

# Our Health & Wellbeing Statement 2021

## Our annual communication on progress

Chris O'Shea, Group Chief Executive: "As a business leader, I have a big responsibility to look after colleagues and make sure they're doing ok. That's why we offer a variety of tools, resources and benefits, to help empower and support colleagues because mental health and wellbeing is just as important as physical health. Through support like this, we hope to create long-lasting change and ensure Centrica is a more inclusive place to work."

## Why it's important

We know that the last couple of years have been tough for colleagues and as we emerge from a global pandemic alongside years of business restructuring, colleagues are faced with new challenges such as the rising cost of living. We're mindful of the impact events like these can have on colleagues, which is why we want to be there for them. Towards this, we've increased our focus on helping colleagues improve their physical, mental and emotional health - from creating a culture where everyone feels able to talk about and prioritise wellbeing, to encouraging proactive use of our suite of mental health support.

Colleagues are the beating heart of our business so this isn't just the right thing to do; it's essential to the long-term success of our business. By caring for colleagues, we'll not only be able to enhance productivity and reduce sickness and absence, but we'll be able to attract and retain the diverse talent we need to help our customers live sustainably, simply and affordably.

## What we're doing

In 2021, we focused on promoting positive wellbeing in three key ways.

### 1. Provided colleagues and their family with wellbeing resources, tools and benefits to ensure they can access the right support at the right time

- **Continued to provide expert health and wellbeing advice via MyHealth.** The 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, an advice line for managers, as well as proactive support in cases where colleagues may need time off to ensure they're getting the help they need to feel better.
- **Launched a free Healthcare Plan** that gives all colleagues the same healthcare cover, regardless of seniority. The plan is designed to complement the NHS and access private treatment if needed. So if a colleague feels unwell, has an injury or needs mental health support and the NHS waiting list would be detrimental to their health and wellbeing, they can quickly seek help.
- **Introduced Virtual GP 24** to ensure that everyone has access to a GP when they need it.
- **Provided on-demand support via the Unmind 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.
- **Maintained our 100-plus network of Mental Health First Aiders (MHFA).** Our passionate volunteers are fully trained and on hand to confidentially talk to colleagues about any mental health concerns they may have. MHFA's may also intervene if they think someone needs help, and can guide them through the support available.

- **Ran webinars with expert speakers and provided toolkits and modules**, to support proactive wellbeing. These initiatives share the benefits of holistic wellbeing like exercise, sleep, nutrition and hydration. Our Learning and Development Hub for colleagues also provide modules on topics such as resilience, assertiveness and time management, to help colleagues develop the skills they may need to not only reach the next stage in their career, but improve their wellbeing too.
- **Enabled colleagues to seek free legal advice** on issues they're worried about. Through the legal portal, colleagues can access a series of support such as expert legal advice over a 24/7 helpline, jargon-free guides for consumer laws and regulations, and easy-to-customise legal documents that can be reviewed by a lawyer.
- **Provided income protection** for colleagues with an illness or injury because being unable to work, can put a huge strain on finances and impact wellbeing. We therefore provide all impacted colleagues with a monthly payment that's nearly 70% of their basic annual salary to provide peace of mind and ensure colleagues can focus on getting better.
- **Gave all colleagues access to free financial education**. To further reduce money worries, the service combines advice, education and money management tools that can be tailored to a colleague's situation and empower them to reach their goals.
- **Provide a wider range of benefits via our Benefits Plus scheme** to help colleagues thrive. This can include discounted offerings at top retailers to reduce pressure on finances, extra healthcare top-ups to meet individual health needs, and gym incentives to become more active.

## 2. Worked to ensure wellbeing is part of everything we do by building a supportive, open and honest culture

- **Enhanced flexibility with our forward-thinking 'Flexible First' approach**. Having surveyed over 3,000 colleagues on how we all wanted to work together when COVID-19 restrictions lifted, we introduced Flexible First. This gives office-based colleagues the opportunity to work in a way that's best for them - choosing when they want to work from home to focus, go into the office to connect and collaborate, or shift their core working hours to accommodate things like the school run. This is making a big difference in how colleagues feel about work and how they balance work with wider commitments.
- **Provide world-class approach to supporting colleagues who are also carers**. By providing colleagues with up to six weeks paid leave when matched with annual leave, we can make a meaningful difference in helping colleagues balance work alongside caring responsibilities whilst improving wellbeing. To help other carers benefit from this same support, we collaborated with Carers UK to hold peer learning sessions with other organisations and campaigned for the UK Government to introduce statutory carers leave which they've agreed to do.
- **Took action on the mounting levels of abuse customer-facing colleagues receive**. Swearing, shouting, or being racially abused are just some of the things our colleagues experience, which is unacceptable and can impact how they feel. That's why we signed up to the Institute of Customer Service's #ServicewithRespect campaign, to advocate for Government to introduce a new offence for anyone who abuses people in customer-facing roles. We've also run internal campaigns and introduced guidance, to encourage colleagues to report abuse to line managers. This enables us to take a zero-tolerance approach, because we don't want customers who can't treat colleagues with respect.
- **Empowered line managers to support their team's mental health**. Line manager competencies were strengthened with the continuation of mental health training for leaders alongside guidelines and toolkits to better navigate life events that can be challenging such as maternity leave, returning to work, the menopause, domestic abuse and transitioning at work. This helps managers to have more open and informed conversations with their team day-to-day and in quarterly performance reviews, to

ensure they provide the right environment and support for everyone in their team to reach the full potential. It also provides line managers with the ability to spot if someone might need extra help.

- **Senior leaders increasingly role-modelled positive mental health behaviours.** In support of national and international days like Mental Health Awareness Week, leaders including our Chief Executive, talked openly about their own mental health experience at internal townhalls and posted videos and blogs on external platforms. Action like this is key to eliminating the stigma that often surrounds mental health, unlocking the door to a more open dialogue and a readiness to proactively seek support.
- **Reinforced positive mental health behaviours with rewards.** Through our 'Recognitions' platform, colleagues can now nominate and reward one another for championing 'Wellbeing' and 'Inclusion', alongside Our Values of 'Care', 'Delivery', 'Collaboration', 'Agility' and 'Delivery'. In doing so, these qualities are placed at the very heart of our business and embraced by colleagues.
- **Adopted and upheld 'Good Work' principles.** As part of this, we always consider the effect of wellbeing when designing roles and adopt its principles, ensuring meaningful work, fair hours, fair pay and equal opportunities, alongside an environment that's inclusive and free from discrimination. From recruitment and during the lifespan of a role, we'll therefore have open discussions with prospective or actual employees, about these stipulations as well as our commitment to make all reasonable adjustments so that they're happy and productive - whether that's providing flexible working, extra support or specific accessibility needs. And if we look to change our working practices, we'll always seek the views of colleagues and trade unions amongst others, to ensure we fully consider all potential impacts. This allows us to use feedback to further shape and strengthen proposals so that we can come to a solution that works for everyone. And just as we provide support to help colleagues work from home to ensure they have the equipment they need to do their job, we'll also aim to provide the best working environment for colleagues from a practical perspective when they're on-site. This means ensuring good design and cleanliness, harnessing natural light, providing greenery, access to ergonomic desks and healthy food options alongside fitness incentives.
- **Strengthened our strategy to build a more inclusive and supportive environment for colleagues** so that they can be themselves and thrive. In 2021, we launched our [People & Planet Plan goals](#) to ensure we reflect the full diversity of our communities by 2030, and shared our diversity and inclusion plan to achieve these goals in an open letter to colleagues. This included strengthening [recruitment and retention practices](#) to better attract, develop and retain more diverse talent. We also held all-company townhalls and training on anti-bullying and discrimination amongst other issues.
- **Continued to provide peace of mind during COVID-19** with amended policies to ensure COVID-related absence wouldn't impact pay, whilst working within government guidelines to keep colleagues and customers safe and effectively manage concerns.
- **Engaged suppliers to protect workers in our supply chain from adverse impact.** To guard against issues like unfair wages and human rights abuses which can have a big impact on wellbeing, we continued to embed clauses in supplier contracts, undertook risk assessments and conducted remote worker surveys to ensure we manage and reduce risk. And to date, we believe this approach has been effective and enabled us to make positive interventions that improve lives. For example, in 2021, our remote worker surveys revealed that whilst workers at one of our suppliers were being paid correctly, they often spent their wages before the end of the month which put a strain on their household. Using this insight, we were able to work with the supplier to provide training to help them manage their personal finances better which we hope has contributed to improved wellbeing.

### 3. Listened, acknowledged and acted on feedback to continually develop our wellbeing benefits based on the needs of colleagues

- Engaged colleagues about what it's like working for us** to help shape our wellbeing plan. This includes quarterly engagement surveys which asks specific wellbeing questions, regular 'straight talking' sessions with leaders and their business areas to get feedback on things we're doing well and where we can improve, alongside our new Shadow Board of diverse colleagues who meet with leaders and drive colleague-centric decisions on priority issues including wellbeing. Additionally, our employee-led diversity networks provide a vital source of support and advice for colleagues and our business alike on ways we can make our business more inclusive. We also hold regular meetings with trade unions including our Joint Council, which is strategic forum that meets bi-annually and brings together our Chief Executive, members of our senior leadership team and National Energy Officers from recognised trade unions, to collaborate on key issues for colleagues and customers. These channels of feedback are proving effective. For example, colleagues told us they thought we could do more to grow our diversity and inclusion action plan to improve how they felt, so we introduced a range of initiatives such as diverse shortlists and interview panels, alongside targeted talent development programmes and our ambitious [People & Planet Plan goals](#) to ensure we reflect the full diversity of our communities.
- Sourced feedback from colleagues about our suite of healthcare** support, so that we can understand its effectiveness alongside areas for improvement This spans measures such as net promoter score (NPS).
- Provided tailored support to help colleagues and customers with the rising cost of living.** We broadened and raised awareness of discounted benefits available to colleagues via our Benefits Plus scheme – from trebling our discount on energy and providing gym passes, to retail vouchers and more. And for customers in 2021, we contributed over £305 million in mandatory and voluntary contributions to help those who struggle to pay for their energy, providing grants, debt advice and energy efficiency improvements.

## Effectiveness

### Whilst wellbeing is a constant journey, we're pleased with the progress made in 2021:

- Mental health incidence rate was 286 per 100,000 workers, with the majority relating to anxiety and depression (47%) alongside stress (40%). This is below the national average of 2,480 per 100,000 workers, and reflects the hard work and focus that has gone in to ensuring that colleagues can proactively access expert support. It also constitutes a 6% increase compared to the previous year, which we've linked to the modernisation of our terms and conditions to ensure we can serve our customers with the flexibility they expect. Whilst the majority of colleagues embraced the new ways of working, change is never easy and it was understandably a challenging time for colleagues. In recognition of this, we've put a lot of effort into providing colleagues with a more supportive and inclusive place to work, which has led to our mental health incidence rate improving as the year went on.
- Our MyHealth programme is performing strongly, giving colleagues the right support at the right time. During 2021, MyHealth supported around 40% of colleagues with a health-related issue<sup>1</sup>, and rated the tool very highly. For example, colleagues awarded MyHealth a net promoter score of +72, whilst MyCare was rated at +85.
- For colleagues who needed time away from work to manage their mental health and in instances where it's appropriate to measure, over 60% were able to return to work sooner than medical condition averages due to the proactive and effective support provided<sup>2</sup>. This

<sup>1</sup> Top two cases managed via the platform were 34% for musculoskeletal issues and 29% of were mental health issues.

<sup>2</sup> Related to 66% of individuals with mental health disorders and 50% with musculoskeletal disorders who returned to work earlier than the condition norm.

equates to a 12% reduction in average days lost per employee (or 28 days gained), alongside nearly £14 million in avoided costs to the business.

- Overall, 85% of colleagues who engaged with psychological support services reported an improvement in their condition which is very positive.
- Our introduction of Flexible First has led to 92% of colleagues saying that enhanced flexibility in choosing when and how they work, has had a positive impact on their work-life balance.
- Colleague engagement improved by 13% compared to 2020, bringing our total score to 55% favourable.
- Voluntary mental health training has been completed by 25% of line managers since its introduction.
- Charity partnership with Carers UK was awarded the 'charity partnership of the year' by the Better Society Award. The partnership has had far-reaching impact, including benefits to mental health as a result of extra support provided to carers within the company and across the UK.

**We've a big opportunity to build on this further. In 2022, we'll:**

- Continue to act on colleague feedback to create a culture that's more inclusive and supportive.
- Maintain strong awareness of why wellbeing is important and the support that's available. A particular focus will be on personalised wellbeing and inspiring colleagues to get more active, improve nutrition and sleep. This will support colleagues to manage their weight better, which our data and insight suggests is higher in those who seek support.
- Make mental health training mandatory for line managers. This will help upskill more of our leaders so that they can have more meaningful conversations with their team, and better identify early warning signs if someone is struggling.

## Managing mental health

### Day-to-day management

We've dedicated people in place to ensure the strong day-to-day management of colleague wellbeing via collaboration between the Wellbeing Benefits Team and the Health Care team. Together, they not only manage and enhance the suite of support available for colleagues, but work at ways to increasingly inspire colleagues to take positive steps to manage their health and wellbeing.

Should a colleague need time away from work to get better, absence is recorded in our HR management system to formalise the process and ensure 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, and depending on the nature of sickness, will drive further interventions via MyHealth to ensure appropriate treatment or action is provided 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<sup>3</sup>. It includes key commitments such as ensuring colleagues wellbeing is cared for, that they're paid fairly, have access to career progression, as well as the right to collective bargaining and consultation amongst others. To ensure this is 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 to make Centrica is a positive place to work and one where everyone is supported – these primarily include our Wellbeing Standard and Psychological Risk Assessments, Diversity, Respect and Inclusion Policy, Flexible Working Policy, Sick Leave Policy alongside our Health, Safety and Environment Policy.

The Board has ultimate responsibility for ensuring the health and wellbeing of colleagues. Our Group Chief Executive supports the Board in this duty by delegating oversight to the Group People Officer, who reviews plans and performance quarterly to ensure frequent review and oversight, with improvements made as needed. A detailed MyHealth report with key insights and actions are also shared quarterly with wider Business Leaders, 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 in the respective areas they're responsible for.

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<sup>3</sup> Applies to all colleagues and contractors across our different businesses and geographies, as well as our associated suppliers, partners and customers.