

centrica

Our Gender & Ethnicity Pay Statement 2024 (UK)

Supporting every colleague
to be themselves and thrive



Enter →

Group Chief Executive introduction

Just like the centuries before it, the 21st century is proving to be a period of rapid change. From the technology revolution, to the energy system transition.

These developments will undoubtedly bring big changes to how we all live, work and move. I instinctively think of the benefits that technologies like AI could bring to our everyday, and how tackling climate change will create a new and improved way of doing things. But alongside these opportunities, undoubtedly come challenges. I strongly believe that Diversity, Equity and Inclusion (DE&I) will play an increasingly pivotal role in enabling society to seize the opportunities and overcome the challenges in an ever-evolving world.

When I think about Centrica's Purpose of energising a greener, fairer future for example, it's clear that DE&I isn't just a nice thing to do or the right thing to do; it's business critical. This is because to achieve net zero, we're going to need different thoughts and ideas around the table to create innovative solutions that'll not only help us achieve net zero, but ensure we create a better energy system that doesn't leave anyone behind — an energy system that's clean, affordable and secure.

This is precisely what we set out to achieve with our [People & Planet Plan](#) when we launched it in 2021. Since then, I'm really pleased to say that we're making good progress towards our goal of achieving net zero by 2050 whilst creating the diverse and inclusive team we need get there, through our goal to reflect the full diversity of our communities by 2030⁽¹⁾. In the last year, we've been fully focused on creating a workplace that's inclusive for everyone. We've rolled out our #EveryColleagueCounts campaign, invested in training for all and secured market competitive pay rises for the majority of our team, including an average pay deal of 8.1% for call centre colleagues. Action like this has been pivotal to continuing to make steady progress towards our People & Planet Plan, which in turn, will importantly help us close our pay gaps. Whilst I'm incredibly proud to have these efforts and more recognised by leading organisations (see right), I know we've more we can and must do to ensure that inclusion becomes part of our DNA.

Rest assured, the Centrica Leadership Team will keep doing whatever we can to ensure every colleague feels they're counted and supported to be their best.

Chris O'Shea,
Group Chief Executive



**Some things
we're proud about**

Top 50

Ranked in The Times Top 50
Employers for Gender Equality

Tier 1/5

Leadership position secured
in the CCLA Mental Health
Benchmark UK

Outstanding

Our Fertility Network named as the
Outstanding Wellness Network of the
Year at the Diversity Network Awards

(1) This means 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.

Explaining the pay gap



What's the pay gap?

- The gender pay gap measures the difference between the average pay for all women and men. The ethnicity pay gap measures the difference between the average pay for White colleagues with those who are ethnically diverse — such as colleagues who are Black, Asian or have a Mixed/Multiple background.
- Since 2017, UK companies with more than 250 employees, have been required to publish their gender pay gap in line with UK law. We voluntarily publish our ethnicity pay gap because we think it's the right thing to do and we've used the gender pay gap methodology to do it.
- Pay gaps can be influenced by business practices as well as long-standing societal factors. These include the subjects people choose to study at school or the division of responsibilities outside of work.



How's it different to equal pay?

- The pay gap doesn't consider differences in role or seniority, whereas an equal pay analysis shows whether people are paid the same for work of equal value.
- We use the Hay Job Evaluation methodology to standardise job grading and undertake equal pay checks in our annual pay review, to ensure colleagues are paid fairly.



What's the mean and median?

- Pay gaps are measured using the mean (average) and median (mid-point).
- The median is generally considered more accurate as the mean can be skewed by a small number of low or high paid colleagues.



Our gender pay gap



Gender pay gap⁽¹⁾

Median

13% 2023: 14%

Mean

13% 2023: 15%

Gender bonus pay gap⁽²⁾

Median

20% 2023: 14%

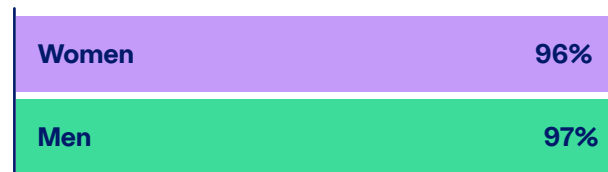
Mean

48% 2023: 36%

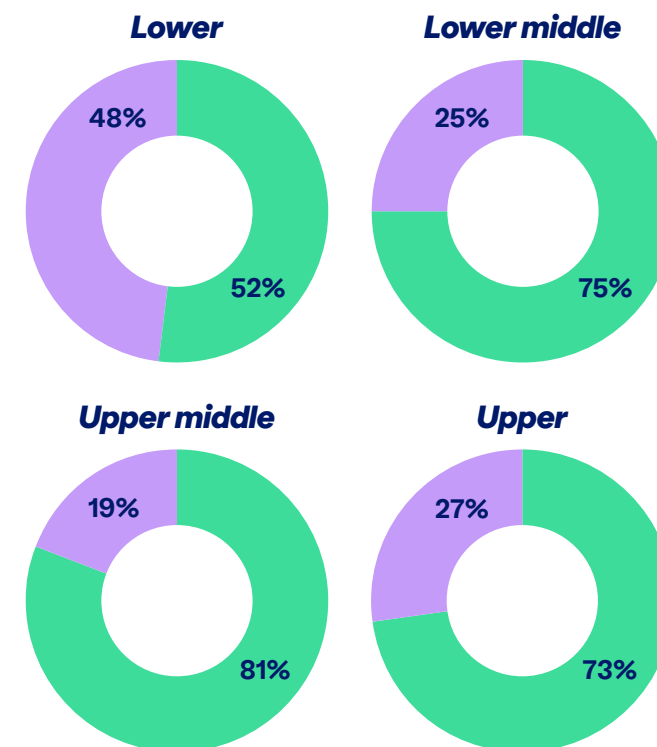
Proportion of women across our team⁽³⁾

31%

Proportion of women and men receiving a bonus



Proportion of women and men in each pay quartile



(1) Based on hourly rates of pay for all colleagues at full pay (including annual bonus and allowances) at the snapshot date of 5 April 2024.

(2) Includes anyone receiving a bonus during the twelve months leading up to the snapshot date and who are still employed on this date. Bonuses can relate to 2023 or 2024, depending on payment timing.

(3) Based on year end data to align with wider annual reporting.

Understanding the gap

In 2024, our gender pay gap experienced a slight improvement. Both the median and mean gender pay gap were 13%, with the median having reduced by 1% and the mean by 2% compared to 2023.

Our gap is largely due to:

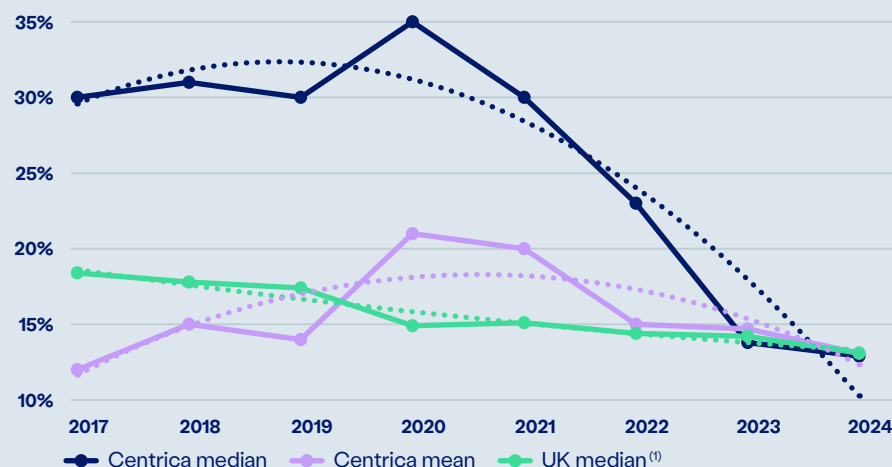
- More men working in highly skilled and well-paid engineering jobs; and
- More women working in valued but lower paid roles such as customer service and administration.

Our 6,700-strong engineering team make up nearly half of our upper three pay quartiles, with women filling around 4% of these roles. Therefore, the biggest thing we can do to reduce our gender pay gap, is to bring more women into our engineering team.

With women forming 0.3% of gas safe registered engineers in the UK, we are constrained by the current market. This means we need to inspire more women onto our award-winning apprenticeships and nurture them to become fully qualified engineers (see pages [10](#) to [11](#)). At the same time, we must also attract, promote and retain more women in junior and senior roles across the business. Changing the types of roles people typically choose to do requires a fundamental shift in society. So, although we're starting to see a steady decline in our gender pay gap, systemic change does take time which is why we expect to close our pay gap over the long term.

Annual improvement in our pay gap was influenced by several factors. This included our annual pay increase for call centre colleagues where we have a higher proportion of women, alongside our colleague profit share and energy allowance. These initiatives have been enabled by our business success and are particularly helpful to our lower paid colleagues.

Steady improvements since 2017



Pay gaps tend to fluctuate year-on-year but we're starting to see an overall positive downward trend in our median and mean gender pay gap since we first reported in 2017. The median also remains in line with the UK national average⁽¹⁾. We're fully committed to continuing this downward trend in the years ahead.

(1) Based on median gross hourly earnings excluding overtime: ONS, Annual Survey of Hours and Earnings, 2024.

In 2024, our median gender bonus gap rose by 6% to 20% whilst our mean increased by 12% to 48%.

Our gap is largely because:

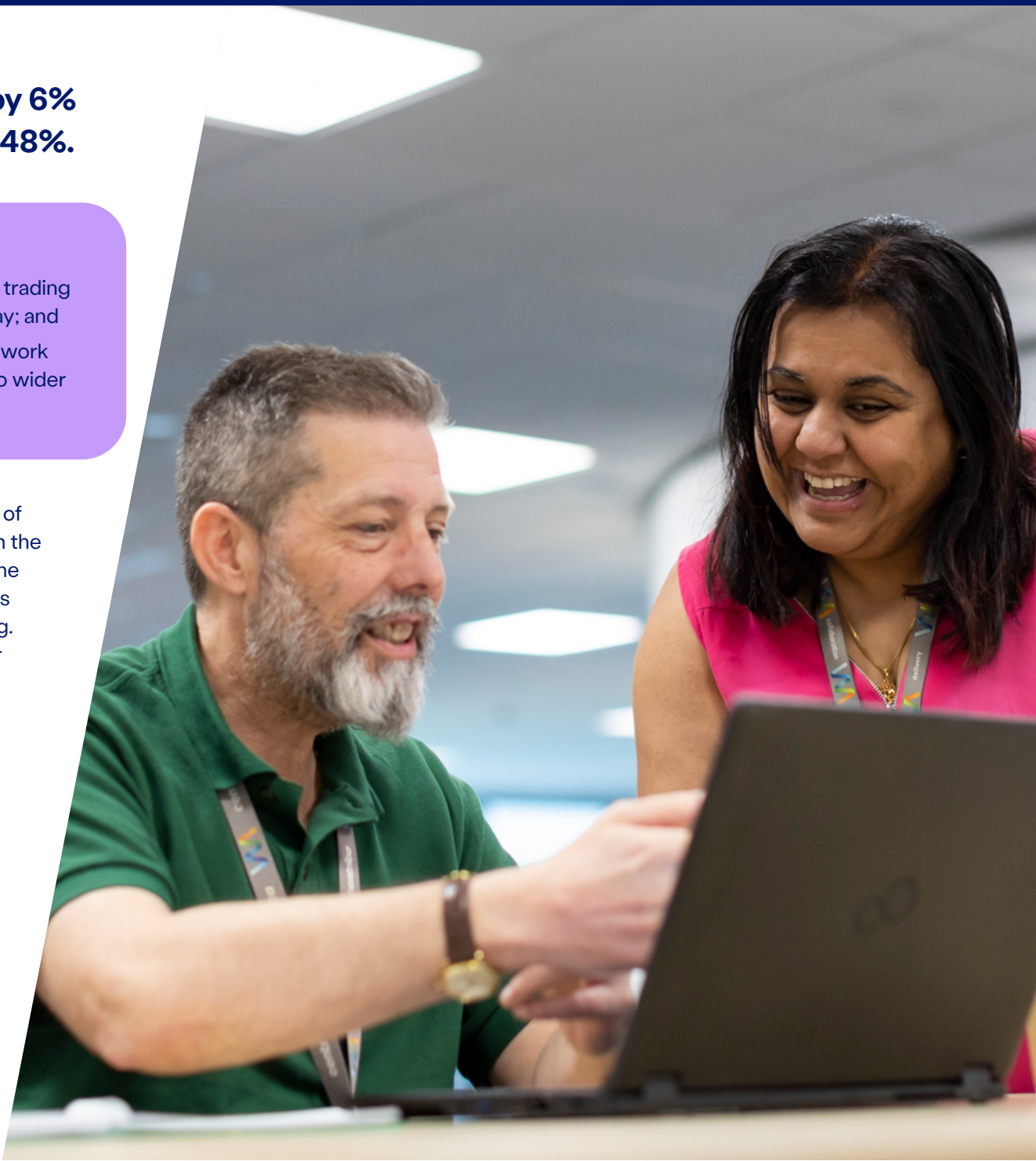
- More men work in specialist roles like engineering, sales and trading which come with higher bonuses or performance-related pay; and
- A higher proportion of women with strong earning potential work in corporate and management roles, where bonus is linked to wider business performance which fluctuates.

In 2024, we continued to see the bonus gap influenced by the types of roles men and women typically do (see previous page) together with the associated bonus structures in place to drive performance. During the period, performance and bonus for corporate and management roles were not as strong as those in other areas of the business like trading. This particularly drove an increase in the mean, where we've a higher proportion of men than women.

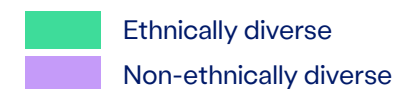
During the period, the proportion of women and men receiving a bonus remained steady at 96% for women and 97% for men.

What typically influences the bonus gap year-on-year?

- How bonus schemes are structured for specific jobs
- When bonuses or one-time payments are paid
- The link to business performance



Our ethnicity pay gap



Data based on colleagues who have shared their ethnicity with us (see page 8).

Ethnicity pay gap⁽¹⁾

Median

7% 2023: 11%

Mean

10% 2023: 2%

Ethnicity bonus pay gap⁽²⁾

Median

21% 2023: 25%

Mean

-12% 2023: 4%

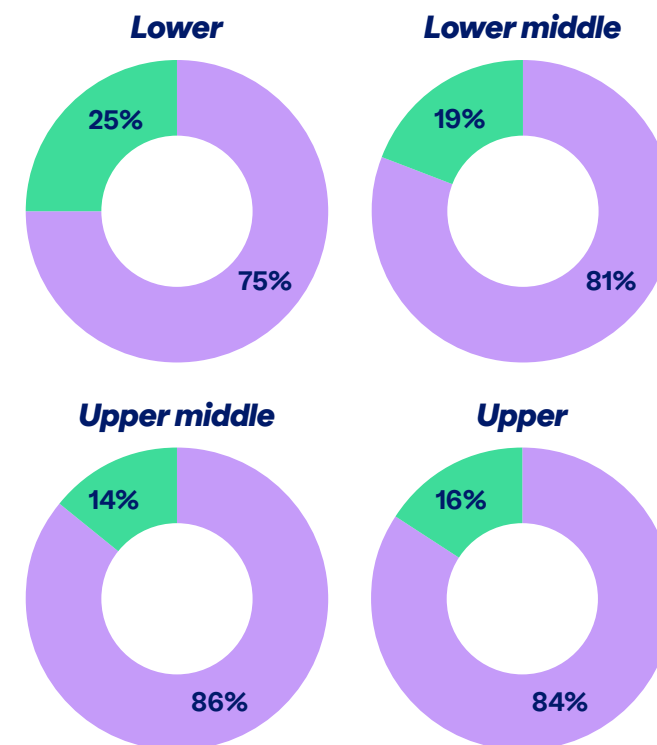
Proportion of ethnically diverse colleagues across our team⁽³⁾

16%

Proportion of ethnically diverse and non-ethnically diverse colleagues receiving a bonus



Proportion of ethnically diverse colleagues in each pay quartile



(1) Based on hourly rates of pay for all colleagues at full pay (including annual bonus and allowances) at the snapshot date of 5 April 2024.

(2) Includes anyone receiving a bonus during the twelve months leading up to the snapshot date and who are still employed on this date. Bonuses can relate to 2023 and 2024, depending on payment timing. A negative number indicates the bonus gap is in favour of ethnically diverse colleagues.

(3) Based on year end data to align with wider annual reporting.

Understanding the gap

Using the information disclosed by colleagues on their ethnicity, our median ethnicity pay gap improved by 4% to 7% whilst the mean increased by 8% to 10% compared to 2023.

Our data shows the gap is largely driven by:

- Not as many ethnically diverse colleagues working in higher paid jobs like engineering; and
- More ethnically diverse colleagues working in valued but lower paid roles such as customer service and junior roles across IS (Information Systems).

As with our gender pay gap, we see similar factors influence our ethnicity pay gap. The ethnicity pay gap is, however, slightly lower than our gender pay gap. This is due to ethnically diverse colleagues being well represented in our high-performing trading business, which reduces the gap given these roles tend to come with a strong remuneration package.

Our ethnicity pay gap was positively influenced by the annual pay increase for call centre colleagues as we have a higher proportion of

ethnically diverse colleagues in these roles, which particularly contributed to the median improvement. Meanwhile, mean performance was impacted by a lower than usual proportion of ethnically diverse colleagues receiving a bonus. This was because a higher proportion of new starters identifying as ethnically diverse, weren't eligible to receive a bonus due to the timing of when they joined the business in relation to the specific reporting period. These colleagues will, however, be eligible to receive a bonus in the next reporting period. The call centre pay increase together with our profit share distribution and colleague energy allowance, are initiatives that have all helped our lower paid colleagues.

Looking at our specific ethnicity pay gaps, we see a larger median pay gap for Asian and Black colleagues who are more highly represented in lower paid customer service roles. The mean gap for Black colleagues is also relatively high as our data suggests we've less Black people in our senior leadership team and in trading roles than we'd like. The mean gap reduces substantively for Asian colleagues and those from a Mixed/Multiple ethnic background, due to strong presence in our trading team.

For ethnically diverse women, there's a much higher mean pay gap compared to ethnically diverse men because of a smaller presence in trading roles. We hope to publish more specific ethnicity pay gap information in the future, when we've reached a higher proportion of colleague disclosure which will enable a more meaningful view and analysis of our team (see page 8).

Halved since 2020

As we haven't reported our ethnicity pay gap for as long as our gender pay gap, it's too early to see a strong reduction trend. However, when we look at our median performance which tends to be the more accurate measure for the pay gap as it's less affected by outliers, we see that our 2024 performance has halved from the 14% pay gap reported in our first Statement in 2020. Unlike gender, there's no national average available to compare our ethnicity pay gap performance.

Our ethnicity bonus gap in 2024 reduced. Our median gap went from 25% to 21% whilst our mean from 4% to -12%.⁽¹⁾

Our bonus gap is largely due to:

- A higher proportion of ethnically diverse colleagues working in less senior jobs or corporate and management functions like Finance and IS, where bonus is linked to business performance; and
- An overall lower proportion of ethnically diverse colleagues working in higher paid roles like engineering, which can come with higher bonuses or individual performance-related pay.

In 2024, the proportion of ethnically diverse colleagues being awarded a bonus dropped from 97% to 93% whilst the proportion of non-ethnically diverse colleagues receiving a bonus remained relatively steady at 96%. The decline for ethnically diverse colleagues was due to the timing of a large proportion of ethnically diverse colleagues joining the business but not being eligible for a bonus due to the timing of when they joined and the specific reporting period (see page 7). The strong presence of ethnic diversity in trading roles significantly influences our bonus gap, especially for the mean where the bonus pay gap is in favour of ethnically diverse colleagues.

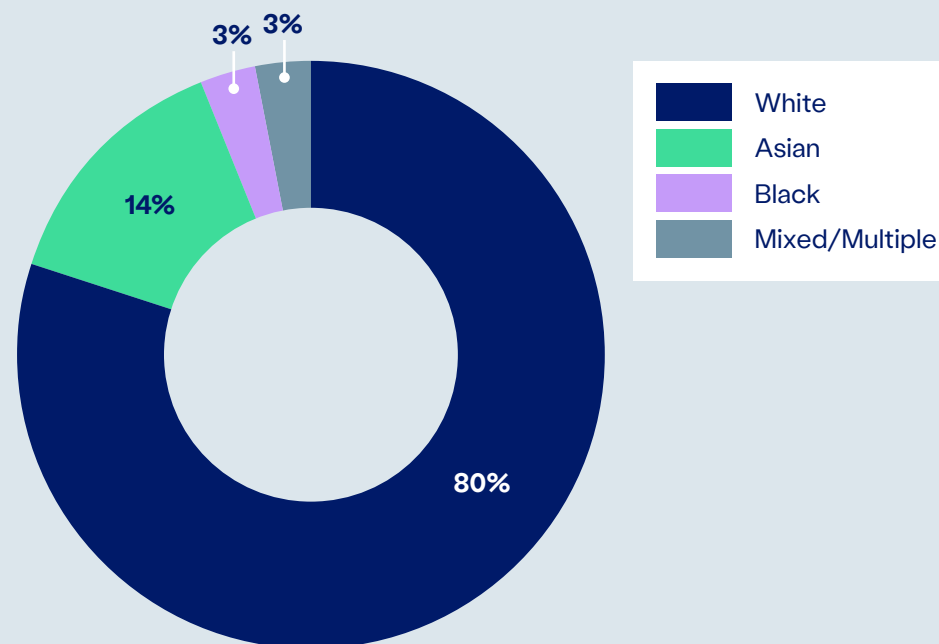
(1) A negative number indicates a pay or bonus gap in favour of ethnically diverse colleagues.

What's our ethnicity pay gap based on?

Unlike gender, we can only report on the ethnicity data colleagues share with us. Through our focus on helping every colleague feel valued and included, we're encouraging more of our colleagues to share who they are with us via our #EveryColleagueCounts and #ThisIsMe campaigns. In doing so, we can gain a more accurate picture of who works for us to ensure we reflect the full diversity of our communities, and how we can better support our people.

Our analysis is based on 77% of colleagues who disclosed their ethnicity, with 20% preferring not to say and 3% choosing not to provide this information. We hope more colleagues feel comfortable to share more with us in the future, so that we can continue to build on the 3% disclosure improvement achieved this year.

Of the 77% who disclosed:



Closing the gap



“

We've a huge opportunity to create a fairer future when we generate a greener one. I'm immensely proud of all we're doing to ensure we reflect the full diversity of our communities and inspire more women into engineering. I'm under no illusion that achieving this and closing our pay gaps will be quick or easy, but the effort will be worth it because we know it'll create a better future for our colleagues, our customers and our business.

Jill Shedden MBE, Group Chief People Officer



We want every colleague to feel they belong, are valued and can thrive. We've introduced, evolved and embedded Diversity, Equity & Inclusion (DE&I) Positive Action Plans that are tailored to each of our businesses to achieve this.

We focus in three key areas:

1. Diversity of representation

Attracting, promoting and retaining more diverse talent

2. Equity of opportunity

Ensuring fairness for everyone in everything we do

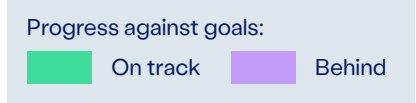
3. Valuing difference

Growing our culture of inclusion and a sense of belonging

1. Diversity of representation

Attracting, promoting and retaining more diverse talent.

By 2030, we want to:	2024 Performance	
Create an engaged team that reflects the full diversity of the communities we serve⁽¹⁾: <ul style="list-style-type: none"> 48% Women 18% Ethnically diverse 20% Disability 3% LGBTQ+ 4% Ex-service 	All company⁽²⁾ <ul style="list-style-type: none"> 31% Women - 41% Women excl. Field engineers 16% Ethnically diverse 6% Disability 4% LGBTQ+ 2% Ex-service 	Senior leaders⁽²⁾ <ul style="list-style-type: none"> 34% Women - 31% Women excl. Field engineers 10% Ethnically diverse 5% Disability 2% LGBTQ+ 2% Ex-service
	Recruit 3,500 apprentices and provide career development opportunities for under-represented groups⁽³⁾ <ul style="list-style-type: none"> 1,537 Apprentices 	



To tackle this in 2024, we:

- Ramped up our apprenticeship intake with a particular focus on women in engineering. Having slowed apprenticeship recruitment to focus on operational stability during 2023, we doubled our intake in 2024 to welcome 339 apprentices. This takes our cumulative to 1,537 apprentices since 2021. We look forward to getting back on track with our goal in the years ahead as we work towards onboarding 3,500 apprentices by the end of 2030. Increased recruitment opportunity in 2024 enabled us to make good progress towards our ambition for 50% of our engineering apprentices to be women by 2030. In 2024, we achieved a 5% improvement in the proportion of engineering apprentices that were women which rose to 19%. This compares favourably against the 0.3% gas engineer average across the UK. As part of this, we targeted marketing and recruitment towards diverse talent whilst incentivising colleagues from other parts of our business, like customer service, to become an apprentice by not dropping pay whilst they train. This included collaborating on TikTok with apprenticeship influencer, Holly Hobbs, which collectively attracted over 800,000 views and helped drive a significant increase in applications from women. To ensure our women engineers stay with us when they're fully qualified, we provide additional support including mentoring and networking events.

At the start of 2021, we launched our [People & Planet Plan](#) to help us get to net zero and create the diverse and inclusive team we need to get there.

With the subsequent introduction of our DE&I Positive Action Plans in 2022 to help us accelerate towards our People & Planet Plan goals (see above), we've made improvements of up to 6% since 2021 and up to 3% over the last year.

With better recruitment and retention practices providing an initial boost to the majority of our diversity goals, our performance continues to improve as we focus on initiatives to build a more

inclusive culture for every colleague. We recognise that cultural change does, however, take time and we will need time to deliver systematic change across our business, sector and society. Boosting the representation of colleagues who are women is a particular challenge and focus area for us, given our large Field engineering team reflects the existing male-dominated market which impacts our overall Group performance that would otherwise be on track. Growing our disability representation across the company and ethnic diversity in senior leadership roles, are also focus areas.

(1) Aligns with latest 2021 Census data for working populations. We aim to be 40% women, 16% ethnically diverse, 10% disability, 3% LGBTQ+ and 3% ex service by the end of 2025.

(2) Beyond gender, data is based on Group year end voluntary disclosure of 94% ethnic diversity, 51% disability, 59% LGBTQ+ and 4% ex-service.

(3) We aim to have 2,000 apprentices by the end of 2025. Base year 2021.

- Continued to embed tailored DE&I Positive Action Plans and dashboards across the business, with performance reviewed quarterly to improve progress and accountability.
- Invested in attracting the next generation of diverse talent into our sector. We worked closely with the POWERful Women Energy Leaders' Coalition to share and drive best practice to make the sector more inclusive. To show that anyone can have an exciting and fulfilling career at Centrica, our diverse engineers and colleagues in wider roles, also participated in awareness campaigns and volunteered at schools.
- Maintained inclusive recruitment practices — from refusing all-male shortlists, embedding succession plans for leadership roles and using diverse interview panels wherever possible, to providing more inclusive job ads and removing educational requirements where it's not essential.

2. Equity of opportunity

Ensuring fairness for everyone in everything we do.

In 2024, we:

- Expanded development opportunities for everyone. We rolled-out more training than ever before on our on-demand My Learning Campus, which includes investment in training for all managers to empower themselves and their diverse teams. Additionally, we provided dedicated talent development and mentoring programmes for colleagues from under-represented groups. This included programmes like Everywoman and Mission Include alongside the 30% Club and our in-house reverse mentoring scheme, which pairs leaders with junior colleagues to enable mutual learning.



I enjoyed six years in the military but I was ready for a new adventure. So having embarked on an apprenticeship with British Gas three years ago, I'm pleased to now be a fully qualified engineer. I feel like I'm a person not just a number, and it feels great to know I'm directly contributing to a greener future.

Amy Gray,
Army Veteran and Smart Energy Engineer

19%

Of our engineering apprentices are women — our ambition is to achieve gender parity by 2030

- Offered industry-leading support so that all colleagues can be at their best. For instance, we were there to help colleagues not only have the career they want, but the family they want by providing leading fertility support via our Pathway to Parenthood programme. The programme provides financial support and discounted treatment with a lifetime allowance up to £15,000, free fertility testing kits and five days paid leave to support with appointments and treatment. And for colleagues who will become parents in 2025, our paternity leave will be extended from two to eight weeks fully paid from July. Meanwhile, our Carers Policy is among the best in the UK and provides up to six-weeks paid leave when matched with annual leave to help colleagues better juggle work alongside caring. We know life-changing moments like these alongside day-to-day matters, can sometimes take its toll. Our award-winning suite of wellbeing support is a huge support to many and encompasses a company-funded benefit healthcare plan, a 24/7 helpline as well as our 120-strong network of mental health first aiders.
- Enabled colleagues to benefit from greater flexibility to improve work-life balance and help colleagues pursue career opportunities that otherwise wouldn't have been possible. FlexFirst for example, enables office-based colleagues to choose how they want to work — to come into the office to connect and collaborate, shift their core hours to accommodate things like the school run, or work from home to provide time to focus whilst enabling the ability to take-up opportunities further afield. For call centre colleagues, we use Choice Hours (80% set shift, 20% choice hours), giving greater flexibility for colleagues alongside service availability for customers.



Overall, the Mission Include mentoring programme has not only enhanced my abilities but also fostered a greater sense of self-awareness and growth. I am grateful for this experience and look forward to continuing my journey of growth and learning.

Abid Hussain,
Customer Delivery Manager



Inclusive policies mean parents such as myself can 'Parent Out Loud' and be a mum while having a career. It also enables me to flex my routine so I never need to miss my children's important events.

Liz Da Cruz,
Knowledge Manager



3. Valuing difference

Growing our culture of inclusion and a sense of belonging.

As part of this in 2024, we:

- Enabled colleagues to actively shape a workplace that works for everyone. We now have 10+ amazing employee-led Networks focused on women, men, ethnicity, disability, LGBTQ+, carers, parents, fertility, ex-service and more. They not only provide a vital source of support and advice for colleagues, but invaluable feedback to help us become a more inclusive business. Towards this, the networks ran over 250 engagements throughout the year to celebrate difference, grow allyship and help educate people about issues that may affect them, their team or their loved ones — from Carers Week, to Black History Month. Moreover, our Shadow Board of diverse colleagues make a big difference by meeting leaders on a regular basis to drive colleague-centric decisions on key issues across the business. In 2025, a big focus for the Shadow Board will be on sponsoring colleague networks, embedding #EveryColleagueCounts and continuing to be a critical friend to the Centrica Leadership Team.
- Strengthened inclusive competencies. Building on guidance created with the Networks for maternity, domestic abuse, the menopause, carers leave and transitioning at work, we worked with our Diverse-ability Network in 2024 to launch a Great Minds online module. The initiative is making a big difference by normalising and supporting neurodiverse colleagues through enhanced education and tools whilst growing the learning of wider colleagues. New DE&I training was also introduced for apprentices and newly qualified engineers to help create a more inclusive environment and in 2025, we'll review how best to extend additional DE&I training to our wider Field operations team. At the same time, our leaders have continued to undergo training on inclusion and mental health to ensure they've the right mix of skills to nurture different people in their team.

10+

**Colleague-led
diversity networks
to help drive a more
inclusive culture**



Joining the Shadow Board has given me a seat at the table, allowing me to represent our diverse colleagues and customers in the decisions that matter most. Not only is it a chance to inform change, but it also provides the opportunity to learn and be challenged by others.

Jenna Forbes,
Customer Outcome Manager

Governing performance

Monitoring our progress

Monitoring, analysing and reporting our gender and ethnicity pay gaps alongside our wider diversity goals and KPIs, is a top priority because it enables us to review progress and target action where needed. Strategic updates relating to these matters were reported to Centrica's Leadership Team, the Safety, Environment and Sustainability Committee (SESC), the Remuneration Committee and the Board throughout 2024, ensuring appropriate awareness and challenge.

Our gender pay gap calculations are accurate and meet the methodology set out in The Equality Act 2010 (Gender Pay Gap information) Regulations 2017.



Chris O'Shea
Group Chief Executive



Jill Shedden MBE,
Group Chief People Officer



Disclosing by legal employing entity

To provide a more meaningful picture of our gender and ethnicity pay gap, we've led the statement with our overall UK pay gap which better reflects how we operate as a business and is calculated by combining results from across all our legal employing entities.

As required by law, our gender pay gap performance for each of our six legal employing entities with 250 or more employees is provided below.

Company	Number of applicable colleagues	Proportion of women and men (W/M) (%)	Median gender pay gap (%) ⁽¹⁾	Mean gender pay gap (%)	Proportion of women and men in the lower pay quartile (W/M) (%)	Proportion of women and men in the lower middle pay quartile (W/M) (%)	Proportion of women and men in the upper middle pay quartile (W/M) (%)	Proportion of women and men in the upper pay quartile (W/M) (%)	Median gender bonus pay gap (%) ⁽¹⁾	Mean gender bonus pay gap (%) ⁽¹⁾	Proportion of women and men receiving a bonus (W/M) (%)
Centrica Group – UK ⁽²⁾	19,970	29/71	13	13	48/52	25/75	19/81	27/73	20	48	96/97
British Gas Services	7,202	3/97	3	6	5/95	3/97	2/98	3/97	42	42	98/98
British Gas Social Housing	407	22/78	35	30	55/45	22/78	5/95	4/96	-1,259	-142	90/85
British Gas Trading Ltd	7,302	50/50	2	12	58/42	53/47	54/46	35/65	9	46	96/96
Centrica PLC	4,393	40/60	19	30	50/50	40/60	40/60	31/69	10	69	97/96
Centrica Storage Ltd	242	19/81	20	14	43/57	12/88	5/95	14/86	26	25	98/94
Spirit Energy	424	26/74	8	5	34/66	22/78	25/75	22/78	-15	6	86/82

(1) A negative number indicates a gender pay or bonus gap in favour of women.

(2) Constitutes all our UK legal employing entities set out in the table above, irrespective of whether the legal entity has 250 employees or not.

centrica

Centrica plc

Registered office:

Millstream

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Berkshire

SL4 5GD

Company registered

in England and Wales

No. 3033654

centrica.com/peopleandplanet