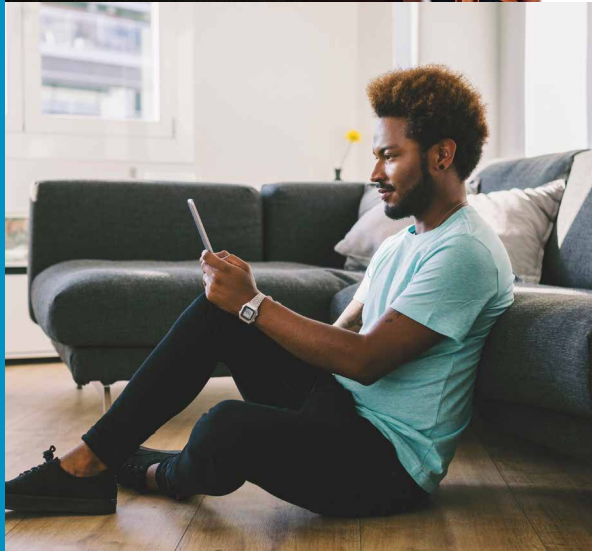
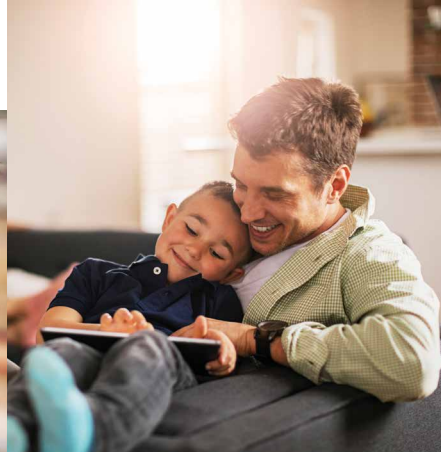


# Our 2030 Responsible Business Ambitions



AMBITION  
2030

**centrica**

# Group Chief Executive Foreword

**Our Responsible Business Ambitions bring Centrica's purpose to life. Of course, we're in business to satisfy the changing needs of our customers through energy and services, and, thereby, to create long-term shareholder value through returns and growth. But we're also in business to be a trusted corporate citizen, an employer of choice and a 21st-century energy and services company.**

Our Ambitions are designed around four pillars, namely our customers, climate change, our colleagues and the communities in which we operate. Together they give meaning to the goal of "helping you run your world in ever more sustainable ways". We've been active in each of these areas for many years but wanted to bring them all together and set specific targets to 2030. Like other businesses, we have used the UN Sustainable Development Goals as a guide, mapping the challenges facing society against our capabilities, to better understand how we can make the greatest contribution.

In the matter of climate change, we've laid out clear goals to 2030 in the three areas that we can make a real difference as a responsible energy and services company. The first is to help our customers reduce their emissions. The second is to enable a decarbonised energy system through flexible, distributed and low carbon technologies. And the third area, of course, is to address our own emissions and we have delivered an 80% reduction in the last decade. We are now working towards reducing our internal carbon footprint by 35% in the ten years to 2025 and by 2030 to demonstrate that we are on track with the Paris Accord, and to develop a path to net zero by 2050.

**“ Our Ambitions are not going to be easy, but setting challenging goals is the right thing for our company. They will also help us deliver better long-term sustainable value for all our stakeholders.”**

I am excited about these Ambitions. Through them we can play a part in helping the communities in which we operate to manage their energy more efficiently and contributing through volunteering and skills development. With our employees, we are creating the right environment for people to succeed, and we're promoting STEM (Science, Technology, Engineering and Maths) skills and improving diversity and inclusion. For our customers, we are bringing new energy technology to them which will make a real difference to how they run their lives. As a company involved in energy, our climate change goals are of fundamental importance and are built around our customers, the energy system and our own emissions.

Our Ambitions are not going to be easy, but setting challenging goals is the right thing for our company. They will also help us deliver better long-term sustainable value for all our stakeholders.

You can find out more about our Ambitions in this brochure and online at [centrica.com/Ambition2030](http://centrica.com/Ambition2030).

**Iain Conn**  
Group Chief Executive



# Our 2030 Responsible Business Ambitions

Helping you run your world in ever more sustainable ways

## Our Ambition for Customers

### Delivering for our customers

Through the latest innovations and a commitment to service, we're making our customers' lives easier



### Deliver solutions to make our customers' lives easier

- Help customers understand and manage their energy better
- Give customers peace of mind through tailored propositions and connected technologies
- Develop solutions to help our customers run their worlds

### Satisfy our customers with excellent service

- Make it simpler for people to deal with us in ways that work for them

## Our Ambition for Climate change

### Enabling all our customers to use energy more sustainably

We're helping to shape a low carbon future by enabling our customers, the energy system and our business to use energy more sustainably



### Help our customers reduce emissions in line with Paris goals

- Help our customers reduce emissions by 25%, by direct (3%) and indirect action

### Enable a decarbonised energy system

- Deliver 7GW of flexible, distributed and low carbon technologies as well as provide system access and optimisation services

### Reduce our own emissions in line with Paris goals

- Demonstrate we are on track with Paris goals and develop a path to net zero by 2050

## Our Ambition for Colleagues

### Building the workforce of the future

We're developing vital skills and a more inclusive workforce to ensure we deliver for our customers



### Empower people with future skills

- Inspire and develop 100,000 people with essential STEM skills

### Build a more inclusive workplace

- Attract and develop more women into STEM with 40% of STEM recruits to be female
- Aspire for senior leadership to reflect the full diversity of our labour markets
- Help 1m carers stay in or return to work via active promotion of carer-positive policies

## Our Ambition for Communities

### Creating stronger communities

By offering our knowledge and expertise, we're empowering communities to take control of their energy and tackle pressing social issues



### Apply new energy technologies to drive positive change

- Deliver £5bn of value for communities through new and distributed energy technologies
- Deliver £300m in energy efficiency savings to public and essential services

### Collaborate across sectors to improve local communities

- Encourage our people to share their skills by volunteering over 100,000 days
- Deliver 2,500 skills development opportunities for young people not in education or employment



**Our Responsible Business Foundations**  
Our Ambitions are underpinned by strong foundations that ensure our business operates with integrity





# Our Ambition for Customers



## Delivering for our customers

Through the latest innovations and a commitment to service, we're making our customers' lives easier

	Deliver solutions to make our customers' lives easier	Satisfy our customers with excellent service
<b>2022</b>	<p>Deliver two innovations in each of the following areas:</p> <ul style="list-style-type: none"> <li>• Help customers understand and manage their energy better</li> <li>• Give our customers peace of mind</li> <li>• Help our customers run their worlds</li> </ul>	<ul style="list-style-type: none"> <li>• Support more customers via digital channels</li> </ul>
<b>2030</b>	<ul style="list-style-type: none"> <li>• Help customers understand and manage their energy better</li> <li>• Give customers peace of mind through tailored propositions and connected technologies</li> <li>• Develop solutions to help our customers run their world</li> </ul>	<ul style="list-style-type: none"> <li>• Make it simpler for people to deal with us in ways that work for them</li> </ul>

### Why it's important to us

We believe that our customers want more than just energy, they want products and services that make their lives easier. With a constantly on-the-go society as well as an ageing population, our customer demographic and needs are evolving. By 2022, it is estimated that the world will have over 50 billion connected devices, which is equivalent to a growth of 140% from 2018 levels<sup>1</sup>. Advances like this present us with a huge opportunity to offer products and services that not only help customers understand and manage their energy better, but meet their broader needs – whether it's providing

security or supporting caring responsibilities. By offering solutions to meet the needs of our 26 million customer accounts, we have the potential to make a real difference to their lives.

We believe the digitisation of society and an increase in customer choice is transforming the way we need to serve our customers. If customers don't receive the service they deserve, they will look elsewhere. It's key that we simplify our processes, invest in digital capabilities that enhance our service and ultimately enable our customers to deal with us in ways that work for them.

## What we've done already

We delivered solutions to make our customers' lives easier in a number of ways in 2018, including:

- continuing to lead the UK's smart meter roll-out, which helps homes and businesses with accurate bills and insight into real-time energy usage;
- cumulatively selling nearly three million Hive connected home products that give customers a simpler way of controlling their home – from smart thermostats and plugs, to contact and motion sensors; and
- improving the way business customers manage their energy in North America with our Fixed Energy Plus offer, which gives access to real-time usage and alerts them when there is a peak load on the grid, so they can proactively lower usage and be rewarded with lower costs.

We invested in improving our customer service in 2018 by:

- deploying intelligent voice recognition and artificial intelligence in call centres to help manage enquiries more efficiently;
- upgrading webchat which supported an increase in digital interactions that totalled more than two million in the UK and made it easier for customers with disabilities to contact us if they struggle using a phone; and
- strengthening the Hive app with 'Live Chat' customer service capabilities.

These actions helped improve our aggregated Net Promoter Score by 0.6 points to +10.0 and reduced complaints by 8% to 3,453 complaints per 100,000 customers.

## The actions we plan to take

We will continue to deliver solutions to make our customers' lives easier. As the pace of digital change continues, we will carry on helping customers understand and manage their energy by leading the smart meter roll-out in the UK and commencing roll-out in the Republic of Ireland. We will also launch innovative energy management solutions for homes and businesses alongside charging solutions to support mass adoption of electric vehicles.

We will endeavour to give customers peace of mind by expanding our remote diagnostics and Hive connected home technologies, improving security and helping homes and businesses run smoothly.

We will help our customers run their worlds. This includes growing our partnerships and capabilities to accelerate new technologies and ideas that transform the way our customers live, work and move, through our £100 million investment in Centrica Innovations.

And we will deliver an excellent service by enabling more customers to deal with us in ways that work for them. This will primarily be achieved through the continued digital transformation of our business to make key customer journeys more efficient, growing our capabilities across digital channels and employing technology like artificial intelligence.

## Supporting loved ones with connected care

We have taken our first steps into connected care with Hive Link. Developed in partnership with Carers UK, Hive Link helps carers check that loved ones are getting on with their day as usual if they cannot be there with them. An ever-learning algorithm continually interprets data captured through Hive sensors and plugs placed carefully around the home. They trigger an alert if there's a change from normal patterns of behaviour, such as the front door being left open for longer than normal. These notifications together with an activity log and the ability to set up a 'Circle' in the app to share care, provides families and friends with peace of mind while supporting people to live in their homes for longer.



“ We are great fans of repurposing everyday lifestyle technology to support carers, which is why Hive Link is so exciting. It provides reassurance and peace of mind on both sides.”

### Madeleine Starr

Director of Business  
Development and Innovation,  
Carers UK



# Our Ambition for Climate change



## Enabling all our customers to use energy more sustainably

We're helping to shape a low carbon future by enabling our customers, the energy system and our business to use energy more sustainably

	Help our customers reduce emissions in line with Paris goals	Enable a decarbonised energy system	Reduce our own emissions in line with Paris goals
2022	<ul style="list-style-type: none"> <li>Help our customers reduce emissions by 15%, by direct (2%) and indirect action (baseline: 2015)</li> </ul>	<ul style="list-style-type: none"> <li>Deliver 4GW of flexible, distributed and low carbon technologies as well as provide system access and optimisation services</li> </ul>	<ul style="list-style-type: none"> <li>Reduce our internal carbon footprint by 35% by 2025 (baseline: 2015)</li> </ul>
2030	<ul style="list-style-type: none"> <li>Help our customers reduce emissions by 25%, by direct (3%) and indirect action (baseline: 2015)</li> </ul>	<ul style="list-style-type: none"> <li>Deliver 7GW of flexible, distributed and low carbon technologies as well as provide system access and optimisation services</li> </ul>	<ul style="list-style-type: none"> <li>Demonstrate we are on track with Paris goals and develop a path to net zero by 2050</li> </ul>

### Why it's important to us

We believe that climate change is one of the greatest global challenges facing society. The implications of climate change are far-reaching and the energy sector is at the forefront of the need to respond. While energy-related carbon emissions are in decline in the UK and US, global emissions are on the rise<sup>2</sup>. As a leading energy and services business, we want to continue to play a meaningful role in tackling climate change and supporting national and international carbon reduction targets, including the Paris Agreement which aims to limit the rise in global warming to well below 2°C.

We believe that an energy transition is underway, with decarbonisation being increasingly driven by decentralisation,

digitisation and customer control. While the early phase of this transition saw governments playing the dominant role in shifting the generation mix towards lower carbon, we are now entering a new phase where we must innovate to facilitate and harness our customers' ability to change. We also have to transform the energy system so it can continue to decarbonise and meet the changing needs of our customers. Our strategy is based on moving towards a lower carbon future and it positions us to play a key role in shaping the energy transition by helping our customers use energy more sustainably, decarbonising the energy system and reducing our own emissions.



## What we've done already

To help our customers reduce their carbon emissions in 2018, we:

- continued to provide products and services that have reduced customer emissions by nearly 35mtCO<sub>2</sub>e since 2008 which is equivalent to the annual emissions of around 11 million UK homes;
- sold over 300,000 Hive smart thermostats to help customers manage their heating and hot water better, the benefit of which was recognised by the US Environmental Protection Agency who awarded the product an Energy Star rating for enabling customers to protect the environment and save money; and
- became the first major UK energy supplier to achieve accreditation by the Carbon Trust for our renewable tariff for business customers.

In 2018, we enabled a decarbonised energy system having:

- strengthened the route-to-market for renewables by balancing and trading power production via wind farm agreements across Europe including 235MW in Sweden and 315MW in Italy; and
- progressed our £180 million investment in flexible generation and storage facilities by completing construction at one of the largest battery storage facilities in Europe as well as at two new fast response power plants in the UK.

As part of reducing our own emissions in 2018, we:

- now produce over 80% less carbon than we did a decade ago as a result of our strategic decision to move away from being a traditional utility operating generation and production assets to become a customer-facing energy and services company; and
- reduced our internal carbon footprint by 10%, bringing our overall reduction to 26% and meeting our 20% carbon reduction target for 2015–25 early.

## Investing in electric vehicle solutions

Electric vehicles (EV) are growing in popularity but we need to create the charging infrastructure to further accelerate their adoption. Since 2013, we have installed around 17,000 electric vehicle charge points and in 2018, Centrica Innovations strengthened its capabilities by investing in Driivz, a start-up that has developed world-class software for managing EV charging systems. By combining our ability to install and manage charging networks with Driivz software, we can now provide customers with one of the most effective, end-to-end vehicle charging solutions on the market. We plan to make it even stronger by integrating our existing capabilities in system monitoring and power load management with Driivz.

## The actions we plan to take

With over 90% of our carbon emissions arising from customer consumption, the greatest contribution we can make in tackling climate change is to help our customers reduce emissions by 25% in-line with the Paris goals. We cannot do this alone but we will play an important role by:

- targeting a 3% reduction by directly helping customers to use energy more sustainably through our innovative products and services – this is equivalent to the annual carbon emissions of around 2.5 million UK homes and more than three times our own emissions;
- indirectly reducing emissions by enabling a cleaner energy system that enhances grid flexibility, supports renewables and reduces reliance on fossil fuels; and
- engaging governments, policymakers and NGO's to actively build support for policies that help achieve national and international climate objectives.

We will enable a decarbonised energy system by delivering 7GW of flexible, distributed and low carbon technologies which is equivalent to over 10% of current UK peak demand, while providing system access and optimisation services. This will be achieved through activities such as installing and managing technologies and services like battery storage, solar, Combined Heat and Power (CHP), demand-side response, peaking plants and providing a route-to-market alongside Power Purchase Agreements for renewables.

We will also lead by example by continuing our transformation into a 21st-century energy and services company and developing a path to net zero by 2050. And we will drive efficiency within our business through technology, innovation and cultural change, reducing our internal carbon footprint by 35% by 2025.

“Working together, Centrica and Driivz will be able to expedite the adoption of EVs and to become a leading force in the distribution of energy and addressing the challenges of EV charging.”

**Doron Frenkel**  
Founder and CEO,  
Driivz





# Our Ambition for Colleagues



## Building the workforce of the future

We're developing vital skills and a more inclusive workforce to ensure we deliver for our customers

	Empower people with future skills	Build a more inclusive workforce
2022	<ul style="list-style-type: none"> <li>Inspire and develop 35,000 people with essential STEM (Science, Technology, Engineering and Maths) skills</li> </ul>	<ul style="list-style-type: none"> <li>Attract and develop more women into STEM with 25% of STEM recruits to be female</li> <li>Aspire for 33% female and 10% ethnic minority representation in senior leadership</li> <li>Actively promote carer-positive policies to help carers stay in or return to work</li> </ul>
2030	<ul style="list-style-type: none"> <li>Inspire and develop 100,000 people with essential STEM skills</li> </ul>	<ul style="list-style-type: none"> <li>Attract and develop more women into STEM with 40% of STEM recruits to be female</li> <li>Aspire for senior leadership to reflect the full diversity of our labour markets</li> <li>Help 1 million carers stay in or return to work via active promotion of carer-positive policies</li> </ul>

### Why it's important to us

We believe that STEM skills are vital to the energy transition and the future success of our business. There is, however, a global shortage of STEM skills and by 2020, 35% of skills demanded for jobs will change<sup>3</sup>. We want to empower our people with future skills to continue to deliver for our customers. We also want to inspire the next generation to study STEM subjects and embark on an exciting career in energy.

We believe that a diverse workforce that reflects the world around us is key to understanding and satisfying our customers. That is why we want to achieve greater diversity and inclusion across our business and

why we are focused on developing a diverse senior leadership team, as well as encouraging more women into STEM roles. This will help improve our diversity of thought and address the imbalance of only a quarter of STEM roles in the UK and US being filled by women<sup>4</sup>.

With an ageing population and a rise in the retirement age, we believe that supporting employees who balance caring responsibilities alongside work is essential – especially as 1 in 7 of the UK's workforce are unpaid carers<sup>5</sup>. By leveraging our long-standing commitment to this issue, we hope to support more carers to stay in work and progress their careers.

3. World Economic Forum, The 10 skills you need to thrive in the Fourth Industrial Revolution, 2016.  
 4. Wise, Campaign for Gender Balance in Science, Technology & Engineering, 2017 and Catalyst, Quick Take: Women in Science, Technology, Engineering and Mathematics, 2018.  
 5. Carers UK, Juggling Work and Unpaid Care, 2019.



## What we've done already

We empowered our people with future skills in 2018 by:

- launching a new Career Development Hub and specialist Learning Academies which enabled over 13,000 of our people to enhance their capabilities;
- expanding our world-class engineering apprenticeships into new areas such as leadership, management and digital; and
- growing the skills of 500 young people on our graduate and work experience programmes.

In 2018, we continued to build a more inclusive workplace by:

- strengthening recruitment processes to attract more diverse candidates – from challenging recruiters to draw up gender-balanced shortlists to undergoing unconscious bias training;
- inspiring the next generation of young girls to explore a career in STEM by working with the Royal Academy of Engineering to showcase strong female role models that demonstrate how exciting a career in energy can be; and
- progressing our carer-positive culture by continuing to offer a generous paid leave allowance to carry out carer responsibilities, providing a vital source of support via our 1,000-strong Carers Network in the UK and launching a new disability and caregiver employee network in North America.

## The actions we plan to take

To inspire and develop 100,000 people with essential STEM skills, we will create inspirational learning content to enable 75,000 of our people and partners to build vital STEM capabilities, such as cutting-edge digital, data and engineering skills. We will also run a STEM engagement campaign to inspire 25,000 young people to learn new skills and offer opportunities to develop their experience.

To double our female STEM recruits from 19% to 40%, we have a range of attraction, development and retention plans. These include launching a STEM work experience programme, encouraging women in STEM to return to work following a long career break via a returnship programme and continuing to develop skills through our Career Development Hub, Learning Academies and cross-functional mentoring.

To improve senior leadership diversity, we will further strengthen recruitment processes to attract more diverse candidates and track progress against goals that drive female and ethnic minority representation. We plan to also leverage our high potential talent programmes to support mid-career women and ethnic minorities.

To help 1 million carers stay in or return to work, we will continue to improve our carer-friendly culture and policies. We will additionally work in partnership with Carers UK to advocate for a change in UK legislation to introduce statutory carers leave.

## Passion for a hands-on career

As part of our collaboration with the Royal Academy of Engineering to get more women into STEM, Cerys Low, Electrical, Control & Instrumentation Engineer shared her story.

“I didn't like the idea of doing a typical office job and wanted a career that would be hands-on. During my degree I'd done a summer placement with Centrica and knew it'd be a great fit for me. I'm now working on our Roosecote Battery Storage System. The facility will be one of the largest in the world and will be capable of responding to fluctuations in demand in under a second. What advice would I give women who are new to the sector? Don't feel put off if it isn't what you've studied or got experience in, go with what you enjoy.”



“ Don't be put off by outdated stereotypes. It's a fast-paced and evolving industry and you get to gain a huge wealth of experience – I'd recommend it to anyone.”

**Cerys Low**  
Electrical, Control and  
Instrumentation Engineer,  
Centrica



# Our Ambition for Communities



## Creating stronger communities

By offering our knowledge and expertise, we're empowering communities to take control of their energy and tackle pressing social issues

	Apply new energy technologies to drive positive change	Collaborate across sectors to improve local communities
2022	<ul style="list-style-type: none"> <li>• Deliver £0.5 billion of value for communities through new and distributed energy technologies</li> <li>• Deliver £30 million in energy efficiency savings to public and essential services</li> </ul>	<ul style="list-style-type: none"> <li>• Encourage our people to share their skills by volunteering over 20,000 days</li> <li>• Deliver 700 skills development opportunities for young people not in education or employment</li> </ul>
2030	<ul style="list-style-type: none"> <li>• Deliver £5 billion of value for communities through new and distributed energy technologies</li> <li>• Deliver £300 million in energy efficiency savings to public and essential services</li> </ul>	<ul style="list-style-type: none"> <li>• Encourage our people to share their skills by volunteering over 100,000 days</li> <li>• Deliver 2,500 skills development opportunities for young people not in education or employment</li> </ul>

### Why it's important to us

We believe the energy transition has the potential to drive positive change across communities. Energy is moving away from a centrally organised model to a local one, giving communities the ability to take control of their energy and generate, manage and use it themselves. With an acceleration of digital and decentralised technology, this transformation is gaining pace and we are at the forefront of shaping a new energy future. This shift can also strengthen communities by increasing resilience, reducing environmental impact and unlocking financial savings that can be used to create a more productive and prosperous economy. For example, if just half of the UK's Industry, Healthcare and Hospitality & Leisure sectors took up distributed energy solutions,

we estimate they could save £980 million on annual energy bills, boost economic growth by £18.5 billion and support 260,000 jobs<sup>6</sup>. At a time when public and essential services are increasingly under pressure, these energy savings can provide vital funds to reinvest in core services.

We believe that collaboration is key to tackling the enduring social issues that our business and communities care passionately about. That is why we are working with experts such as charities and NGOs, to address a range of issues from youth unemployment to supporting carers. As a large organisation, we have the resources and reach to make a meaningful difference in our local communities.

## What we've done already

In 2018, we applied new energy technologies to drive positive change, which included:

- continuing to test how flexible demand, generation and storage can support the grid during peak times, help stimulate the growth of renewables and create opportunities to reduce energy bills as part of the UK's Cornwall Local Energy Market;
- joining forces with machine learning start-up, Verv, on the next phase of a community energy trial in Hackney that aims to explore how peer-to-peer trading using blockchain technology can reduce customer bills in the UK; and
- supporting Bridgeport Microgrid in Connecticut, North America, to provide flexible but dependable clean power in times of natural disaster or when the main electrical grid fails.

We collaborated across sectors to improve local communities in 2018 by:

- giving over 350 young unemployed people the opportunity to gain workplace skills through Movement to Work, bringing the total number of people supported through the scheme to nearly 1,450 people since 2014;
- enabling our people to share their skills with local communities by volunteering more than 39,100 hours; and
- helping over 4.2 million people cumulatively through our flagship charity partnerships which included making life better for carers with Carers UK, helping end family homelessness with Focus Ireland and improving the lives of children and their families via the Children's Miracle Network in North America.

## The actions we plan to take

We want to reach more communities with new energy technologies to drive positive change. By expanding our products and services, we aim to deliver £5 billion of benefit to businesses through energy efficiency savings and optimisation services. These savings can be used to grow the commercial success of our customers who in turn will support local communities with jobs, taxes and investment. In addition to this, we will specifically target £300 million in energy efficiency savings within public and essential services, that can be reinvested to support communities.

To collaborate across sectors and improve local communities, we will expand our volunteering offer to encourage employees to volunteer over 100,000 days. Our efforts will focus on supporting employees to share their skills with our flagship charity partners, as well as inspiring the next generation of STEM experts with a particular focus on developing young female STEM talent.

Through the Movement to Work programme we will also support 2,500 young people not in education or employment to develop their skills through work experience opportunities. We plan to tailor our support to help young carers and talented STEM females to develop vital workplace skills.

## Unlocking hospital savings for patient care

Our partnership with St George's Hospital in London is delivering improvements in energy efficiency and operational performance that enables more money to be redirected towards patient care. In 2018, the energy centre was officially opened following a major overhaul comprising of a new Combined Heat and Power (CHP) plant, efficient boilers and lighting alongside Heating, Ventilation and Air Conditioning (HVAC) systems and a building management system to optimise energy use.

These distributed energy solutions are projected to save the hospital £1 million and 6,000tCO<sub>2</sub>e annually. The NHS could save at least £130 million a year by updating inefficient and outdated energy systems<sup>7</sup>.



“By saving £1 million annually for the next 15 years, the contract will go a long way to help us maximise the resources we can put into patient care. It also massively cuts our carbon emissions and improves our overall sustainability.”

**Kevin Howell**  
Director of Estates & Facilities  
St George's University Hospitals,  
NHS Foundation Trust



## **CENTRICA PLC**

Registered office:  
Millstream, Maidenhead Road, Windsor, Berkshire SL4 5GD  
Company registered in England and Wales No. 3033654

This booklet has been printed on FSC certified paper.

[centrica.com/Ambition2030](https://centrica.com/Ambition2030)

***centrica***