

Our Health & Wellbeing Statement 2023

Our annual communication on progress

Chris O’Shea, Group Chief Executive: “Looking after our mental health is essential. As a business leader, I therefore don’t take lightly the responsibility I have to ensure that colleagues are doing ok. That’s why I’m really proud that we actively encourage open conversations about health and wellbeing at Centrica and are inspiring more and more colleagues to speak up and access support through a range of tools, resources and benefits. In doing so, I hope we can continue to promote good mental health, continue to break down the stigma associated with poor mental health, and continue on our journey to make Centrica a truly inclusive place to work.”

Why it’s important

The last few years have been tough for colleagues with the cost of living crisis coming off the back of a global pandemic. Events like these can undoubtedly have a big impact on wellbeing, which is why we want to be there for colleagues; because mental health is just as important as physical health. Towards this, we’ve increased our focus on improving the mental, emotional and physical health of colleagues – from creating an inclusive culture where everyone feels welcome and able to succeed, to encouraging colleagues to speak up if they’re struggling and seek proactive and/or reactive help via our wellbeing suite of support.

This isn’t just the right thing to do; it’s essential to the long-term success of our business. With colleagues being the beating heart of our business, wellbeing support improves health and happiness which enhances productivity and reduces sickness as well as absence. In turn, this enables us to attract and retain the diverse and talented team we need to deliver on our purpose of energising a greener, fairer future.

Through our wider responsible business activities, we also endeavour to support the health and wellbeing of people across our value chain, including customers, communities and suppliers.

What we’re doing

We focus on promoting positive health and wellbeing in three key areas:

1. Providing a strong suite of support;
2. Building a more inclusive culture; and
3. Listening and acting on feedback.

1. PROVIDING A STRONG SUITE OF SUPPORT

We continuously improve our resources, tools and benefits to help people access the right support at the right time. In 2023, we:

- **Enabled expert health and wellbeing advice via MyHealth.** The external service supports colleagues to access a team of professional healthcare specialists across a range of areas such as musculoskeletal, nutrition, sleep, exercise and more. MyHealth also provides a 24/7 MyCare phone line for psychological support and an advice line for managers.
- **Provided a company funded healthcare plan and a Virtual GP.** The plan gives all colleagues the same healthcare cover regardless of seniority, and complements the NHS with access to private treatment. For peace of mind, there’s also the opportunity for colleagues to add immediate family members. Our virtual GP 24 also ensures 24/7 access to a GP as and when it’s needed.

- **Ran on-demand support via an external wellbeing app.** The app provides bite-sized and interactive courses to proactively manage everyday mental health needs, including how to manage anxiety or nurture relationships. The app has been proven through science to have a wide range of benefits - from improving happiness and sleep, to performance.
- **Grew on-the-ground mental health support with the expansion of our network of colleague Mental Health First Aiders (MHFA) and the launch of Wellbeing on Wheels.** Our passionate MHFA now total 120 colleagues who are fully trained and on hand to confidentially talk to colleagues about mental health concerns whilst signposting extra support. Our MHFA total 1% of our workforce and do a fantastic job in providing support to colleagues in their business area. Furthermore, we introduced two Wellbeing on Wheels vans which is allowing us to reach even more colleagues by attending site events and visiting remote workers. In its first six months of operation, the vans enabled us to conduct an additional 160 assessments.
- **Rolled-out proactive wellbeing webinars alongside toolkits and modules.** This allowed us to share the experiences of colleagues alongside expert external speakers, including Dr Rebecca Brady, Dr Alex George, Johnny Benjamin and Neil Laybourn, to provide education, debunk myths and spark positive conversations that raise awareness of and tackles difficult or taboo topics (see more on page 4). Topics span issues such as mental health, menopause, cancer and men's suicide alongside our continued focus on holistic wellbeing on issues like exercise, sleep, nutrition and hydration.
- **Enabled colleagues to seek legal advice on issues they're worried about.** Through the legal portal, colleagues can access support such as expert legal advice via a 24/7 helpline, jargon-free guides for consumer laws and regulations, as well as easy-to-customise legal documents that can be reviewed by a lawyer.
- **Offered a range of benefits via our flexible benefits scheme.** Benefits to help colleagues thrive include discounted offerings at top retailers to reduce pressure on finances, extra healthcare top-ups to meet individual needs, and gym incentives to become more active, or extra holiday to take more time out or help fulfil wider commitments. Our wellbeing benefits are really popular – for example, over 1,600 colleagues opted for dental insurance, over 450 colleagues took up gym memberships and 250 colleagues got a new bike.
- **Provided income protection for colleagues with an illness or injury.** Being unable to work, can put a huge strain on finances and impact wellbeing. We therefore support all impacted colleagues with a monthly payment that's nearly 70% of their basic annual salary. This provides peace of mind and enables colleagues to focus on getting better.
- **Ramped up support for colleagues during the cost of living crisis.** In addition to signposting support available via our wellbeing suite, we launched a Colleague Support Foundation which is a charitable trust that provides financial support and advice. In the first six months of the Foundation, more than 100 colleagues benefitted from around £100,000 of support – this included helping colleagues with the funeral expenses of a loved one and covering food costs to feed their families. We also continued to offer our enhanced Colleague Energy Allowance that gives money off energy bills for colleagues who are also British Gas customers. In recognition of the continued strain customer-facing teams experience whilst helping customers through the energy crisis, we additionally provide targeted mental health and wellbeing education. Moreover, our focus on volunteering 100,000 days by 2030 is making a big difference in our local communities (see page 3) whilst supporting colleagues mental health too, with research showing that those who regularly volunteer release key hormones that boost mood¹.

¹ The Kindness Test, 2021, based on 60,000 volunteers.

- **Increased support for customers and communities during the cost of living crisis.** We know the rising cost of energy has been a real worry for many, which can impact health and wellbeing. So on top of the £400 million in mandated support provided to help people with their energy bills during 2023, we committed around £90 million in voluntary support to deliver expert advice and grants for customers and communities. This brings our total voluntary support since the cost of living crisis began to £140 million, which is more than any other energy provider in the UK. To ensure people get the help they need, we've provided donations to frontline charities like StepChange and the British Gas Energy Trust as well as running targeted marketing campaigns with mental health campaigner Professor Green, that urges people to come forward and not suffer in silence. Our support with energy bills has made a huge difference to thousands of people mental health and wellbeing. For example through the British Gas Energy Trust, 32% of clients have a mental health condition, 67% said the advice received has improved their financial situation and 84% said they felt less stressed since receiving support. In addition, we've been making a big difference in our local communities who are under increasing strain as a result of the cost of living crisis. Towards this in 2023, we gave over 7,200 volunteering days and donated £4 million to over 800 good causes locally. Many of the organisations supported, provide dedicated mental health support – from Sands to the Children's Hospices Across Scotland.
- **Conducted due diligence to protect the wellbeing of workers in our supply chain.** We include detailed contractual stipulations covering a range of topics that suppliers must uphold, such as diversity, equity and inclusion (DE&I), fair pay and avoidance of modern slavery. If we feel a supplier is high risk following due diligence, we'll undertake an on-the-ground independent site audit and remote worker surveys. In 2023, we doubled our on-the-ground site inspections to 20 and rolled-out over 6,500 remote worker surveys. These spanned workwear and manufacturing as well as solar panels, battery systems, smart meters and wider electrical products across Bangladesh, Cambodia, China, Hong Kong, India, Pakistan, the Netherlands and the UK. Whilst we didn't identify any specific instances of modern slavery, we agreed 142 improvement opportunities with suppliers to help raise standards across labour as well as health and safety practices.

2. BUILDING A MORE INCLUSIVE CULTURE

We support everyone to be their best by embracing 'good work' principles and ensuring wellbeing is considered at every stage of employment. In 2023, we:

- **Prioritised cultivating a more inclusive and supportive environment for colleagues by embedding inclusion at the heart of our strategy.** In 2021, we launched our [People & Planet Plan](#) to get to net zero by 2050 whilst creating the diverse and inclusive team we need to get there. This included setting DE&I goals aligned to Census data for working populations to ensure we reflect the full diversity of our communities by 2030. Towards this in 2023, we further embedded tailored DE&I Positive Action Plans and data dashboards for each of our businesses, to progress the attraction, promotion and retention of more diverse talent whilst building our culture of inclusion – all of which is fundamental to colleague wellbeing. Although we're making good progress against our goals, we've more work to do so we'll remain focused on driving the change we all want and need – including through some of the actions set out below.
- **Progressed our ambition to create a culture that's free from bullying, harassment and discrimination.** [Our Code](#) sets out this commitment, to ensure that everyone who works for us or with us, acts with integrity. All colleagues are required to undergo training and declare they'll uphold Our Code annually. We also support the UK Institute of Customer Services' 'Service with Respect' campaign, to proactively address the mounting levels of abuse customer-facing colleagues receive which adversely impacts wellbeing. As part of

this, we're advocating for the Government to introduce a new offence for anyone who abuses people in customer-facing roles. We've also run internal campaigns that encourage colleagues to report abuse to line managers. In doing so, we can take a zero-tolerance approach to abuse as we only want customers who can treat colleagues with respect.

- **Strengthened line manager competencies to support mental health within their team with training and guidance.** We continued to roll-out dedicated mental health training workshops for leaders. Line managers are additionally provided with guidelines and toolkits to better navigate life events that can be challenging – from maternity leave and returning to work, to the menopause, caring, domestic abuse and transitioning at work. Together, these resources help educate managers to spot signs and symptoms of mental health needs within their team whilst equipping them with the confidence to have more open and informed conversations with their team day-to-day and in quarterly performance reviews. This ensures they can provide a more supportive environment for colleagues to thrive.
- **Senior leaders and junior colleagues alike, role-modelled positive mental health behaviours via multi-channel communication campaigns.** Leaders, including our Group Chief Executive, increasingly talk openly about their mental health experience and encourage others to do the same as well as seek support. For instance, leaders and wider colleagues often get involved in national and international days like World Mental Health Day and World Menopause Day – from sharing blogs and videos on external channels such as LinkedIn and 'X' (formerly known as Twitter), to hosting and participating in internal townhalls and panel discussions. We also deliberately host events that aren't tied to a specific day so that colleagues can see that mental health isn't a one-off conversation, but should be talked about every day of the year. Action like this builds a more open and inclusive culture which helps eliminate the stigma that often surrounds mental health.
- **Proactively supported colleague financial wellbeing.** We pay colleagues fairly which includes paying at least the Real Living Wage in the UK, upholding equal pay and driving down gender and ethnicity pay gaps through our People & Planet Plan. In 2023, we also continued to provide colleagues with access to free financial education and money management tools that can be tailored to a colleague's specific situation or circumstance. Moreover, we provide benefits that extend the value of colleague pay, such as via our flexible benefits scheme, Colleague Energy Allowance and Colleague Support Foundation (see page 2). We also enabled colleagues to share in our business success via our Group Profit Share award and bonus schemes. And through our 'Recognition' platform, colleagues can furthermore nominate one another to receive points that turn into financial rewards for championing 'Wellbeing' and 'Inclusion' alongside Our Values. In doing so, these qualities are placed at the heart of our business.
- **Provided industry-leading support to colleagues.** Alongside support available via our Carers Network, we give colleagues up to six weeks paid leave when matched with annual leave. This helps colleagues better balance work alongside caring, which improves wellbeing and enables more carers to stay in employment. To help wider working carers benefit from paid carers leave – including those who may be our customers or those in our supply chain - we successfully campaigned with Carers UK for the UK Government to introduce statutory paid carers leave which takes effect from April 2024. Furthermore, we launched our leading 'Pathway to Parenthood Plan' in 2023, which aids colleagues facing fertility and parenting challenges, regardless of race, sexual orientation or relationship status. In addition to the Plan's fertility testing, it provides £15,000 towards fertility treatments including IUI, IVF, egg or sperm donation, storage, adoption or surrogacy. To empower other companies including our suppliers to follow suit, we showcased our Pathway to Parenthood Plan alongside the wider support we provide to working women at the Women and Work All-Party Parliamentary Group and in associated communication.

- **Maintained our forward-thinking approach to flexible working.** Having surveyed over 3,000 colleagues on how we all wanted to work together when COVID-19 restrictions lifted, we introduced FlexFirst and have embraced it ever since. Wherever possible, FlexFirst gives colleagues the opportunity to choose when they want to work from home, come into the office to connect and collaborate, or shift core working hours to accommodate things like the school run. This gives colleagues increased control to optimise their work-life balance.
- **Provided secure and good job design as well as career progression.** These are key foundations for worker wellbeing. From recruitment through to retirement, the different needs of colleagues are considered at each stage of their career. To grow the diverse talent pipeline we need to succeed, we embrace inclusive recruitment practices for current and prospective colleagues with initiatives including diverse shortlists and interview panels wherever possible. We know that flexibility is increasingly important in supporting different people to flourish, so we recruit flexibly with virtual and in-person interviews whilst designing and advertising the majority of office-based jobs to be flexible. In ongoing one-to-ones between colleagues and their manager, they discuss the need for any changes in duties or schedules, which may involve taking extra breaks during the day or adjusting the number of hours worked. Changes could be motivated by a variety of factors such as making time for the school run, balancing wider caring responsibilities, managing the menopause, pursuing further professional development or winding down hours as retirement approaches. We also make all reasonable adjustments for current and prospective colleagues who have accessibility needs - whether that's providing extra equipment, tools and training, or adjusting schedules. Training and development opportunities are a key driver of colleagues unlocking their potential and boosting wellbeing, so we've expanded training to support colleagues at different moments in their career as well as providing targeted opportunities to under-represented groups. This includes opportunities via Everywomen in Leadership, Step Up and the Black Leadership Academy, whilst expanding mentoring and reverse-mentoring which pairs less experienced colleagues with leaders to share learning and experience. Alongside these offerings, we continued to enhance our online Learning Campus which launched in 2022.

3. LISTENING AND ACTING ON FEEDBACK

We maintain an open dialogue with colleagues because it enables us to understand what they think and feel, and take appropriate action. This is essential to creating a happy and healthy workplace. In 2023, we:

- **Asked colleagues to share feedback on what more we could do to support them.** How we do business can have a big impact on wellbeing, so we provide opportunities for colleagues to directly contribute to the design and/or development of initiatives that improve mental health through a variety of forums. For example, we host regular feedback events with colleagues – from 'straight talking' sessions with leaders and their business areas to understand challenges, to focus groups with our diversity networks to develop more inclusive policies, processes and practices. Our Shadow Board of diverse colleagues also helps drive colleague-centric decisions via quarterly meetings with leaders to discuss and evolve changes that may impact colleagues. And in 2023, the Shadow Board importantly enabled our engineering team to better access support available via our diversity networks which supports worker wellbeing. Additionally, our colleague engagement survey helps us understand what we're doing well and where we can improve. It does this by asking a range of targeted questions, including those covering wellbeing on a quarterly basis. This enables us to track sentiment and tailor action throughout the year. Based on feedback from our 2022 engagement survey for example, during 2023 we launched additional cost of living support for all colleagues as well as those specifically in the UK and Ireland where the local impact of the rising cost of energy was felt greatest,

whilst launching a new purpose that brings our strategy to life and energises colleagues. Tailored engagement reports are provided at a team level, enabling managers and their teams to talk openly about local improvement areas and associated actions - whether that's improving line manager support, addressing workload issues, or providing further development opportunities.

- **Sourced feedback from colleagues who used our suite of healthcare support.** Effectiveness is tracked via survey responses and monitored with key performance indicators such as net promoter score (NPS) and sickness rate (see Effectiveness section below). This enables us to identify if parts of the suite of support or processes relating to it, can be improved.
- **Consulted colleagues on changes that may impact them.** Change can often be unsettling and impact wellbeing, so it needs to be carefully managed. When the Board look to implement changes to our business, we therefore seek the views of colleagues and trade unions, to ensure we fully consider all potential impacts and utilise feedback to further shape and strengthen proposals. Centrica has six collective bargaining units in the UK which we engage alongside undertaking consultation with recognised trade unions. Towards this, we hold national and local councils and operate a Centrica Joint Council - a strategic forum that meets bi-annually and brings together our Chief Executive, members of our senior leadership team, National Energy Officers and trade union representatives, to collaborate on key issues for colleagues and customers. In 2023, we engaged on many issues including ways of working, organisational and contractual changes, mitigation of redundancies and pay negotiations. Outcomes from engagements are shared openly with colleagues including via trade union representatives, or leader and manager-led communications like townhalls. An example of the positive difference engagement like this can have, can be demonstrated by our introduction of a company-funded healthcare plan for all and collective pay increases.

Effectiveness

Our effective approach has received external recognition. This includes being ranked a Tier 1 company (out of 5 Tiers) by the CCLA in their Mental Health Benchmark, winning the Great British Wellbeing Award for 'Best Wellbeing in the Workplace Strategy', and securing a coveted spot on The Times Top 50 Employers for Gender Equality.

Although wellbeing is a constant journey, we made strong progress in 2023 with effectiveness demonstrated below:

- Work-related mental health incidence rate was 163 per 100,000 workers in the UK. This compares to the national average of 2,590 work-related mental health incidence per 100,000 workers, and reflects the hard work and focus that has gone in to ensuring colleagues can proactively access expert support. The top mental health drivers for using our health service were anxiety and/or depression (+24% verses 2022) and stress (+14% verses 2022).
- Our MyHealth package of support performs strongly in providing the right support at the right time. In 2023, we made over 80,000 positive interventions which was 18% higher than the previous year. We see colleagues who engage the service achieve positive results, such as improving overall wellbeing scores, BMI and sickness absence. Moreover, 55% of colleagues who used the service were able to return to work earlier than clinical norms. This equates to around £6.5 million in estimated savings from reduced absence. Colleagues with a health-related issue rated the service very highly with an NPS of +86, whilst 90% of employees who provided feedback rated the service as effortless to use.
- Mental health training workshops have been completed by around 50% of line managers so far, which is a good level that we can continue to build from.

- Key communication campaigns gained good cut-through with colleagues. For example, our 'Take 10 for your mind' campaign led to a 15% increase in visits to use the wellbeing app.
- Absence remained steady at 10 days in 2022-23 as a result of good management practices, alongside proactive support and education via our health and wellbeing suite of support. Meanwhile retention increased from 88% to 90%.
- Colleague engagement improved by 0.3 points to 7.7 out of 10. This was on track for our projected performance in 2023 and is approaching top quartile performance for our sector. Colleague scores strongly driven by providing a more inclusive and supportive place to work, with high scores in Wellbeing at 7.9 and DE&I at 8.5.
- Colleagues tell us they have a better work-life balance, with FlexFirst enabling them to choose when and how they work, whilst enabling them to pursue development opportunities that otherwise wouldn't have been possible. We also see over 3,000 colleagues take advantage of seeking extra holiday via our flexible benefits scheme.
- Our Code training was completed by 96% of colleagues which was relatively level with our 2022 score of 98%. This ensures strong awareness and commitment to uphold key principles that protect and enhance wellbeing (see more on pages 3 and 8).

Forward focus

In 2024, we'll continue to maintain focus on and embed, the areas outlined below which we know make a real difference to wellbeing:

- Continue to act on colleague feedback to create a culture that enables every colleague to be themselves and thrive. As part of this, we'll build a more inclusive and supportive place to work through our DE&I Positive Action Plans as we progress towards our goal to reflect the full diversity of the communities we serve by 2030.
- Maintain and grow colleague awareness of why mental health is important and how to access support, so that one day all colleagues will feel comfortable to talk about and take action on mental health. In particular, we'll focus on initiatives that raise awareness of and evolve our support during the cost of living crisis, as well as inspire colleagues to get more active whilst improving nutrition and sleep. This will help us tackle financial stress amongst colleagues as well as the underlying risk factors of cases we manage – these primarily include being inactive, overweight and not getting enough sleep. And through activities such as Wellbeing on Wheels, we hope to reach a greater proportion of colleagues, including males aged 40-49, who tend to be less engaged on mental health matters.
- Encourage more line managers to complete mental health training as part of our ambition for all line managers to undertake this training. This will help upskill more and more of our leaders to have more meaningful conversations with their team, and importantly, better identify early warning signs if someone is struggling. To compliment mental health training, we'll be launching physical health training too.
- Prioritise energy bill support for customers and communities during the cost of living crisis. By providing dedicated money and energy advice and grants, we can continue to reduce the negative impact financial stress can have on mental health and wellbeing.

Managing mental health

Day-to-day management

We've dedicated people in place to ensure the strong day-to-day management of colleague wellbeing, which is led by six talented members of our Wellbeing Benefits Team. In turn, they work with a number of teams across the business to embed and evolve health and wellbeing initiatives. For example, they work closely with the Health Care team to not only manage and enhance the suite of support available for colleagues, but to explore strategies to further inspire colleagues to take positive steps to manage health and wellbeing. The Wellbeing Benefits Team also work collaboratively with wider teams and groups which include Internal and External Communications, Health & Safety, Industrial and Employee Relations, HR

Partners, as well as trade unions and colleague diversity networks. Collaboration with these teams help deliver internal and external campaigns that gain cut-through whilst securing insight and feedback from colleagues to ensure their needs are met. Across the value chain, wider teams such as Ethics and Compliance, Responsible Sourcing, Responsible Business and Consumer Vulnerability, play an important role in delivering initiatives that target high standards and protects wellbeing.

The Wellbeing Benefits team are also largely responsible for seeking input from colleagues, acting on feedback and tailoring approach to local contexts (see more on pages 5 to 6).

Should a colleague need time away from work to get better, absence is recorded in our HR management system. This formalises the process and ensures colleagues receive the further help they may need via MyHealth. All sickness absences are passed to our MyHealth Case Management team to assess and triage each absence within 24 to 48 hours. Depending on the nature of sickness, this will drive further interventions via MyHealth to deliver appropriate treatment or action, with underlying issues identified and addressed wherever possible. It's in everyone's interest for colleagues to get better so line managers will also have guided conversations with the person affected at key stages of absence, to see how they're doing and monitor when and how they're best to come back to work. This may include a phased return so that they don't take on too much too soon.

Overall governance

[Our Code](#) sets out the standards we expect for everyone who works for us or with us. Our Code therefore applies to all colleagues and contractors across our different businesses and geographies, as well as our associated suppliers, partners and customers. The code of conduct includes a summary of our key policies and commitments such as ensuring colleague wellbeing is cared for and that colleagues are paid fairly, have access to career progression, are valued for who they are, and can enjoy the right to collective bargaining and consultation. As Our Code spans our wider value chain, it enables us to work in a way that benefits our customers, communities and supply chain. In doing so, Our Code provides all relevant stakeholders with a clear view of the standards we expect and ensures compliance with all relevant legislation.

To embed Our Code at the heart of how we do business, we require all colleagues to undertake Our Code training annually. A range of supporting policies are then used to ensure we've the right processes and procedures in place – these primarily include our Wellbeing Standard and Psychological Risk Assessments, our Diversity, Respect and Inclusion Policy, our Flexible Working Policy, our Sick Leave Policy and our Health, Safety and Environment Policy.

The Board has ultimate responsibility for ensuring the health and wellbeing of colleagues, and are fully committed to continuous improvement and transparent reporting. Our Group Chief Executive supports the Board in this duty by delegating oversight to the Group Chief People Officer, who reviews plans and performance quarterly to ensure frequent oversight and challenge, with improvements made as needed. Our Centrica Leadership Team reviews monthly updates on absence and its drivers as well as interventions delivered amongst other KPIs, which fully incorporate mental health and wellbeing. A detailed MyHealth report with key insights and actions are also shared quarterly with business leaders, Board members, HR Partners, safety teams and trade union working groups. This enables key people across the business as well as those connected to our business, to better understand colleague wellbeing and take action to support improvements in real-time.

At the moment, our health and wellbeing activities don't undergo third party assurance. We feel our resources are better spent on rolling out initiatives we know make a huge difference to our colleagues, customers, communities and suppliers. This approach is driven by data insight and direct feedback alongside our own best practice research, which is creating positive results.