not selected in Q4.10, state why this data is not collected and any plans to do so in the future. If al categories were selected in Q4.10, put 'n/a'.		PUBLIC		150 word limit

Given the multicultural society we live in and serve, we celebrate and recognise all faiths. To help people openly express their religion and beliefs, we provide support such as multi-faith prayer rooms across our sites and help raise awareness of religious events that are taking place. Likewise, we don't track socio-economic backgrounds but actively encourage the attraction, promotion and retention of people from diverse backgrounds. We instead focus on diversity characteristics aligned to Census data, which we can track and advance. Through our proactive focus on reflecting the full diversity of the communities we serve in line with Census data for working populations as outlined in Q4.1, having a culturally diverse and socio-economic diverse team, should be a natural outcome of our targets. We don't currently have plans to broaden data captured.

Parental leave

Question Number	Question Text	Question Tier	Privacy setting of Answer		Answer Criteria
4.13	Does the company have a shared parental leave policy that exceeds the statutory minimum requirements?	F	PUBLIC		Yes/No

Yes

Question Number	Question Text	Question Tier	Privacy setting of Answer		Answer Criteria
4.13a	If yes, provide a link to or attach the relevant document and give information on uptake of parental leave/the scope of this policy	F	PUBLIC	150 words	Yes/No

Our Group-wide Parents and Family Leave Policy sets out what colleagues are entitled to which is supported by toolkits. For example, we offer enhanced maternity leave and leave for premature birth or miscarriage alongside an extra five days for IVF treatment, adoption and wider dependency leave amongst others. Our Carers Policy additionally provides up to six weeks paid leave when matched with annual leave. Our

shared parental leave policy currently meets statutory legal requirements which is considered sufficiently generous, although as with all our key People policies, we review them at least annually to ensure our position meets the changing needs of colleagues and customers. In 2023, 30 women took 520 days in parental leave whilst no men or non-binary colleagues utilised it. We believe our advanced flexible working arrangements and industry-leading carers policy, are helping them better balance work and home life, with fewer people now needing parental leave.

Internal Family Leave Policy uploaded and available in the WDI portal.

Discrimination and harassment

Question Number	Question Text	Question Tier	Privacy setting of Answer		Answer Criteria
4.14	Does the company have a public policy on discrimination and harassment, or similar?	F	Mandatory Public		Yes/No

Yes

Question Number	Question Text	Question Tier	Privacy setting of Answer		Answer Criteria
4.14a	Does the company have a public policy on discrimination and harassment, or similar?	F	Mandatory Public		URL/doc link

Diversity, Respect_and_Inclusion_Policy

Question Number	Question Text	Question Tier	Privacy setting of Answer		Answer Criteria
4.15	Provide the number of discrimination and harassment incidents reported and resolved in the reporting period.	C	PUBLIC		Table

Discrimination and harassment incidents reported	Discrimination and harassment incidents resolved
98	92

Note: By the end of 2023, 94% of incidents had been resolved in year with the remainder to complete in 2024.

5 WORKFORCE WAGE LEVELS AND PAY GAPS

Pay gaps and pay ratios

Question Number	Question Text	Question Tier	Privacy setting of Answer		Answer Criteria
5.1	Provide the CEO to median worker pay ratio.	F	PUBLIC		Table

CEO-median worker pay ratio	Explanation [150 words]
142:1	Our UK median pay ratio was 142:1, verses 77:1 in 2022. The ratio of CEO pay compared with the average colleague, increased due to the strong vesting of the LTIP awards granted in 2021 which will be released in shares in 2026. This is linked to year-on-year improvement in underlying business performance and substantial share price growth. The single figure of total remuneration for our Group Chief Executive over the next two years, is likely to be lower to reflect outcomes of long-term incentive awards made under our Restricted Share Plan (RSP) alongside a more moderate share price growth pattern. To calculate, we've used the gender pay gap data (Option B in the Directors' Reporting Regulations), to determine colleagues remuneration packages at the lower, median and upper quartile positions across our UK workforce. This is the most appropriate methodology for us, given varying pension and benefit arrangements across our business.

| 5.2 | Provide the company's median gender pay gap for the company's domestic operations. | I | PUBLIC | | Table |

Gender pay gap (%)	Explanation [150 words]
14%	Our UK gender pay gap improved by 9% to 14% median based on the mandated methodology to calculate in the country. This means that for every pound earned, women received £0.86. Like many companies with roles rooted in STEM, our gap is primarily driven by a greater number of men in higher paid roles like gas and electrical engineering which make up a significant proportion of our workforce, coupled with more women working in roles such as customer service and administration which are essential but less specialist and therefore lower paid. We're working to reduce the gap but believe it'll take time for the positive impact of our DE&I action plan to transform our business, sector and society. We don't have an equal pay issue, demonstrated by a less than 1% median equal pay gap.

| 5.3 | Provide the company's median ethnicity pay gap for the company's domestic operations.

If the company is legally prohibited from collecting ethnicity data in all of its locations, they can explain that in the online reporting platform in a 150 word text box and the company won't be penalised. | C | PUBLIC | | Table |

Ethnicity pay gap (%)	Explanation
11%	Since 2020, we've voluntarily published our UK ethnicity pay gap using the gender pay gap methodology. In 2023, our gap increased slightly by 1% to 11% median and is based on 74% of colleagues disclosing ethnicity.

This means that for every pound earned by a non-ethnically diverse colleague, ethnically diverse colleagues received £0.89 on average. The gap is driven by an under-representation of ethnic diversity in higher paid roles like engineering, with an over-representation in lower paid jobs like customer service and junior Information Systems roles. We run a self-identification campaign, #ThisIsMe, to encourage more colleagues to share their ethnicity/wider characteristics. As part of our partnership with Change the Race Ratio, we want more companies to publish their pay gaps, to improve collective insight and action. We pay ethnically diverse colleagues fairly, demonstrated by our median equal pay gap of -1%.

5.4	What action has the company taken, or intends to take, to reduce pay ratios and gaps? State any KPIs and progress towards these, as applicable.	I	PUBLIC		250 word limit

We regularly review colleague remuneration to ensure its consistent and competitive. Our global salary management rules and procedures support fair pay during hiring, promotion, moving roles, or in annual salary and bonus reviews. This is underpinned by the Hay Job Evaluation Methodology to deliver robust pay structures, alongside manager training/toolkits/guidelines to remove bias and educate on empowering different types of colleagues to reach their full potential. We additionally have collective bargaining agreements relating to fair pay and reward for large portions of our workforce. Furthermore, we undertake equal pay audits across key territories to uphold this legal requirement. Pay gaps by gender and ethnicity in the UK and Ireland, are also reviewed annually. Our vision to build a more inclusive team that represents the full diversity of our communities by 2030 (with all company and senior leaders to be 48% women, 18% ethnically diverse, 20% disability, 3% LGBTQ+ and 4% ex-service), is key to reducing gaps and ratios. Towards this, we've implemented DE&I Positive Action Plans for each BU to improve representation including via succession planning. Whilst change takes time, especially as engineering is traditionally made up of men which particularly impacts our gender pay gap and representation of women, we're starting to see progress. Since first reporting, we've reduced our median gender pay gap by 16% (from 2017 levels) and our ethnicity pay gap by 3% (from 2020 levels). And we've seen an increase of up to 4% against our 2030 diversity goals since launching them in 2021.

Wage levels

| 5.5 | Provide the percentage (%) of female and male employees in the bottom, lower middle, upper middle, and upper pay quartiles. | F | PUBLIC | | Table |

Pay quartile	% Female	% Male	Non-Binary
Upper	24	76	0
Upper-middle	18	82	0
Lower-middle	32	68	0
Bottom	43	57	0

| 5.6 | What is the percentage (%) of male and female employees, as a total of the direct operations workforce, whose basic salary is equal to or up to 10 per cent higher than the legal minimum wage? | C | PUBLIC | | Table |

Female (%) employees, as a total of the direct operations workforce, whose basic salary is equal to the legal minimum wage or just above *(Please note row heading can be edited but rows cannot be added)*	Male (%) employees, as a total of the direct operations workforce, whose basic salary is equal to the legal minimum wage or just above *(Please note row heading can be edited but rows cannot be added)*
1.9	2.2

Question Number	Question Text	Question Tier	Privacy setting of Answer		Answer Criteria

| 5.7 | To what extent does the company pay its employees a living wage or above? Select one option from the drop-down list as applicable. | I | PUBLIC | | Dropdown |

☐ Not in any direct operations
☐ **1 location only – selected**
☐ More than 1 location
☐ All global operations

| 5.8 | Provide more detail, including the company's methodology used for determining whether at least a living wage is paid. | I | PUBLIC | | 250 word limit |

We've a long-standing reputation for being a good employer. In 2015, we became a Living Wage Employer which commits us to pay at least the Real Living Wage, which is a value set by the UK's Living Wage Foundation and applies to wages of over 20,000 colleagues in the UK, where the majority of our team is based. To ensure we deliver this, the pay principle is enshrined in Our Code and related HR policies, as well as embedded in our People pay systems and processes. This includes checks undertaken by People Operations alongside rules/alerts in our Workday People management system. We also use the Hay Job Evaluation Methodology to standardise approach to job grading and reward when benchmarked against peers, ensuring fair pay across global operations. We additionally consult with colleagues individually and via collective consultation through negotiation with trade unions and/or employee representatives, enabling everyone to share feedback and alternative proposals to secure the best outcome. Pay is supplemented by a commitment to no zero-hour contracts as well as a profit-sharing scheme which shares company success with colleagues annually. In recognition of the cost-of-living crisis 2022-24, we enhanced energy-related and wider benefits including launching a Colleague Support Foundation to provide financial advice and grants. In the last 12 months, the Foundation paid out £130,000 and supported over 15 families from being evicted from their homes. All processes and initiatives are reviewed at least annually by People teams centrally, to ensure we pay people fairly.

| 5.9 | How is the company working to improve wage levels for its contractors and other workers, if not already paying at least a living wage? Include details on the methodology used to assess wage levels. | I | PUBLIC | | 250 word limit |

We operate fair and transparent reward and recognition processes that are supportive of employment rights, development and fair wages. As a signatory to the Living Wage Foundation, this commits us to pay colleagues and contractors working on our behalf, the Real Living Wage in the UK. We therefore ask that suppliers uphold this commitment to safeguard workers through a Real Living Wage clause embedded in our Responsible Sourcing Policy and in new contract terms and conditions across the UK. This includes the option to require verification that the Real Living Wage is being paid where contractually stipulated, which is managed via vendor management discussions with contractors. We additionally expect employment agency partners to uphold the same standards of employment that direct employees receive, and adopt the 'employer pays' principle, to ensure that no one ever has to pay to access temporary or permanent work for us or in our supply chain. For contractors and supply chain workers in countries that don't operate a formal living wage, we're committed to pay at least the minimum wage or a fair representation of the prevailing sector wage, and will comply with the laws on fair wages in the countries where we operate. We engage various organisations such as third-party experts at resource agencies, civil society organisations and trade unions, to support us as needed. In 2023, we continued to reinforce our ability to uphold the Real Living Wage with refresher training for colleagues across Procurement functions.

6   STABILITY

Employee turnover rates

Question Number	Question Text	Question Tier	Privacy setting of Answer		Answer Criteria

| 6.1 | Provide the total, involuntary and voluntary employee turnover rates (as a percentage (%)) during the reporting period and for female and male employees. | F | Mandatory Public | | Table |

Turnover category	Total turnover rate (%) of all direct operations	Turnover rate (%) for female workers	Turnover rate (%) for male workers	Turnover rate (%) for non-binary workers
Involuntary	4	4	4	0
Voluntary	10	10	10	0

| 6.2 | Provide the number and rate (as a percentage (%) of employee turnover by contract type (if no employees on any one of the contract types, state "n/a"). | I | PUBLIC | | Table |

Contract type	Total turnover rate (%) (if no employees on any one of the contract types, state "n/a")
Indefinite/permanent employees	14
Fixed-term/temporary contract employees	63

Changes to employee turnover rates

Question Number	Question Text	Question Tier	Privacy setting of Answer		Answer Criteria

Question Number	Question Text	Question Tier	Privacy setting of Answer		Answer Criteria
6.3	Describe how the company's turnover rate has changed significantly since the last reporting period and explain any increase or decrease for any particular category of workers. If turnover has remained stable, state this.	I	PUBLIC		150 word limit

Turnover of employees has reduced slightly, moving from 15% in 2022 to 14% in 2023, and follows substantive improvement in turnover across the previous period. For those on fixed-term/temporary contractors, turnover has reduced considerably from 97% in 2022 to 63% in 2023. These changes reflect Centrica being an attractive place to work, having entered into a period of relative stability and prosperity. Changes to turnover were fairly evenly spread across the business, but mainly relate to UK, where the majority of our workforce is located. Based on CIPD analysis of the UK's Annual Population Survey 2022-23, this compares to an average UK turnover of 34%, or 27% for those working in electricity, gas or air conditioning supply.

7 TRAINING AND DEVELOPMENT

Training and development strategy

Question Number	Question Text	Question Tier	Privacy setting of Answer		Answer Criteria

| 7.1 | Describe the company's strategy for developing the skills and capabilities of employees. State the KPIs as applicable. | F | PUBLIC | | 250 word limit |

Building capability enables colleagues to be their best. Modular learning for all is available via our learning management systems which hosts voluntary and mandatory training, including core development areas like leadership alongside learning related to strategic priorities like net zero. Longer-term on-the-job training is largely delivered through our British Gas Technical Training Academy and Contact Centres, as well as via the Centrica graduate and apprenticeship programmes. As demand for low carbon solutions increase, we're aiming to plug key skill gaps, including through the Academy, and have already cross-skilled over 150 engineers to install electric vehicle (EV) charging points and heat pumps in the last two years. Apprenticeships are funded by the levy, whilst investment is provided toward professional qualifications that'll help us run and grow our business. Internal and external mentoring alongside development programmes target under-represented and/or high-potential colleagues to advance seniority. All managers also undergo Empowered Manager training, ensuring consistent high standards. L&D and training is based on skills gap assessments undertaken by People teams through consultation with business leaders and horizon scanning at least annually. Offerings are further shaped by trade union and representative engagement with a focus on job retention and responsible skills transition, alongside engagement survey feedback. Training timings vary, spanning on-demand versus a controlled annual intake. Efficacy is evaluated depending on training type – from NPS/other satisfaction measures, to ROI, retention and career progression. Training is typically available for direct employees. Contractors ideally should have the skills needed when employed, although we review as needed.

| Tracking training and development |

Question Number	Question Text	Question Tier	Privacy setting of Answer		Answer Criteria

| 7.2 | Provide the number and/or percentage (%) of employees that participated in regular performance and career development reviews by gender. | F | Mandatory Public | | 250 word limit |

Performance review data	Female	Male	Non-binary
The number of performance reviews	1	1	0
Percentage (%) of performance reviews per employee	30	70	0
Percentage (%) of reviews that occurred as a proportion of the agreed number of reviews by management	30	70	0

Note: At present, we aren't able to track performance reviews by gender. We have therefore provided a conservative estimate in order to support transparency in answering this question. Although we encourage quarterly performance conversations, it's a minimum requirement for colleagues to have at least one performance review per year as part of year end calibration processes. We're therefore confident that every colleague has received at least one performance review in line with this expectation, but recognise the volume could be higher in practice.

7.3	Provide the average number of hours of training provided to employees (on an FTE basis) by gender.	F	Mandatory Public		250 word limit

Gender *Please note row headings cannot be edited nor rows added)*	Average number of hours of training provided to employees (on an FTE basis)
Female	7
Male	8
Non-binary	0

| 7.4 | Provide the average number of hours of training provided to employees (on an FTE basis) by contract type (if no employees on any one of the contract types, state "n/a"). | F | PUBLIC | | Table |

Contract type	Average number of FTE training hours (if no employees on any one of the contract types, state "n/a")
Indefinite/permanent employees	8
Fixed-term/temporary contract employees	1

| 7.5 | How does the company measure the impact of its training programmes on business productivity and worker satisfaction? | F | PUBLIC | | 250 word limit |

Ensuring that training produces intended results is key. Core offerings are therefore assessed for impact on business productivity, colleague and customer satisfaction (NPS), internal promotion rates, ROI (including savings from hiring externally), and return on expectation. Quantitative and qualitative measures are employed to track impact, which varies on activity. For example, digital learning modules in our learning management system, frequently involve a test upon completion which we use to judge success because we know that if colleagues pass, key learnings have been understood. Modules are also star-rated by colleagues in real-time, enabling our understanding of what's working well and what needs improving. Star ratings are reviewed at least annually, and insights harnessed to enhance solutions next year. Alternately, our Aspire and Empowered Manager series is assessed by facilitators and team leaders. They monitor participant success in delivering excellent service day-to-day post-training, and consequently provide course feedback to ensure continuous improvement. For classroom-based learning, the standard Kirkpatrick Model of learning evaluation is used, focusing on post-course evaluation of participating colleagues. Meanwhile, apprentices are fully assessed to ensure they attain the required national Government standards, with compliance monitored in real-time. Apprentices also provide interview feedback at key stages of development as well as when they become fully qualified, enabling us to tailor learning and inclusion

considerations for the next intake. Following overall colleague feedback that they wanted a clearer L&D pathway, we launched My Learning Campus in 2022, which is a colleague experience-focused learning platform that continues to grow in its offering.

7.6	Describe the risks, impacts and opportunities that may affect the company's workforce as a result of the transition to a climate-neutral economy?	I	PUBLIC		250 word limit

Net zero requires a shift in skills which creates impacts, risks and opportunities (IRO). Overall, we believe we'll play a lead role in developing opportunities by creating fulfilling green careers. To ramp-up low carbon and energy efficient technology in homes and businesses, we've launched Centrica Business Solutions and New Business and Net Zero. Mainly operating in the UK and Europe, they bring hundreds of colleagues old and new, exciting growth opportunities. Existing host communities of fossil fuel assets will also see opportunities as they become home to low carbon infrastructure. For instance, hydrogen production trials will commence later in 2024 at the regenerated Brigg power station whilst we intend to transform Rough gas storage facility to store clean hydrogen in the Humber. These all support job opportunities - Rough development is expected to generate 3-4,000 jobs during construction alone, whilst the UK's wider development of carbon capture and storage alongside hydrogen, could deliver >205,000 jobs. However, as we transition further away from gas production by mid-to-late 2030s, related roles will need to be transformed, redefined or cease. We'll manage change responsibly to minimise potential job losses, focusing wherever possible on re-skilling and re-training gas engineers/managers/support staff. IROs have been identified through an initial review conducted by People and Strategy teams based on our net zero strategy, which broadly considers human rights. As technologies, policy and strategy evolves, so too will our IRO analysis. Our approach is informed though colleagues, trade unions and trade bodies via meetings, consultation and wider insight.

7.7	Explain the action has the company taken, or intends to take, to ensure workers are protected against risks and can access opportunities resulting from the transition to a climate-neutral economy.	I	PUBLIC		250 word limit

We're focused on minimising workforce risks and optimising opportunities. Our people possess a myriad of skills so as we gradually move away from fossil-fuels and offer new lower carbon services and solutions, we'll retrain and reskill wherever possible including via our world-class training academies. That way, we can address skills-gaps internally and aim to maintain comparable terms and benefits. We've already started to cross-skill by training engineers to install heat pumps and EV charging points. Moreover, in recognition that to get to net zero we need diversity

of thought and experience, we're encouraging more under-represented groups into green jobs. For instance, our apprenticeships target more women into engineering and supports social mobility by not dropping pay for internal candidates whilst they train. Where job losses are unavoidable, we'll support colleagues with initiatives like counselling, job coaching and early retirement plans. These plans were established with consideration to human rights impacts and with input from colleagues and trade unions, including via our Joint Council which enables Centrica and union leaders to collaborate on key issues. We've also engaged specialist organisations like BiTC and CA100+ to inform our approach. We've started to see results including cross-skilling 150 engineers to support delivery of technologies like EVs and heat pumps in the last two years alone. Meanwhile, women now make up 14% of our smart energy apprentices as we work towards gender parity by 2030 (verses 0.2% gas engineer average). As the climate transition gets further underway, we'll seek to continually strengthen our approach.

| 7.8 | Provide the number and/or percentage (%) of employees that have been reskilled, redeployed or had their employment ended as a result of the transition to a climate-neutral economy. | C | PUBLIC | | 250 word limit |

Treatment of employees	Number of employees	Percentages (%) of employees
Employees that have been reskilled		
Employees that have been redeployed		
Employees whose employment has ended		

Note: We are currently unable to disclose against this question but will consider how we may be able to capture information in the future. We do not believe that current activities impact the reskilling, redeployment of redundancy or workers.

| 7.9 | Describe any workforce surveillance measures used to monitor workers, and how the company ensures this does not have a disproportionate impact on workers' right to privacy. If the company does not conduct any form of workforce surveillance, state this. | I | PUBLIC | | 250 word limit |

We respect the right to privacy and only use surveillance when it's needed to protect colleagues and customers in line with law – such as upholding regulatory requirements, preserving evidence for legal proceedings or guarding against malicious or unlawful intent. Monitoring

spans activities like calls with customers, geo-tracking engineer fleet vehicles, site access, H&S records as well as computer/phone use. Privacy rights are safeguarded through internal policies such as our Data Protection Standard, Data Governance Standard, Information Security Policy and Acceptable Use Policy, all of which ensure privacy safeguards are built into the creation and deployment of surveillance. We're fully transparent with colleagues about surveillance and why it's needed via tailored communications. In line with regulatory obligations, we'll only store information for as long as needed, whilst ensuring robust safeguards for specific access by personnel managing the issue – whether that's Group Security, Cyber Security, H&S or others. When introducing or enhancing surveillance, the respective business team and Data Privacy Team, carefully assess requirements by reviewing scope, context and whether or not it's likely to result in a high risk to the rights and freedoms of individuals. To further safeguard privacy, monitoring is often focused on wide workforce populations rather than individuals. A governance framework supplements this, with a Group DPO as the final point of escalation for privacy concerns alongside a central Privacy Team, who're supported by a network of BU Privacy Champions. As needed, we engage colleagues and trade unions to seek views and shape implementation plans.

7.10	Provide the number and/or percentage (%) of employees that have been reskilled, redeployed or had their employment ended as a result of automation.	C	PUBLIC		Table

Treatment of employees	Number of employees	Percentages (%) of employees
Employees that have been reskilled	0	0
Employees that have been redeployed	0	0
Employees whose employment has ended	0	0

Note: We don't currently track KPIs linked to AI workforce resource. However, due to the nature of AI technology implemented, we believe that colleagues haven't been adversely impacted by reskilling, redeployment or redundancy. AI automations generally mean colleagues can free up their time to focus on wider activity rather than requiring a fundamental change in role. For example, we automated the way smart meters are commissioned by creating an AI solution that allows engineers to self-serve PIN codes to commission the meters. This means the engineer doesn't need to spend time on the phone waiting for the PIN to be generated, as they can do it themselves. The benefits to this, is more time being given to the engineer to do a higher quality job which is more interesting for them, whilst unlocking additional capacity to serve more customers and provide them with a better experience.

| 7.11 | Describe how the company uses artificial intelligence in workforce management, including in recruitment, performance management and workplace decisions. | C | PUBLIC | | 250 word limit |

AI is an emerging technology that's not widely used at Centrica for workforce management. Utilisation is typically focused on activities like expenses analysis, attrition risk or an Assistant Bot to make People policies more accessible, which supports rather than replaces colleagues. There are, however, limited risks with AI. This includes AI multiplying or systemising biases given AI processes may involve workforce data like names and roles. We mitigate risk as colleagues continue to make all key related decisions/judgements. Moreover, we reduce privacy risk, by undertaking privacy impact assessments to ensure appropriate usage and safeguards, aligned to national and international standards like GDPR as well as our AI Policy. This determines whether individual or aggregated data is used, with privacy notices updated to alert colleagues to AI usage. Our Information Officer has oversight over AI, with our Digital Technology Services (DTS) department, centrally accountable for AI systems implementation and outcomes for workforce management. Departments including Risk, Privacy, Information Security and Ethics & Compliance, support assessing and managing potential human rights impacts related to AI, undertaking risk assessments and due diligence in line with human rights principles. Whilst AI could be leveraged to free-up colleagues further to spend more time on valuable/rewarding activities, or be utilised in areas like talent matching to ensure we get the best skills and capabilities for the future, further usage needs careful evaluation and controls. We're open to discussing AI with trade unions and colleagues alike, to ensure AI is harnessed in a positive as possible way.

8. HEALTH, SAFETY AND WELLBEING

Occupational health and safety

Question Number	Question Text	Question Tier	Privacy setting of Answer		Answer Criteria

8.1	Describe the company's strategy for identifying and managing health and safety risks and hazards in the workplace, including through audits, training and the provision of personal protective equipment. State the KPIs as applicable.	F	Mandatory Public		250 word limit

We want everyone to stay safe. Health and safety (H&S) risks are therefore managed via Group-wide policies, standards, operating procedures and risk assessments. These are aligned to legal and regulatory requirements across jurisdictions, available in appropriate languages and accessible formats. Systems of work and controls prescribe safe ways to work, including permits, pre-task checks and PPE. Workers receive a HSE induction and job-specific training, whilst field workers are trained to conduct onsite risk assessments. Managers perform periodic inspections, track refresher training and conduct 'Toolbox Talks' to share learning or concerns. Workplace allowances are made for injured/ill/vulnerable workers, such as modified duties, phased return or specific treatment. Each business has a H&S management system, risk register and controls alongside dedicated H&S professionals to support operations in a timely way, ensure new hazards are identified if activities change, and perform first line of defence inspections. Observations, incidents and actions are recorded in a central system with incidents investigated, and corrective actions agreed/tracked. For significant incidents, lessons learned are shared Group-wide to mitigate recurrence. A dedicated H&S assurance team execute a programme of audits annually, to independently assess compliance with regulations, internal standards and management systems. Business divisions and the CLT review monthly KPIs covering leading and lagging indicators – including total recordable injury rate – as well as progress in executing safety improvement plans, ensuring appropriate oversight and challenge. The policy, standards and management systems are periodically reviewed and updated according to regulatory changes, risks, audit findings and performance.

8.2	Does the company consult with workers and/or worker representative bodies when developing and evaluating health and safety policies and practices?	F	PUBLIC		Yes/No

Yes

8.2a	If yes, provide more details	F	PUBLIC	Rule 3 (1 point for Yes)	250 word limit

In the UK and Ireland, we encourage colleagues to be part of trade unions and regularly engage leading unions they're members of which includes GMB, Unite, Prospect and Unison. They're an integral part of how we create and update H&S policies and procedures, as well as help investigate incidents, conduct inspections and provide input to address risk areas or tools needed. Examples of engagement include working with UK Trade Union Safety Representatives who receive H&S reports as well as review and observe incident investigation, to enable contribution to procedural changes. We also conduct worker consultations when updating policies and practices, and collaborate to run trials and feedback loops for business division specific initiatives that address specific priority areas - from improving field worker posture, to helping prevent future musculoskeletal injuries. Moreover, workers are encouraged to raise H&S observations/near-misses in real-time, so that preventative action can be taken to stop incidents from re-occurring and take an active role in the investigation. Our wellbeing suite of support receives regular feedback on its effectiveness, which we use to enhance and evolve offerings which can be particularly helpful in the event of preventative or remedial support or treatment. Dedicated H&S professionals within each BU also maintains their management system, risk assessments, controls and procedures, with input from their operating colleagues to ensure they remain robust and effective. Our open-door policy and two-way communication, supported by regular meetings, enables us to collaborate with unions in an effective way that ensures colleague safety is prioritised.

Provide the total number and/or rate of work-related injuries or ill health (excluding fatalities), as well as the change in the number of incidents since the last reporting period, for employees for each of the company's significant operating locations.				
Question Number	**Question Text**	**Question Tier**	**Privacy setting of Answer**	**Answer Criteria**
8.3	Provide the total number and/or rate of recordable incidents of ill health or work-related injuries or (excluding fatalities), as well as the change in the number of incidents since the last reporting period, for employees for each of the company's significant operating locations.	F	Mandatory Public	Table

Significant operating location	Number of incidents of ill health or work-related injuries (excluding fatalities)	Change in the number of incidents since the last reporting period	Rate (%)	How rate is calculated *(e.g. based on either 200,000 or 1,000,000 hours worked)* [*not scored*]
Group/Global	187	-93	0.85	Based on 200,000 hours worked
UK	176	-111	0.84	Based on 200,000 hours worked
Europe	11	+9	1.38	Based on 200,000 hours worked
USA	0	0	0	Based on 200,000 hours worked

Question Number	Question Text	Question Tier	Privacy setting of Answer		Answer Criteria
8.4	Provide the total number and/or rate of fatalities as a result of work-related injury, as well as the change in the number of fatalities since the last reporting period, for employees for each of the company's significant operating locations	F	Mandatory Public	Table	

Significant operating location	Number of fatalities as a result of work-related injury	Change in the number of incidents since the last reporting period	Rate (%)	How rate is calculated *(e.g. based on either 200,000 or 1,000,000 hours worked)* [*not scored*]
Group/Global	0	-1	0	Based on 200,000 hours worked

UK	1	-1	0	Based on 200,000 hours worked
Europe	0	0	0	Based on 200,000 hours worked
USA	0	0	0	Based on 200,000 hours worked

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

Question Number	Question Text	Question Tier	Privacy setting of Answer		Answer Criteria
8.5	Provide the total number and/or rate of recordable incidents of ill health or work-related injuries (excluding fatalities), as well as the change in the number of incidents since the last reporting period, for non-employee direct operations workers for each of the company's significant operating locations.	F	PUBLIC		Table

Significant operating location	Number of incidents of ill health or work-related injuries for non-employee direct operations workers (excluding fatalities)	Change in the number of incidents since the last reporting period	Rate (%)	How rate is calculated (e.g. based on either 200,000 or 1,000,000 hours worked) [not scored]

Group/Global	32	-15	0.74	Based on 200,000 hours worked
UK	29	-18	0.85	Based on 200,000 hours worked
Europe	3	+3	0.33	Based on 200,000 hours worked
USA	0	0	0	Based on 200,000 hours worked

Question Number	Question Text	Question Tier	Privacy setting of Answer		Answer Criteria
8.6	Provide the total number and/or rate of fatalities as a result of work-related injury, as well as the change in the number of incidents since the last reporting period, for non-employee direct operations workers for each of the company's significant operating locations.	F	PUBLIC		Table

Significant operating location	Number of fatalities as a result of work-related injury for non-employee direct operations workers	Change in the number of incidents since the last reporting period	Rate (%)	How rate is calculated (e.g. based on either 200,000 or 1,000,000 hours worked) [not scored]
Group/Global	1	+1	0.02	Based on 200,000 hours worked
UK	1	+1	0.03	Based on 200,000 hours worked

Europe	0	0	0	Based on 200,000 hours worked
USA	0	0	0	Based on 200,000 hours worked

8.7	Scope of disclosure (relates to Q8.6-8.8)	PUBLIC	Not scored	Dropdown

☐ **Contractors (e.g. independent, self-employed) – selected**
☐ **Agency workers (e.g. labour agency, recruitment agency workers) – selected**
☐ **Franchisee workers – selected**
☐ **Third party on site workers (e.g. subcontracted service workers, third-party contract workers) – selected**

Mental health risks and safeguarding

Question Number	Question Text	Question Tier	Privacy setting of Answer		Answer Criteria
8.8	Does the company monitor and report on employee mental health and well-being, such as sick days due to mental health?	F	PUBLIC		Yes/No

Yes

8.8a	If yes, provide more details	F	PUBLIC		250 words

Looking after colleague psychological, emotional and social wellbeing is a key focus. We encourage colleagues to access proactive support, speak up if they need help, or take time out if they're struggling. Absence is recorded in our Workday People management system which enables colleagues to trigger further support via our health support services available in the MyHealth system. Mental health absence is closely monitored by business leaders in real-time through Workday. Additionally, a detailed MyHealth report with key insights and trends to identify higher risk age groups, genders, roles or societal factors, together with associated actions that can be taken to better support colleagues, is shared quarterly with business leaders, People Partners and safety teams. KPIs tracked within the report are comprehensive and include the number of incidences, types of wellbeing incidences reported, improvement in conditions, return to work rates, NPS and ROI. Using this data, we can identify trends and predictions as well as structure our risk-based wellbeing programme to better target support in the areas colleagues need most, such as emotional wellbeing, sleep, nutrition and financial wellbeing, or improving signposting amongst other action. We additionally publish our annual Wellbeing Statement that sets out our approach to wellbeing and disclosure, which has earned us a Tier 1 position in the CCLA's external mental health benchmark alongside just five other companies. Metrics are shared with trade unions via meetings.

8.9	Does the company integrate mental health safeguarding into job design and workplace conditions?	C	PUBLIC		Yes/No

Yes

8.9a	If yes, provide more details	C	PUBLIC		250 words

Physical and mental health is considered when designing roles and we adopt 'good work' principles. At the outset of designing jobs or if jobs change, we ensure fair hours and work patterns guided by national and international standards, coupled with flexibility. We'll also strive to help colleagues to flourish – whether that's through opportunities to pursue continued development alongside equitable policies and practices to support diverse needs like caring responsibilities, or accessing necessary equipment via ergonomic and disability assessments so that all reasonable adjustments are made. We additionally provide healthy working environments onsite including ergonomic design, cleanliness, natural light, healthy food options, fitness incentives and opportunities to volunteer which we know help colleagues feel good. If we look to change working practices, we seek stakeholder input from colleagues and trade unions. Through engagement, we're able to fully consider potential impacts and use feedback to shape and strengthen proposals. For example, following consultation during 2020-21, we launched FlexFirst which lets colleagues combine the flexibility and convenience of working at home with time in the office to connect and collaborate, improving work-life balance. Any changes to working practices like remote working, are closely monitored to check they work in practice. In these instances, we source direct feedback and evaluate wider metrics like engagement, productivity and retention. Regular meetings with managers to discuss how people are doing and workload, is also key. Any team flags are raised via the anonymous Our Voice engagement survey, enabling issues to be explored and addressed by leaders.

8.10	Identify the company's operating locations, business lines and workforce demographics where physical and/or mental health and safety risks and injuries are reported to be higher, and any processes in place to address problem areas.	F	PUBLIC		250 word limit

Incidence of physical and/or mental health is spread fairly evenly across jurisdictions, but is slightly higher in the UK where the majority of our workforce is located. This is likely due to Group-wide campaigns that raise awareness of the importance of being open and proactively seeking help, with role-modelling from our Group Chief Executive. Higher incidence can also be partly attributed to financial stress rising amidst the cost-of-living crisis alongside our relatively mature culture of feeling able to speak up on mental health/safety. Whilst our data shows no substantive trends with particular roles, we see higher incidence in our customer-facing business, who have supported customers during the cost-of-living crisis and where engineers often face more muscular-skeletal issues due to the active nature of their role. We also see a slightly higher incidence of mental health among younger people and particularly younger women, or where colleagues have more risk factors like a higher BMI. To reduce incidence and care for colleagues, we've strengthened our ecosystem of support including a 24/7 support line, a wellbeing app, our >100-strong colleague network of Mental Health First Aiders, and a company-funded Healthcare Plan for all which enables more expedient action should the NHS waiting time have an impact on colleague health and ability to work. We added to this in 2023 by establishing a Colleague Support Foundation that provides expert money advice and grants. We furthermore run campaigns to educate colleagues that everyone is on a spectrum of mental health which requires daily maintenance.

Worker wellbeing

Question Number	Question Text	Question Tier	Privacy setting of Answer	Scoring Information	Answer Criteria

8.11	Does the company offer a health and well-being programme?	I	Mandatory Public		Yes/No

Yes

8.11a	If yes, provide an example of how the company has improved workers' wellbeing and how the company can evidence this.	I	Mandatory Public		150 words

Our wellbeing service is predominantly provided via MyHealth in the UK which ensures support is provided at the right time. This supports colleagues to access a team of professional healthcare specialists across issues like mental health, musculoskeletal, nutrition, sleep and exercise. MyHealth includes a 24/7 MyCare phoneline for psychological support, an advice line for managers, as well as proactive support in cases where colleagues may need time off to get help. Through MyHealth, >80,000 positive interventions were made during 2023 (+18% verses 2022) whilst 55% of colleagues using the service, were able to return to work earlier than clinical norms. This equates to ~£6.5m in estimated savings from reduced absence. Effectiveness can be further demonstrated by colleagues rating the service with an NPS of +86 whilst strong wellbeing support has contributed to engagement scores improving by 0.3 points to 7.7/10 which is approaching top quartile performance (wellbeing ranked 7.9/10).

Question Number	Question Text	Question Tier	Privacy setting of Answer		Answer Criteria
8.12	What measures does the company have in place to ensure that workers who are unwell take sick leave, and other necessary leave, and are protected economically if they need to do so?	F	Mandatory Public		500 word limit

We ensure our sick leave policy is in-line with local legal requirements in every country in which we operate in. As part of this, if colleagues are unwell, we provide sick leave and other necessary leave, to ensure they're financially protected in their time of need and won't be penalised for taking absence that goes beyond local government requirements. Our sick pay relates to absence of more than one day if a colleague is unwell, and specifically includes generous protections such as enhanced Company Sick Pay and Group Income Protection Schemes. For instance, our income protection scheme provides nearly 70% of basic annual salary, to provide peace of mind and ensure colleagues can focus on just getting better. By logging sick leave in our Workday People management system, we can formalise sick processes and ensure colleagues receive the relevant help they may need promptly. For example, sickness absences are passed to our MyHealth Case Management team to triage within 24/48 hours, and depending upon the nature of sickness, will drive further interventions via our MyHealth suite of support to ensure appropriate treatment or action with underlying issues identified and addressed wherever possible. It's in everyone's interest for colleagues to get better, so

the line manager will have guided conversations at key stages of absence, to see how they're doing and monitor when and how they're best to come back to work. This may include a phased return to avoid taking on too much too soon. Other appropriate absences that may be relevant in these instances and can also be taken at the relevant time, include bereavement leave and carers leave, whereby we provide industry-leading support of up to six weeks paid leave when matched with annual leave to help better balance work with caring responsibilities. For colleagues needing to isolate such as those with COVID-19, we've amended policies to ensure related absence doesn't have a detrimental impact on pay. On top of this to help colleagues with their finances, we provide free education and money management tools, increased benefits and discounts, as well as access to a Colleague Support Foundation for those seeking financial advice and grants.

8.13	Which workers are covered? Select all that apply from the drop-down list.	F	Mandatory Public		Dropdown

☐ **Indefinite/Permanent employees – selected**
☐ **Fixed-term/temporary employees – selected**
☐ Non-guaranteed hours employees (e.g. casual workers, on-call employees, zero-hours contracts/on-call employees)
☐ **Contractors (e.g. independent, self-employed) – selected**
☐ Agency workers (e.g. labour agency, recruitment agency workers)
☐ **Franchisee workers – selected**
☐ Third party on site workers (e.g. subcontracted service workers, third-party contract workers)

8.14	Does the company enable workers to work flexibly?	I	PUBLIC		Yes/No

Yes

8.14a	If yes, describe the initiatives the company has in place to enable workers to work flexibly. Include details on which workers these initiatives apply to and levels of uptake.	I	PUBLIC		150 words

When COVID-19 restrictions lifted, we adopted FlexFirst, allowing the majority of office-based colleagues to combine the flexibility of working from home with time in the office, or to shift working patterns/hours. Colleagues tell us they have a better work-life balance, with FlexFirst enabling them to choose when and how they work, whilst enabling their pursuit of development opportunities that otherwise wouldn't have been possible. For our call centre colleagues who aren't able to benefit from FlexFirst in the same way, we're gradually rolling out 'Choice Hours' (80% set shift/20% choice hours). Choice Hours can boost engagement by +10 points whilst improving distribution across the day to help serve customers better. We also see over 3,000 colleagues take advantage of seeking extra holiday via our flexible benefits scheme. We've produced guides and manager training to ensure colleagues are aware of and optimise flexibility, with feedback monitored via engagement surveys.

9   WORKER VOICE AND REPRESENTATION

Freedom of association and collective bargaining

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

Working in partnership with trade unions is essential to achieve business objectives that benefit colleagues, customers and wider society. During 2023, we continued to uphold the right for all colleagues to be trade union members and ~40% took up this right. We worked with trade unions and supported employed trade union representatives with facilities time and time off, to maintain an open and transparent dialogue. In-person and virtual meetings were held, alongside accessible consultations and negotiations on statutory and voluntary issues at a local and national basis. For example, we've six collective bargaining units in the UK with their own collective arrangements/recognition agreements. Under those

agreements, we hold national and local councils which meet regularly to engage and consult on matters. Moreover, the Centrica Joint Council is a strategic forum in its fourth year that meets bi-annually and brings together our Chief Executive, members of senior leadership teams and National Energy Officers from recognised unions. Engagement via these methods cover a range of matters across the business including ways of working, proposed large-scale organisational and contractual changes, mitigation of redundancies and achieving fair award agreements in pay negotiations. Engagement enables us to shape and implement outcomes, with the aim of energising a greener, fairer future for everyone in the business whilst giving customers the service they need. Outcomes from consultations, meetings and engagement sessions are shared with colleagues in numerous ways, including via trade union representatives, National Energy Officers, townhalls hosted by leadership, meetings with line managers and intranet sites.

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

77%

| 9.3 | Scope of disclosure (relates to Q9.2) | Mandatory Public | Not scored | Dropdown |

- ☐ Domestic operations/HQ only
- ☐ All significant operating locations
- ☐ ≤25% of direct operations workforce
- ☐ 26%-50% of direct operations workforce
- ☐ 51%-75% of direct operations workforce
- ☐ **≥76% of direct operations workforce – selected**
- ☐ All direct operations workforce

Question Number	Question Text	Question Tier	Privacy setting of Answer	Scoring Information	Answer Criteria

| 9.4 | Provide the percentage (%) of employees covered by collective bargaining agreements by each of the company's significant operating locations. | I | PUBLIC | | Table |

Significant operating location	Percentage (%) of employees in each location covered by collective bargaining agreements
Group/Global	77
UK	79
Europe	75
USA	-

Note: We no longer source USA data following divestment of Direct Energy in January 2021, due to low colleague populations now in this location. Europe calculation is based on collective bargaining in Ireland only.

| 9.5 | How does the company secure the rights of other direct operations workers to collective bargaining? | F | PUBLIC | | 250 | word limit |

We support all workers to further their employment interests and voice by having the freedom of association and collective bargaining, or alternative means to facilitate this. This commitment is enshrined in Our Code and backed-up by our membership of the United Nations Global Compact as well as our commitment to the ILO Core Conventions and UN Guiding Principles on Business and Human Rights. Third party workers are enabled to experience these same rights as our own employees through collective rights' clauses in supplier contracts which is set out in our Responsible Sourcing Policy. Those who uphold this right and are committed to cascading them within their own supply chains, are incentivised to do so with the potential award or renewal of a contract. Upholding this is one of the key principles for being able to do business with us. Compliance is monitored via our risk processes for supplier onboarding which includes running a detailed

analysis of labour practice which is managed by Procurement Managers. If categorised as higher risk, we undertake further review processes such as conducting a site inspection or remote worker surveys, with relevant questions that test whether the right to collective bargaining is in place. Any breach of our policy, may result in termination of our contractual relationship with the supplier or working together to raise standards. Further information is available in Our Code and Responsible Sourcing Policy.

9.6	Has the company identified any risks or restrictions to employees' right to freedom of association or collective bargaining in any of its direct operations?	I	PUBLIC		Yes/No

No

9.6b	If no, provide an example of action taken to prevent risks or restrictions, including through engagement with workers and/or worker representative bodies, as applicable	I	PUBLIC		250 word count

We believe our processes are sufficient in protecting the right to freedom of association and collective bargaining across direct operations, with no risks or restrictions identified via our risk process. For example, Our Code sets out our commitment to uphold collective bargaining which we do through our joint working framework with trade unions, and enables us to strive towards productive engagements to achieve positive outcomes for all. Through active participation in this process, we role model our support and raise awareness of opportunities for colleagues to get involved and have their voice heard via a range of channels such as townhalls, leadership updates, working parties, consultations and more. Colleagues are further made aware of this right via Our Code annual refresher training which everyone must complete, embrace and uphold. Should anyone within the company or beyond have concerns that rights aren't being honoured, we provide an anonymous 24/7 Speak Up helpline. This enables us to investigate and take action. Freedom of association and collective bargaining is also rigorously protected in our supply chain. This stipulation forms a core part of the ongoing tender and onboarding due diligence, so any supplier who doesn't uphold these rights, can't progress through tendering. If any concerns come to light that collective bargaining and freedom of association isn't being upheld or if we engage suppliers in higher risk jurisdictions, we'll conduct further rolling audits to gain a better understanding with any contravention found, either resulting in collaboration to raise standards or ending our contract.

Worker voice					

Question Number	Question Text	Question Tier	Privacy setting of Answer	Scoring Information	Answer Criteria
9.7	Describe the mechanism(s) for enabling workers' participation in corporate decision making, such as worker representation on the Board, having a Non-Executive Director with responsibility for employee engagement, town hall meetings etc.	F	PUBLIC		250 word limit

Colleague participation in corporate decision-making improves our culture and consequently, our business success. Board members have collective responsibility for engaging colleagues to ensure they effectively act on their behalf. They therefore undertake engagements like site visits to talk to colleagues and better understand working conditions. They're supported by our Shadow Board of diverse colleagues who serve n 24-month term and meet leaders on a roughly monthly basis to influence decisions, positively disrupt assumptions and challenge executive thinking, to enable colleague-centric decision-making with effectiveness reviewed quarterly. Leaders of each business also host listening sessions to understand challenges colleagues face. On a quarterly basis, colleagues participate in an engagement survey, providing invaluable insight which feeds into action plans at a BU and team level, to address issues. Following engagement surveys that told us that colleagues wanted to feel more connected to our strategy, purpose and leaders, we introduced improvements. This included launching a new purpose to 'energise a greener, fairer future' whilst our Group Chief Executive hosts regular virtual townhalls and enlists senior managers to share updates on interesting projects that bring our strategy, purpose and leaders to life. The townhalls enable colleagues to ask questions, share views, and have been a big success. Our engagement survey and focus groups with our employee-led diversity networks, have also been key to launching our DE&I goals and evolving our DE&I Positive Action Plans to achieve them. In 2023, DE&I was ranked 8.5/10 by colleagues via the engagement survey, exceeding top quartile performance for sector.

| 9.8 | How does the company obtain worker feedback? Provide the percentage (%) of employees who | F | Mandatory Public | | 250 word limit |

	participated in the company's most recent engagement survey and the level of satisfaction indicated					

In recent years, colleagues have faced challenging times with COVID-19 as well as the energy and cost of living crisis. We've endeavoured to understand what we're doing well to support colleagues during this time, and how we can improve. Our Group-wide quarterly engagement survey is fundamental to achieving this. In 2023, our engagement score improved by 0.3 points to 7.7/10, based on 80% colleague participation. Gains were driven by the value we place on recognition and growing colleagues, as well as a stronger belief in our purpose and strategy. Performance was on track with our annual goal and approaches top quartile for sector. We've a big opportunity to build on this through our continued commitment to act on feedback and are targeting top quartile in 2024. Using feedback, we continue to set an annual engagement plan which is reviewed quarterly and adjusted as needed. Improvement areas in 2023 included connecting colleagues with our purpose and leaders, whilst creating a more inclusive and supportive workplace. Engagement feedback is split by business, department and team, and shared with leaders to discuss at team meetings to deliver more tailored action. At a Group-level, employee feedback has been the key driver in running frequent townhalls hosted by the Group Chief Executive to provide a greater understanding of our purpose, company performance, and enabling a deeper relationship. Feedback is additionally sought via ad hoc focus groups on issues like inclusion via employee diversity networks and the Shadow Board, alongside listening sessions hosted by leaders.

9.9	Provide one example of how workers have influenced decision making on an issue of substance in the reporting period.	C	PUBLIC	Rule 1 (1 point)	250 word limit

Across engagement channels, it was evident that colleagues continued to be concerned about the cost-of-living crisis. We already pay colleagues fairly and during the period, we worked with trade unions to successfully negotiate a pay deal. This contributed to an average salary increase of 6% across the wider UK workforce, with our lowest paid colleagues receiving an average salary increase of between 7.8% and 9.5%. We additionally increased our Group Profit Share, rewarding colleagues with £2,640 in free shares, to recognise their contribution during 2023. We continued to provide extra financial support to help with energy bills through the Colleague Energy Allowance which gives customers 15% off the energy price cap with around 50% of colleagues having signed up, whilst offering up to 40% off Hive solutions and 10% off heat pumps, solar panels, battery storage and insulation. This was supported by enhanced retail discounts and cashbacks, as well as the launch of our Colleague Support Fund in 2023 to provide expert financial advice and grants. In the Fund's first year, its distributed £130,000 to colleagues on a range of issues including funeral and food costs, as well as saving over 15 families from home eviction. We additionally ran campaigns focused on the importance of wellbeing and signposting support to our comprehensive wellbeing suite, which

includes professional advice as well as on-demand training and education. Altogether, this has made a real difference to colleagues and contributed to engagement scores rising by 0.3 points in 2023.

10 GRIEVANCE MECHANISMS

Grievance mechanisms					

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

Our Group Grievance Policy outlines the grievance process for colleagues. Should the grievance be a relationship breakdown between colleagues, we offer mediation via internal trained mediators as an informal way to address concerns and seek resolution. If mediation is unsuccessful, the formal process is applied in line with our policy. An independent Leader is appointed to investigate concerns raised. The Grievance Manager conducts an independent investigation, interviewing all relevant parties and documentation. The outcome is usually provided in writing, but on occasion verbally, and subsequently followed up in writing together with how to appeal. All outcomes are stored confidentially by Employee Relations. The team is responsible for the policy and monitors volume and reasons for grievances. Colleagues are also encouraged to report concerns regarding malpractice, human rights abuse or discrimination to their line manager/senior manager/Speak Up helpline. The helpline is an independent service that enables concerns to be reported confidentially/anonymously. The process is managed by Ethics and Compliance who also track and report the number of reports per 100 employees. Both processes draw on best practice HR protocols and are shaped via trade union and colleague engagement. All grievances are investigated, appropriate action taken, and any learning incorporated into business strategy to prevent re-occurrence. This may involve People or Ethics and Compliance teams engaging business division or department leaders, to improve work practices. In the value chain, we enable workers to report issues via Speak Up or via our audit and remote worker surveys, with all cases investigated.

10.2	Which workers can access the channel(s)/mechanism(s) identified in Q10.1? Select all that apply from the drop-down list.	I	PUBLIC		Yes/No

- **Employees - Selected**
- **Non-employee direct operations workers – Selected**
- **Value chain workers – Selected**
- **Other - Selected**

10.2a	For every group of workers covered, provide more details (see guidance for what details to include).	I	PUBLIC		250 words

It's vital that we act fairly and with integrity. So we ensure anyone can take-up their right to report an issue without fear of reprisal. Our 24/7 Speak Up helpline is therefore available to direct employees/contractors/agency workers/third party workers/business partners/customers/value chain workers (mainly Tier 1), and the public. It's a phone and online based service that's shared via our company intranet and corporate website, alongside inclusion in Our Code and related campaigns. Our Code and the helpline are available in multiple languages relevant to our operations. Meanwhile our grievance policy and procedure, is only available to Centrica employees and contractors in local languages, given its more focused scope. As an organisation we promote raising concerns directly with local leaders in the first instance as this often enables swifter resolution. Throughout the year, we undertake checks and balances to ensure colleagues feel able to speak up. This includes tracking contacts made against industry norms and seeking colleague feedback, to understand if our approach is effective. Action like this is supported by continuously embedding strong signposting on relevant platforms and campaigns to raise awareness whilst reinforcing our commitment to keep whistle-blowers safe from reprisal and ensure anonymity. Audits and remote worker surveys are deployed to higher risk Tier 1 suppliers, with workers required to respond to key ethical, social and environmental questions in local languages. Any concerns raised or ambiguous responses received, are followed up to ensure appropriate action is taken if needed via the Speak Up or via telephone call.

| 10.2b | For any group of workers not covered, state why not and any plans to give access in the future. | I | PUBLIC | | 250 words |

n/a

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

Yes

| 10.3a | If yes, provide more details (see guidance for what details to include) | F | PUBLIC | | (250 words) |

Grievance mechanism effectiveness is assessed against Principle 31 of the UNGPs, in that it's legitimate, accessible, predictable, equitable, transparent and compatible with human rights. Through feedback and usage rates, we know colleagues are aware of, have access to and trust the process. If levels drop/queries increase, we respond. In the past, if we've noticed a decline in reports, we raised awareness by enhancing training, running campaigns on the importance of speaking up or improving signposting. We run annual Our Code refresher training to remind colleagues of their responsibilities and how to raise their concerns formally. Stakeholders like trade unions and NGOs review performance, particularly for significant issues or if colleagues want representation. Trade unions and NGOs have further helped us develop and improve awareness of grievance mechanisms, with process learnings applied. For instance, in 2021, we worked with trade unions to streamline three grievance policies for different BUs into one, ensuring consistency and improving clarity around timelines and roles and responsibilities. Today, this helps cases run more smoothly and efficiently. Our Employee Relations team have also upskilled on in-house mediation following our identification of trends around conflict and relationship breakdowns across the process, enabling us to cut grievance volumes through stronger mediation resolution. In 2023, we additionally increased audit activity to ensure greater insight into worker conditions at higher risk supplier sites, running 20 on-the-ground audits and deploying over 6,500 remote worker surveys which had a response rate higher than the external benchmark.

| 10.4 | Provide the number of grievances relating to human rights and/or workers' rights reported and resolved in the reporting period in the company's direct operations and in the company's value chain. | I | PUBLIC | | Table |

Area of operations (Please note rows cannot be added)	Number of grievances reported	Number of grievances resolved
Direct operations	488	448
Value chain	0	0

Note: Number of grievances relate to those reported and resolved within the same 2023 reporting year. A small number of grievances were resolved the following year due to factors such as timing of grievance raised and/or complexity of resolution. In our direct operations, we cannot split the data by a human rights specific category, so we have instead reported wider workers' rights here. In our value chain, we're exploring additional ways that grievances can be reported.

| 10.5 | Provide an example of how the company has provided or contributed to providing a remedy for a human rights/workers' rights grievance raised in the reporting period, including by consulting with impacted workers and any lessons learned. | I | PUBLIC | | 250 word limit |

Whilst solar panels are an essential technology that will support the world's transition to net zero, we're aware of the ongoing industry-wide concerns relating to the potential use of forced labour in the solar supply chain. The risk specifically relates to the manufacturing of solar

panels containing polysilicon originating from the Xinjiang Uyghur Autonomous Region (XUAR) of China, where there's potential links to human rights abuses. Recognising that the challenge is not one faced by us alone, in 2023 we continued to closely monitor developments in relation to forced labour allegations at a raw material level to minimise risk of knowingly or inadvertently procuring solar panels with a connection to XUAR, and collaborated with others to drive greater transparency and accountability. For example, we 1) conducted a market review to establish a preferred supplier list using our enhanced due diligence to assess a supplier's potential exposure to XUAR across the solar panel supply chain and ran targeted independent audits, 2) collaborated with other industry participants and external experts to positively influence and advance improvements which included co-sponsoring the Solar Stewardship Initiative, which is an industry initiative with Solar Energy UK, Solar Power Europe and industry peers/investors/suppliers, to increase ESG performance in the supply chain and support the new solar-specific sustainability assurance programme, and 4) our Human Rights and Modern Slavery Steering Group agreed a set of principles that enable further transparency within our supply chain to ensure the ongoing ethical procurement of solar panels.

10.6	What policies and procedures does the company have to protect workers from retaliation and reprisal for speaking up or lodging a grievance relating to their rights as workers and working conditions?	F	PUBLIC		250 word limit

We've a zero-tolerance approach to any form of retaliation to employees, contractors or worker in the value chain, who reports a grievance or suspected/actual breach of Our Code in good faith, even if they were mistaken. This approach is supported by our commitment to anti-retaliation within our Whistleblowing Policy, which applies to all. We consider retaliation gross misconduct. If retaliation is identified, this should be raised with line management, People teams or via the Speak Up helpline with penalties up to and including dismissal. Through communication campaigns, our annual online Our Code refresher training and colleague inductions, we aim to foster a culture where colleagues feel able to speak up without fear of retaliation. For instance, in our communications and training, we specifically raise awareness of the protections in place to guard against retaliation and highlight that colleagues can raise concerns anonymously via our 24/7 Speak Up online and phone-based helpline. We've seen increases in use of the helpline following campaigns and/or training activity, which demonstrates that these methods are effective at delivering cut-through, giving us confidence that people feel satisfied with protections. During the investigation phase, personal details are kept highly confidential. No information is disclosed outside of the immediate team dealing with the grievance unless required by law or an important public interest is at stake. If it's necessary for anyone in the investigating team or beyond to know the identity of individual(s) involved, this will be discussed with the complainant or complainant's representative first.

11   SUPPLY CHAIN TRANSPARENCY

Supply chain structure and location

Question Number	Question Text	Question Tier	Privacy setting of Answer		Answer Criteria

Question Number	Question Text	Question Tier	Privacy setting of Answer		Answer Criteria
11.1	Provide a description of the company's value chain and explain its role in the company's business model.	F	Mandatory Public		250 word limit

We supply energy services and solutions to over 10m customers mainly in the UK and Ireland through strong brands such as British Gas in the UK, Bord Gais Energy in Ireland and Centrica Business Solutions globally. To help energise a greener, fairer future, we directly source from around 7,000 Tier 1 suppliers across around 30 countries. Our global spend with suppliers is around £3bn for goods and services. These include some higher-risk jurisdictions such as Bangladesh, Cambodia, China, Hong Kong, India and Pakistan, although the majority of our spend is with suppliers based in lower risk countries like the UK, Ireland and the Netherlands. The types of suppliers we work with can vary significantly - from providing parts for boilers in customers' homes, to chairs for colleagues in the office. We've identified four areas of our supply chain that warrant specific focus based on their jurisdictional, good or services risk for prevalence of modern slavery using Sedex risk ratings and supplemented where appropriate with internal and external subject matter expertise which are: 1) solar panels, 2) battery systems, 3) smart technology products, and 4) garment manufacturing. We don't have full visibility over Tier 2 or 3 suppliers, and are therefore unable to state how many suppliers make up this category. Since 2016, we've reduced the number of suppliers we work with from over 35,000 and most activity is now centralised and managed by Procurement, to reduce risk. See our Modern Slavery Statement for more: centrica.com/modernslavery.

11.2	Provide details on the company's efforts to map its value chain, including beyond the first tier. State the percentage of the company's upstream value chain mapped to date.	F	PUBLIC		250 word limit

We map our supply chain on a project-by-project basis and in accordance with whether sections of the supply chain are based in higher-risk jurisdictions such as Bangladesh, Cambodia, China, India and Pakistan. Based on this criteria for example, garment manufacturing is a higher risk area, so we've worked with our clothing providers to map beyond Tier 1. This has provided greater visibility over Tier 2 and enabled us to better evaluate risk and target action to ultimately safeguard workers rights. Our third-party sustainability risk platform assisted us in this process by highlighting areas for improvement, supported with country and commodity risk indices, alongside engagement with wider internal stakeholders including Risk Management Teams, and managed by our Responsible Sourcing team. Gaining greater transparency and traceability across our solar supply chain remains a focus so in 2023, we conducted a market review to establish a preferred supplier list using enhanced due diligence to assess potential exposure to XUAR across Tier 1 and below for polysilicon specifically, and collaborated with Solar Energy UK and Solar Power Europe to enhance approach. Given the breadth of our supply chain and challenges gaining greater transparency, we recognise we've gaps in knowledge for wider parts of our supply chain, particularly across Tiers 2 and 3. To ensure our efforts are best spent, we'll continue to maintain our approach of mapping focused on higher risk areas, but look to extend mapping in the future as appropriate.

11.3	Does the company publicly disclose the results of its value chain mapping?	I	Mandatory Public		Yes/No

No

11.3b	If no, how is the company improving transparency of its value chain? Include examples and state the total number of first tier suppliers in the company's upstream value chain.	I	Mandatory Public		(150 words)

We've around 7,000 Tier 1 suppliers and don't currently disclose supply chain mapping. As we deepen mapping across our supply chain, our interim focus is on improving transparency on current core annual reporting matters tailored to stakeholder needs, which includes

demonstrating continuous improvement in processes and performance related to modern slavery via our annual Statement. We believe at present, this focus meets the key needs of internal and external stakeholders, but we recognise the necessity of enhancing approach particularly as we build towards CSRD. In the future, we hope to publish supply chain mapping once further work completes. In the meantime, we're improving supply chain transparency through continued deep dives, audits, remote worker surveys and use of third-party platforms and collaboration, which will enable us to identify risk and raise standards. In 2023, we doubled site audits to 20 and rolled out remote worker surveys to 13 suppliers.

Supply chain numbers					
Question Number	Question Text	Question Tier	Privacy setting of Answer		Answer Criteria
Question Number	Question Text	Question Tier	Privacy setting of Answer		Answer Criteria
11.4	Provide the number of first tier suppliers in each of the company's top ten sourcing locations (determined by percentage of overall procurement/spend).	I	PUBLIC		Table

Top ten sourcing locations by percentage of overall procurement/spend	Number of first tier supplier organisations
UK	2,241
Ireland	293
USA	72
Netherlands	20
Belgium	14
Germany	12
Italy	8

Switzerland	8
Norway	8
Singapore	6

Note: Constitutes our Tier 1 suppliers available via our primary UK system only. A broader breakdown is not yet readily available.

11.5	Provide the estimated number of workers in the first tier of the company's upstream value chain. Companies can indicate what percentage of their upstream value chain this covers in 11.6.	C	PUBLIC		(150 words)

Around 16 million

Note: Our response is a rudimentary estimate. Our primary third-party sustainability tool used to engage suppliers does not have functionality that enables us to report on the number of workers in Tier 1 of our supply chain. To complete a response to this question in an effort to be as transparent as possible, we have therefore based our calculation on the average number of workers per company based on information in the Sedex supplier management tool.

11.6	Scope of disclosure (relates to Q11.5)	PUBLIC	Dropdown

- ☑ **≤50% of first tier – selected**
- ☐ 51%-75% of first tier
- ☐ ≥76% of first tier
- ☐ All of first tier

11.7	Provide the average length of relationship the company has with its direct suppliers.	C	PUBLIC		50 words

Three years is our average contract length. We are currently unable to access information relating to ongoing relationships.

| 11.8 | Does the company collect data on the gender composition of its value chain workforce? | C | PUBLIC | | Yes/No |

No

| 11.8b | If no, state why not and any plans to do so in the future. | C | PUBLIC | | (150 words) |

In our Responsible Sourcing Policy, we require all suppliers to uphold and embrace diversity and inclusion. In recent years, we moved to a new supplier management system whereby all medium and higher risk suppliers are required to provide gender composition information via completion of the self-assessment questionnaire. We expect to gain greater coverage across our supply chain, as we continue to grow the volume of suppliers rolling onto the system during 2023 and beyond. Accessing this data in an efficient and aggregated way is, however, challenging which is why we selected a 'no' response. We hope to explore system improvements in the future to enable stronger insights and action on diversity. In the meantime, we monitor and review risk in other ways, such as via our direct worker reporting programme which captures gender of those answering the surveys, and enables us to better identify and action related issues.

High risk supply chain areas

Question Number	Question Text	Question Tier	Privacy setting of Answer	Scoring Information	Answer Criteria
11.9	Provide details on any specific products, services and raw materials, wherever these feature in the value chain, identified to be of particular risk of forced labour, modern slavery and human trafficking.	I	PUBLIC		250 word limit

We've conducted risk assessments across our supply chain and identified four focus areas that warrant continued attention based on their associated industry and jurisdictional risk, according to Sedex Radar which rates sites, sectors and countries 0-10 on various ethnical

issues and associated risk, alongside external and internal subject matter expertise. The four focus areas are: 1) solar panels and specifically polysilicon production in China, 2) the manufacture of battery systems and cells in India alongside the associated raw materials like cobalt or lithium sourced from China, 3) smart technology products such as our Hive solutions manufactured in China, and 4) garment manufacturers in Bangladesh, Cambodia, China and Pakistan who produce uniforms for around 7,000 engineers. The first three focus areas are largely critical to our customer offering as we help energise a greener, fairer future and which we expect to ramp up in the years ahead as the energy transition deepens, whereas the last is essential to our everyday operations. We work with our suppliers and industry bodies like the Slave Free Alliance, Solar Energy UK and Solar Power Europe, to establish ways to raise standards collectively as well as ensure we adopt best practice as it evolves. We continually monitor efficacy of incentives which are ultimately measured by how effective our programme is at protecting rights. Higher risk suppliers are closely monitored via site audits using the SMETA rating and remote worker surveys, alongside ongoing supplier relationship meetings.

12 RESPONSIBLE SOURCING

Sourcing strategy

Question Number	Question Text	Question Tier	Privacy setting of Answer		Answer Criteria
12.1	What measures are in place to incentivise those responsible for the company's day-to-day sourcing decisions effectively ensure the company meets responsible sourcing and workers' rights commitments (beyond adherence to the company's Employee/Business Code of Conduct/Ethics Code etc)?	I	PUBLIC		250 word limit

We've a number of incentives to support and drive effective decision-making for those responsible for day-to-day sourcing, to ensure the company meets its commitments on responsible sourcing and workers' rights. Our Responsible Sourcing Champions who typically include Responsible Procurement Managers and sit across all key procurement areas to ensure responsible sourcing is understood and embedded

across the organisation, are incentivised via our global 'Recognition' platform. The platform is available to all employees and operates on the basis of colleagues nominating each other in recognition of a key achievement – in this case, embedding and maintaining high standards relating to sourcing and workers' rights – with the reward of feedback that can be used in their quarterly review process linked to remuneration, as well as immediate points that can be turned into monetary vouchers and redeemed at key retailers. Incentives are also in place for roles that are accountable for ensuring the right strategic decisions are made to uphold responsible sourcing and workers' rights as well as the identification of any issues in relation to these focus areas. For instance, the Director, GBS Governance, Risk & Compliance alongside other key Responsible Sourcing personnel, are incentivised through standard performance evaluation processes linked to remuneration based on ability to reduce risk and strengthen resilience across the supply chain. All incentives set out in this answer go beyond the requirement for colleagues to uphold Our Code's fundamental commitment on human rights, which forms part of everyone's contract who works for us or with us.

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

Yes

| 12.2a | If yes, what percentage of new suppliers (in the last reporting period) were assessed in this way and how is performance on workers' rights weighted or balanced against other selection criteria? | F | PUBLIC | | 250 words |

100% of new suppliers were assessed on human rights commitments in 2023. This forms a central part of the onboarding and risk assessment process, whereby suppliers are required to uphold and protect human rights as set out in our Responsible Sourcing Policy, which is aligned to the United Nations Charter and the ILO Core Conventions amongst other standards. Initial due diligence is undertaken before contracting, consisting of a series of robust onboarding checks across multiple labour, product, country/origin, financial crime indicators. Suppliers are also required to complete a responsible sourcing questionnaire at onboarding or when participating in a tender. When deciding supplier selection, sustainability is weighted equally to other areas on the scorecard such as cost, quality and service. In 2023, 0.3% of suppliers were identified as potentially higher risk via the onboarding process, and were required to undergo further risk assessment via the Sedex supplier management platform, to ensure we fully understood any human rights risks. Assessment includes criteria such as working hours, pay/overtime rates, site facilities and more. Following assessment, 20 sites across our four focus areas outlined in Q11.9, underwent on-the-ground audits and we rolled-out of >6,600 remote worker surveys, including solar for the first time.

If a potential supplier is not willing to work with us to match our high standards on human rights, we'll not enter into a new relationship or tender with them. For example, one of our battery suppliers won't be awarded new projects until they have completed their corrective action plan.

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

Yes

12.3a	If yes, provide a link to or attach the relevant public document or describe the terms included in contractual arrangements?	F	Mandatory Public		150 words

Every supplier we partner with is required to sign up to and uphold our Responsible Sourcing Policy and Our Code. The policy includes all key sustainability objectives spanning the Real Living Wage, equal pay and other responsible payment practices like the 'Employer Pays Principle', human rights, health and safety, diversity and inclusion, collective bargaining and more. Our policy was originally established more than a decade ago and is in line with leading international standards such as the UN Global Compact and the Universal Declaration on Human Rights, as well as the ILO Convention 155 and Recommendation 164 on occupational health and safety. Further detail is available in our Responsible Sourcing Policy.

Monitoring suppliers					
Question Number	Question Text	Question Tier	Privacy setting of Answer		Answer Criteria

12.4	Describe the process for monitoring or auditing supplier performance against the document disclosed at 12.3, including beyond the first tier of the upstream value chain, the standards used for the monitoring process, and whether the results are made public. State the percentage of suppliers independently audited.	I	PUBLIC		250 word limit

100% of Tier 1 suppliers are monitored by Procurement through the standard onboarding and risk assessment processes. Medium and higher risk Tier 1 suppliers undergo further monitoring and auditing through the Sedex supply chain management platform. This assesses the minimum standards across sustainability matters, including in relation to the 'Employer Pays Principle', Dhaka Principles for Migration with Dignity and ISO 2600. If suppliers receive a higher-risk rating, they're considered for further due diligence which typically involves a site visit by an independent auditor who has experience in labour rights and/or remote worker surveys. The auditor undertakes a series of inspections in line with the SMETA 4-Pillar Audit protocol, spanning labour standards, health and safety, business ethics and environmental performance, based on the Ethical Trading Initiative (ETI) Base Code alongside local law requirements. This includes analysing the working environment and company documentation, as well as undertaking interviews with workers. The 20 site audits and >6,600 remote worker surveys undertaken in 2023 at higher risk suppliers, constituted 0.3% of suppliers. Whilst efforts didn't identify instances of modern slavery, we remain vigilant. 142 non-compliances across audits were, however, identified and included in corrective action plans with suppliers – none were rated 'business critical' but all will help raise labour standards. 89% were resolved by the end of 2023 and the rest were on track for completion in 2024. We share results of monitoring and auditing processes in our annual Modern Slavery Statement ([centrica.com/modernslavery)](centrica.com/modernslavery).

12.5	How does the company assess whether its sourcing and/or purchasing practices allow a supplier to meet its workers' rights commitments e.g. by requesting feedback on the business relationship from suppliers etc?	I	Mandatory Public		250 word limit

We engage suppliers to understand if our purchasing practices allow the supplier to meet its workers' rights commitments. Procurement Managers maintain collaborative relationships with suppliers to help them maintain high standards as well as understand whether our practices may be having an adverse impact on areas like paying the Real Living Wage, and ensuring strong health and safety standards. They are supported in this process with dedicated training. And we've rolled out audits (site and remote), to directly understand any impacts on workers, deploying directly to over 6,600 workers in 2023. To date, we haven't received feedback confirming that our

purchasing practices have had an adverse impact but we remain committed to continuing to work together to uphold and strengthen good practice. Following engagement with small suppliers in 2021 for example, we cut in half our standard payment terms to 30 days for small companies and charities, helping them maintain their vital place in the economy and wider society. We also engaged the Living Wage Foundation in 2022-23, to see how we could support suppliers if they struggle to meet the Real Living Wage should their approach to pay dip below the stipulated annual level, to ensure workers aren't impacted. Our Procurement relationship managers regularly speak with suppliers and we're exploring further ways to engage suppliers to understand what we're doing well and where we can improve, giving suppliers the opportunity to provide further feedback on whether our practises are impacting them and how we might better work together.

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

Yes

12.6a	If yes, provide more details	F	PUBLIC		150 words

All suppliers, including third party labour providers, must adhere to our Responsible Sourcing Policy which forms part of our contract with them. These include respecting, upholding and advancing the protection of human rights, as defined by the UN Global Compact, the UNGPs and the ILO. As part of this policy, suppliers mustn't use any form of involuntary or child labour, ensure overtime is voluntary and not excessive, provide a safe and inclusive workplace free from discrimination or abuse, and offer fair reward and recognition. We work with external agencies where we source labour for specific jobs, such as security or onsite maintenance, to ensure our employment requirements are met. These include right to work screening and adopting 'The Employer Pays Principal' as well as the Real Living Wage in the UK. Contractual arrangements ensure anyone who fails to comply, must instigate immediate remediation or agreements will be terminated.

12.7	How does the company measure whether it is effectively incentivising supplier progress on workers rights and working conditions? State the	I	Mandatory Public		150 word limit

	performance incentives and KPIs used, and progress against these.				

During the tender process, responsible sourcing principles are measured and ranked, allowing us to increasingly consider things like workers' rights and the environment. Additionally, suppliers undergoing a sustainability desktop assessment or audit, are tied to the analysis of strong labour rights and conditions. If a labour non-compliance is found, we implement a corrective action plan and closely monitor implementation of improvements. Whilst continued non-compliance may result in ending our relationship with the supplier, good labour practices can be rewarded with contract renewals or longer-term contracts. We see this as an effective way to encourage good performance. This can be demonstrated by all of our suppliers who have undertaken action plans, improving performance. For instance, 89% of the 142 non-compliances identified across audits during 2023, were resolved in year compared to 78% the previous year, with the rest on track for completion in 2024.

13   SUPPLY CHAIN WORKING CONDITIONS

Workers' rights in the supply chain

Question Number	Question Text	Question Tier	Privacy setting of Answer		Answer Criteria
13.1	What action has the company taken to build the capacity of other entities in its value chain to mitigate and manage risks to workers' rights, including in their own value chain (e.g. through training)?	C	PUBLIC		250 word limit

Through our commitment to raise standards across our supply chain, we share and strengthen best practice with suppliers so that we can manage and mitigate risks relating to workers' rights in their business and across their supply chain. We've run enhanced modern slavery and human rights training for Procurement staff to build capability and identify modern slavery, with over 100 hours of training

in 2023. In 2021, we additionally created a go-to Responsible Labour Practice Toolkit which we've updated over the years, and builds capability across supplier labour practices including modern slavery. The Toolkit is hosted on our supplier portal on centrica.com to ensure its accessible, and grows capability by developing a shared understanding of our minimum expectations whilst providing best practice to suppliers who want/can go further. Audits in 2023 across Bangladesh, Cambodia, China, India, Pakistan, the Netherlands and the UK, also resulted in corrective action plans totalling 142 non-compliances that we're collaborating with suppliers on, to enhance capability as well as raise standards for workers in areas like health and safety, working hours, wages, environment and management systems. A further area we've committed to in our Modern Slavery Statement, is to work with suppliers to understand the root causes of excessive working hours, with the aim of bringing into effect sustainable improvements. Through our membership of industry-leading organisations, we can further learn, share and disseminate best practice with suppliers. Towards this, we're members of the Responsible Sourcing Council, Slave Free Alliance, Utilities Against Slavery, and Solar Stewardship Initiative.

13.2	How is the company working to ensure that value chain workers can exercise their rights to freedom of association, including the right to unionise, and collective bargaining?	I	PUBLIC		250 word limit

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

Improving working conditions in the supply chain

Question Number	Question Text	Question Tier	Privacy setting of Answer		Answer Criteria
13.3	How does the company assess whether it is improving conditions for workers in the value chain? Describe any steps or initiatives the company is taking to improve the working conditions of value chain workers and provide evidence demonstrating the effectiveness of these measures.	I	PUBLIC		250 word limit

We've initiatives that improve supply chain working conditions and track progress with KPIs. In 2023, we collaborated with independent sustainability supply chain risk experts and auditors to double our audit programme in 2023. This helps ensue we identify and act on feedback to enhance working conditions. No 'business critical' issues were identified via audits in 2023 although 142 time-bound non-compliances were tackled via corrective actions plans, which mainly related to health and safety matters, with the majority closed in year. Action plans are overseen by the Director of GBS Governance, Risk and Compliance, with overall progress reviewed by the SESC and Board. A high-level summary of audits are also published in our Modern Slavery Statement. We strive for strong relationships with suppliers and work to enhance those where greater transparency is needed. In 2023, remote worker surveys supported this too, with completion rates 6% above average positive participation levels. We've additionally created a Responsible Labour Practice Toolkit to grow a shared understanding of our minimum expectations such as adoption of the 'Employer Pays Principle' whilst providing best practice to suppliers keen to improve further. Partnering with ethical organisations like the Responsible Sourcing Council and Slave Free Alliance alongside trade bodies including the Solar Stewardship Initiative, enables us to harness learning and trigger systems-level change through collaboration. In 2023 we did not identify explicit instances of forced labour which demonstrates our effective approach, but we remain vigilant and focused on continuous improvement to ensure detection where contravention exists.

Question Number	Question Text	Question Tier	Privacy setting of Answer		Answer Criteria
13.4	Has the company identified any instances of forced labour, modern slavery, human trafficking or child labour in its value chain in this reporting period?	I	PUBLIC		Yes/No

No

13.4b	If no, state why not and describes steps taken to conduct due diligence on forced labour, modern slavery, human trafficking and child labour risk.	I	PUBLIC		(150 words)

We've identified no explicit instances of forced labour/modern slavery/human trafficking/child labour risk. To guard against risk, during onboarding, we assess modern slavery risk whilst an external supply chain expert rates suppliers to identify risk. If they receive a higher risk rating, companies undergo an on-the-ground site audit to inspect labour practices and working environment whilst reviewing company documentation and talking with workers. Remote worker surveys are also rolled-out to enable further direct feedback. Across audits in 2023, auditors identified instances of poor working practices including poorly maintained firefighting equipment or instances of non-compliance which could be indicators of forced labour like excessive overtime - these were, however, reviewed further and not considered modern slavery. Overall, 142 non-compliances were identified to be addressed via created corrective action plans with suppliers. Off the back of these, we continuously monitor effectiveness of controls, and tailor action to raise standards.

13.5	Is prison labour used in the company's value chain?	I	PUBLIC		Yes/no

Yes

13.5a	If Yes, provide more details	I	PUBLIC	250 word limit

Our National Distribution Centres have contracts with waste and recycling company Recycling Lives, who uses prison labour largely from HMP Buckley Hall near Rochdale, to breakdown some of our old smart meters and scan associated data. They've a contract with the Ministry of Justice (MoJ) to use voluntary prison labour to ultimately enable the prisoners to change their lives and avoid reoffending when released by arming them with new skills and self-confidence. The academy programme is run to high UK labour and safety standards, with work hours limited to around 5-6 hours maximum Monday-Friday. Prisoners sign a Memorandum of Understanding that shares what's expected of them, and what they can expect in return on issues like remuneration, training and support as well as their ability to withdraw their labour at any time. Recycling Lives is popular among prisoners. The MoJ pays their wages according to regional and skill level which tends to be much higher than what prisoners could earn from normal prison jobs, and a good proportion of their wage is consequently put into a savings account to support their eventual reintegration into society. The wider wrap-around package of support from the specialist team is also key

in helping them get ready for the outside world – from ensuring they've correct ID and working documents, to setting up accommodation and employment through connections with a variety of employers. Less than 5% of those on the programme reoffend and return to prison, which compares incredibly favourably against the national average.