

## 2011 Progress against commitments - Corporate responsibility performance

Page numbers listed refer to where you can find additional information in our [2011 CR Performance Review](#).

**Carbon and climate change** - Read about our approach to [carbon and climate change](#).

Target	Progress	Commentary	Future commitments
Provide energy efficiency products in 2011 with total lifetime carbon savings of 16.3m tonnes of CO <sub>2</sub> to meet our CERT obligation (this figure is agreed with Ofgem and subject to change depending on our market share)	●	We provided energy efficiency products in 2011 with total lifetime carbon savings of 14.6m tonnes CO <sub>2</sub> . Having put considerable effort into building an insulation business and finding households suitable for insulation, we were disappointed to miss the target. (p 23)	Aim to deliver total lifetime carbon savings of 15.6m tonnes of CO <sub>2</sub> in 2012 under the CERT obligation  For further information on our future plans for energy efficiency products and services, see our 2011 CR Performance Review. (p 21-25)
Deliver 3.5m tonnes of carbon savings under CESP in 2011	●	We launched 45 CESP programmes in 40 low income areas, delivering 1.4m tonnes of carbon savings - a 211% increase on 2010. (p 23)	
Install 2m smart meters in UK homes and businesses by the end of 2012	●	We have installed 453,907 smart meters since 2009. In 2011, we reviewed and reduced the 2012 target for cumulative smart meter installations. (p25)	Install 1.1m smart meters in UK homes and businesses by the end of 2012 (p 25)
Reduce our UK power generation carbon intensity to 270g CO <sub>2</sub> /kWh by 2012 and 260g CO <sub>2</sub> /kWh by 2020	●	We reduced our UK power generation carbon intensity to 199g CO <sub>2</sub> /kWh in 2011, surpassing our target. (p 26)	Our 2012 target will remain at 270g CO <sub>2</sub> /kWh. We plan to review the 2020 target in the second half of 2012.

Target	Progress	Commentary	Future commitments
Reduce Group internal carbon footprint (property, company vehicles and travel) of existing business by 20% by 2015 (baseline: 2007)	●	We reduced the internal carbon footprint of our core business across the Group by 19% against the 2007 baseline. (p 28-29)	Continue to work toward reducing Group internal carbon footprint (property, company vehicles and travel) of our core business by 20% by 2015 (baseline: 2007).
Reduce UK internal carbon footprint (property, company vehicles and travel) of existing business by 25% by 2015 (baseline: 2007)	●	We reduced the internal carbon footprint of our core UK business by 18% against the 2007 baseline.	
Review and restate this [North America internal carbon footprint] target in line with our global target for 2015 (against a 2007 baseline)	●	We reviewed and restated the target for North America internal carbon footprint reduction at 17% reduction by 2015 (from 8.5% by 2013).	
Reduce our UK office carbon footprint by 12% in 2011 compared to 2010	●	In 2011, we cut emissions from our main offices by more than 13% year-on-year.	We have set a target to reduce UK office emissions by a further 10% in 2012 (pg 29)
Commitment/aim	Progress	Commentary	Future commitments
Continue our plan to invest £1.5bn in renewable energy assets in the period 2008-2013	●	We've invested an additional £300m in our Lincs offshore wind farm project. (p 32)	Continue our plan to invest £1.5bn in renewable energy assets in the period 2008-2013
Maintain our leading position in the Carbon Disclosure Project (CDP) Leadership Index	●	We increased our carbon disclosure score by four percentage points to 96% (up from 92%), putting us second in the utility sector and 10th in the Global 500 top companies. Read more in our <a href="#">CDP update blog</a> from 2011.	We aim to continue to maintain our position in the CDP Leadership Index in 2012.

Commitment/aim	Progress	Commentary	Future commitments
Roll out culture surveys across the businesses to understand attitudes and perceptions to carbon and environmental practices	●	The Health, Safety and Environment culture survey was undertaken in June 2011 and results were presented to senior management.	Improvement programmes continue to be developed and implemented within the business to address the key findings from the culture survey. We do not intend to re-run the survey in 2012 but will review in 2013.
Ensure a zero increase in CO <sub>2</sub> emissions from our UK fleet in 2010	●	In the UK we continued to upgrade our fleet with more fuel efficient vans, achieving a 1% reduction in emissions from our in-scope (core business) van fleet compared with 2010 and a 16% reduction in our in-scope car fleet emissions for the same period. However, emissions from our overall UK fleet increased by 23% during 2011 as we expanded our business through acquisitions	2012 targets for our in-scope (core business) fleet: <ul style="list-style-type: none"> <li>▪ 12.5% reduction in company car emissions</li> <li>▪ 1% reduction in commercial vehicle emissions</li> <li>▪ Overall equating to a reduction of 3% in-scope fleet emissions</li> </ul>

**CUSTOMER TRUST AND FAIRNESS** - Read more about our approach to [treating customers fairly](#).

Target	Progress	Commentary	Future commitments
Improve British Gas brand NPS to +10 by the end of 2012	n/a	In 2011, we began reporting using a new methodology (see our <a href="#">NPS summary document</a> ) Under this methodology, the British Gas' NPS score was +26 in 2011, up from +24 in 2010. (CR Performance Review, p 9)	Achieve a British Gas NPS of +27 by end of 2012
Improve Direct Energy brand NPS to +28 in 2011	●	Direct Energy met its NPS target, achieving a score of +28, a significant increase from +21 in 2010. (p8-9)	Achieve a Direct Energy NPS of +27 by end of 2012
Commitment/aim	Progress	Commentary	Future commitments
Continue to listen to customers and work with our new permanent customer board	●	Our British Gas Customer Board oversaw progress against the five priorities they set out for us in 2010. We also created a panel specifically for British Gas Business customers. (p 10)	Continue to listen to customers and work with our new permanent customer board
Following the confirmation of finalised Warm Home Discount scheme details, we will be able to make new future commitments related to our vulnerable customer approach	●	We provided more than 280,000 eligible British Gas customers the £120 rebate for the 2011/12 winter period. (p 16)	Deliver our 'Year 2 Scheme' to customers who qualify for a £130 rebate in the 2012/13 winter period
2m dual fuel customers will receive a joint bill for gas and electricity in 2011	●	We have transferred 1.36 million customers onto a joint bill. We will move around 140,000 accounts each month moving forward.	2.5m dual fuel customers will receive a joint bill for gas and electricity in by January 2013

**SAFETY** - Read more about our approach to [safety](#).

Target	Progress	Commentary	Future commitments
Reduce lost time injury rate (LTIR) to 0.37 per 100,000 hours worked in 2011 and to 0.20 by the end of 2013	●	We reduced the LTIR to 0.25 per 100,000 hours worked in 2011. (p 40)	Continue progress in reducing LTIR to 0.225 per 100,000 hours worked by the end of 2012
Reduce total recordable injury rate (TRIR) to 1.97 per 100,000 hours worked in 2011	●	We reduced the TRIR to 1.66 per 100,000 hours worked. (p 40)	Continue progress to reduce TRIR to 1.59 per 100,000 hours worked by end of 2012
Reduce road safety incidents rates – low severity to 10 per 1 million km driven worked in 2011	●	We reduced our road safety incidents rate - low severity to 7.5 per 1 million km driven. We also began reporting the number of high severity road safety incidents, which was 10 in 2011 and 8 in 2010. (p 41)	In 2012, our road safety measurement will be based on avoidable incidents per 1 million km driven. A target will not be set for 2012 at this time, but figures will be reported in the 2012 Annual Report
Commitment/aim	Progress	Commentary	Future commitments
Track and report fatalities, lost time injuries and recordable incidents at managed third party operations, and fatalities and major injuries at monitored third-party operations.	●	We now track and report safety incidents at monitored third-party operations	Continue to monitor the safety performance of staff and contractors and the implementation of improvement measures
Deliver director-level process safety training	●	In 2011, we delivered process safety training courses to more than 250 frontline operators/technicians, engineers, managers and directors. (p 41)	Continue training of executives and senior managers in process safety
Commence three year audit programme to ensure each business meets our health, safety and environment standards	●	The audit programme is now underway, with three major audits completed in 2011.	Four planned audits in 2012, and review of the overall programme drawing on the learning from 2011 audits

Commitment/aim	Progress	Commentary	Future commitments
Develop human factors self-assessment tool and best practice case studies	●	The draft self-assessment tool and case studies were developed in 2011 and will be published in May 2012.	Strengthen the process for learning from these incidents moving forward
Complete a Health, Safety and Environment culture survey across the Group	●	The survey was completed in all businesses and action plans prepared.	Address the actions identified as a result of the survey
Complete classification of severity of customer accidents	●	A new customer safety dashboard has been developed and is regularly reviewed by the Executive and business leaders.	Maintain ongoing monitoring and work to continuously improve our customer safety processes

**PEOPLE** - Read more about our approach to recruiting and maintaining a [skilled, diverse workforce](#).

Target	Progress	Commentary	Future commitments
Achieve 67% in the next employee engagement survey to be conducted in 2012	n/a	n/a	Achieve 67% in the next employee engagement survey to be conducted in 2012
Retain 90% of our workforce in 2011	●	Although we did not reach the 90% target, we retained 89.5% of our workforce in 2011 which remains positive performance.	Maintain the levels of retention we've achieved through continued focus on engagement, recognition and rewards
Reduce absence rate to no more than 6.6 days per full time employee equivalent (FTE) in 2011	●	We reduced our absence rate to 5.6 days per FTE in 2011. (p 42)	Continue to promote a health conscious work environment, working to maintain and improve levels of absenteeism
Commitment/aim	Progress	Commentary	Future commitments
Invest £60m in training our engineers by the end of 2012	●	We have invested over £72m in training our engineers from 2009-2011. (p 38)	Continue to invest in training to ensure we maintain the standards of expertise our customers expect
Develop an accredited wellbeing certification in 2011 and rollout training to all wellbeing teams and advocates	●	We have made real progress in developing this certification, and by the end of 2011 had identified and secured an official accrediting body.	We will develop the course material in 2012 and trial the certification in the second half of the year

Commitment/aim	Progress	Commentary	Future commitments
Further embed an understanding of the wellbeing approach across management in 2011	●	<ul style="list-style-type: none"> <li>- We have now included four health themes in the Health, Safety and Environment (HSE) cultural roadmap – an ongoing piece of work aimed at changing behaviour on HSE issues</li> <li>- We created a network of wellbeing advocates to help embed the wellbeing culture across the business</li> <li>- We run monthly web-based meetings to continue to develop employees’ – particularly managers’ – understanding of our approach</li> <li>- Our myWellbeing intranet page, launched in August 2010, saw over 23,000 'hits' in 2011</li> </ul>	In 2012, management of the Group's health and wellbeing programme is being transferred to individual business units to enable us to provide more tailored support for employees' different needs and priorities. Plans for 2012 at each business are outlined on page 42 in the 2011 CR Performance Review PDF.
We aim to expand health assessments throughout the UK in 2011, through our Employee Assistance Programme provider	●	<ul style="list-style-type: none"> <li>- We created a Group standard for health surveillance and monitoring in 2011 on our intranet</li> <li>- Uptake of our Employee Assistance Programme's life management service increased (p 42)</li> </ul>	
Introduce mandatory ergonomic self-assessments for Direct Energy employees in 2011	●	We introduced a communications campaign to promote ergonomic self-assessments to employees in Direct Energy.	
We will explore the possibility of extending health assessments to North America	●	We introduced health assessments at two of our main offices in North America and will continue to look at expanding to other offices.	



**ENVIRONMENTAL PRACTICES** - Read more about our approach to responsible [environmental practices](#).

Commitment/aim	Progress	Commentary	Future commitments
Implement a 'Dangerous goods management system' across the business by mid-2011	●	We have made plans to implement the 'Dangerous goods management system' in our upstream oil and gas business in the Netherlands in the first half of 2012 and will monitor its effectiveness before implementing more widely.	
Achieve certification of Direct Energy business under ISO 14001 by 2013	●	Due to the recent changes to the Direct Energy business, this commitment has been extended through to 2016.	
Achieve certification of 90% of the Group under ISO 14001 by 2012	●	Due to the recent changes to the Direct Energy business, this commitment has been extended through to 2016.	
Send zero waste to landfill from the 16 largest UK sites by the end of 2012	●	Our Centrica and British Gas head offices implemented zero waste to landfill in 2011. We partnered with a new waste management contractor in early 2012 to help us achieve the target at the remaining sites.	Send zero waste to landfill from the 16 largest UK sites by the end of 2012
Recycle 65% of all UK office waste by 2011	●	We recycled 67% of our UK office waste in 2011.	We now aim to achieve 70% recycling across all main UK sites by the end of 2012.
Introduce dry mixed recycling at the 16 largest UK sites by the end of 2011	●	We were successful in introducing dry mixed recycling at our 16 main sites in 2011.	
Reduce UK paper use by 10% in 2011 compared to 2010	●	We reduced our paper usage by 2.5% in 2011.	
Reduce UK water usage by 7.5% in 2011 compared to 2010	●	In 2011 we reduced water consumption at our main UK sites by 7.45% marginally missing our 7.5% target. It was necessary to re-calculate consumption at one site, Aylestone Rd in Leicester after a new meter was fitted and use of our supply at an adjacent site was identified.	Aim to achieve a 5% reduction on our 2011 performance in 2012

**COMMUNITIES** - Read more about our approach to [communities](#).

Commitment/aim	Progress	Commentary	Future commitments
British Gas to develop volunteering database in 2011	●	We explored various options for developing a database in 2011 and are trialling these at local sites. We have also started to promote a few specific opportunities on our intranet, including a mentoring programme established with Career Academies UK – around 30 employees got involved in 2011.	Continue to develop the British Gas volunteering programme by integrating volunteering into the Generation Green initiative, expanding our involvement with Career Academies UK, and encouraging local volunteering campaigns
British Gas to raise £250k for Make-a-Wish by October 2011	●	We raised £470k for Make-a-Wish since the start of the partnership in 2010.	Focus fundraising primarily on local causes, establishing relationships with charities in the areas around our offices and operations
Include our information systems employees in The Duke of Edinburgh's Award scheme in 2011	●	Our IS apprentices all now take part in The Duke of Edinburgh's Award scheme.	Continue the involvement of our engineering and IS apprentices in The Duke of Edinburgh's Award scheme.
Direct Energy employees aimed for 12,511 hours volunteered in 2011 through the annual Volunteer Challenge	●	The target was reached, with the total Volunteer Challenge hours reaching 12,693. This was achieved through various programmes and partnerships including a big volunteering campaign around the National Week of the Volunteer in the US.	
Continue to update Generation Green resources monthly, ensuring all materials are timely and appropriate	●	Throughout 2011, we provided teachers from the 13,000 schools registered with Generation Green access to nearly 100 different resources produced by British Gas in line with the national curriculum.  24 of the schools received loft and/or cavity wall insulation.	In 2012, we will continue to provide teachers with relevant, curriculum-compliant resources on a monthly basis through the Generation Green initiative.  We will offer around 30 schools energy-saving installations in 2012.
Continue to engage with communities during the development of new wind farm projects	●	We are consulting with coastal communities that might be affected by our work to develop offshore wind farms in the UK. Our discussions with environmental organisations in 2011 led us to take steps to minimise potential damage to sensitive areas. (pg 36)	Hold consultations with stakeholders around the potential developments for Round 3 wind farm in the Irish Sea Zone.

**SUPPLY CHAIN** - Read more about our approach to [supply chain](#).

Commitment/aim	Progress	Commentary	Future commitment
Ensure all new contracts include responsible procurement clauses	●	The inclusion of responsible procurement clauses in all new contracts is now embedded across the business. The number of suppliers with responsible procurement clauses in their contracts is a metric in our <a href="#">data centre</a> .	Continue to ensure all new contracts include responsible procurement clauses
Begin risk assessment and audit processes with targeted high-risk suppliers	●	We began the initial phase of a supplier risk assessment system with approximately 70 targeted suppliers in 2011. The system helps us measure and manage our suppliers' capabilities to manage social, ethical (anti-bribery), health & safety, and environmental impact, including carbon emissions measures. We provided training to a range of our employees on the use of the tool.	In 2012, we aim to build on the results of this initial phase to agree the most appropriate risk assessment approach for each of our businesses.
Enhance the non-financial risk tool by developing it into an online risk management system in 2011			
We will train targeted members of our teams in the use of the non-financial risk tool as the risk and audit programmes evolve			
Identify pilot projects for reducing carbon emissions through collaboration with strategic suppliers			
We will hold a supplier forum in our Centrica Storage business and organise another Group-led forum for strategic suppliers	●	We held four supplier forums in 2011 at Group level and within our businesses, including specific forums for Centrica Storage and Centrica Energy oil and gas suppliers.	Implement a programme of forums in 2012 led by our businesses

**VALUES AND BEHAVIOURS** - Read more about our [values and behaviours](#).

Target	Progress	Commentary	Future commitments
Achieve a 95% completion rate for our annual Business Principles declaration among all management level employees Group-wide	●	Achieved 98.6% completion rate for our annual Business Principles declaration among all management level employees Group-wide	Given the strong completion rates again in 2011, we are reviewing the possibility of running the Business Principles declaration biennially.
Commitment/aim	Progress	Commentary	Future commitments
Continue the rollout of human rights training to high risk areas of the business	●	Online training on human rights for teams operating in countries with higher human rights risks have been implemented across the business.	
Integrate human rights training into our induction programme	●	As part of the induction process for new employees, completion of an e-learning module on the Business Principles has been introduced with human rights forming a significant section of the training.	