Centrica plc preliminary results

For the year ended 31 December 2025

Investor presentation

Centrica will hold its 2025 Preliminary Results presentation for analysts and institutional investors at 9.30am (UK) on Thursday 19 February 2026. There will be a live webcast of the presentation.

Please register to view the webcast at:
https://secure.emincote.com/client/centrica/results/2025-preliminary-results

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Unless otherwise stated, all references to the Company shall mean Centrica plc, and references to the Group shall mean Centrica plc and all of its subsidiary undertakings and equity-accounted associate/joint venture undertakings. This announcement does not offer investment advice, and does contain forward-looking statements. The Disclaimer relating to the Preliminary results is included on page 87.

Published 7am on 19 February 2026.

TRANSFORMING CENTRICA

- 2025 earnings lower than 2024, although resilient against a challenging market backdrop.
- Strong strategic progress, including significant investments in Sizewell C and Grain LNG.
- Transformation programme ramping up, supporting future profitability.
- 2025 full year dividend per share increased by 22% to 5.5p, and £2bn share buyback completed.
- £1.1bn returned to shareholders in 2025, including £0.8bn through share buyback.
- Targeting £1.7bn EBITDA by end-2028, with growth to £2.0bn in 2030(i) supported by transformation programme, further investment and expected nuclear life extensions that are yet to be approved.

"2025 has been a year of real momentum and we have made bold investments as we continue the fundamental transformation of Centrica. The environment has been challenging, and performance has varied across the business. However, we have remained disciplined, delivering strong operational performance and achieving customer growth across all our Retail businesses simultaneously for the first time in over a decade.

With major projects like Sizewell C, Grain LNG and our Meter Asset Provider laying the groundwork for more stable and predictable earnings, our long-term opportunities have never been better. Pausing the buyback enables us to prioritise investment that creates lasting value for shareholders, while continuing to deliver the reliable, affordable energy that households and businesses need to power economic growth through the transition."

Chris O'Shea | Group Chief Executive

FINANCIAL HIGHLIGHTS

Year ended 31 December	2025	2024		2025	2024
Adjusted measures (ii)			**Statutory measures**		
EBITDA	**£1,417m**	£2,305m			
Operating profit	**£814m**	£1,552m	Operating profit	**£106m**	£1,703m
Basic earnings per share (EPS)	**11.2p**	19.0p	Basic earnings per share (EPS)	**(1.5)p**	25.7p
Free cash flow	**£(167)m**	£989m	Net operating cash flow	**£695m**	£1,149m
Capital expenditure	**£(1,227)m**	£(564)m	Net cash from investing activities	**£(690)m**	£493m
Net cash	**£1,487m**	£2,858m	Full year dividend per share	**5.5p**	4.5p

(i) Adjusted EBITDA midpoint of ranges +/- £0.3bn to reflect in-year volatility. See pages 9 to 10 for more details.

(ii) Adjusted performance measures are non-IFRS, corresponding IFRS measures are also shown to facilitate comparison. See notes 2, 5, 9, 10, 11 to the Financial Statements and pages 82 to 86 for an explanation of the use of adjusted performance measures.

- Adjusted EBITDA of £1.4bn (2024: £2.3bn) with adjusted operating profit (AOP) of £0.8bn (2024: £1.6bn):
  - Retail adjusted EBITDA of £0.6bn (2024: £0.6bn), and AOP of £0.4bn (2024: £0.5bn) reflecting lower Home Energy Supply earnings, with negative weather and commodity curve impacts broadly offset by regulatory reconciliations and other cost phasing, alongside improved performance in Home Services.
  - Optimisation adjusted EBITDA of £0.2bn (2024: £0.4bn), and AOP of £0.2bn (2024: £0.3bn) reflecting challenging market conditions for Gas and Power Trading.
  - Infrastructure adjusted EBITDA of £0.7bn (2024: £1.4bn), and AOP of £0.3bn (2024: £0.8bn) impacted by lower achieved prices, pausing of Rough storage activities and nuclear outages.
- Adjusted basic EPS of 11.2p (2024: 19.0p).
- Statutory operating profit of £0.1bn (2024: £1.7bn) includes a net loss on re-measurements of derivative energy contracts and exceptional items of £0.7bn (2024: £0.2bn profit), with £0.5bn of impairments across our late-life gas field assets and investment in Nuclear (excluding Sizewell C). After taking into account tax and interest, statutory basic EPS was a 1.5p loss (2024: 25.7p profit).
- Statutory net operating cash flow of £0.7bn (2024: £1.1bn) includes £0.1bn of margin cash and collateral inflow (2024: £0.1bn); closing 2025 margin cash posted of £0.1bn (2024: £0.1bn).

- Free cash outflow of £0.2bn (2024: £1.0bn inflow), with significant capital expenditure of £1.2bn (2024: £0.6bn) including Sizewell C, Grain LNG and strong progress in the Meter Asset Provider.
- Strong balance sheet and liquidity, with closing adjusted net cash of £1.5bn (2024: £2.9bn).
- The IAS 19 pension deficit increased to £295m (2024: £21m), largely reflecting updated assumptions following the triennial pension review, which was agreed in February 2025, partially offset by deficit contributions. On a roll-forward basis, the technical provisions deficit improved to ~£300m (2024: ~£450m), with the funding plan unchanged.

STRATEGIC HIGHLIGHTS

Our strategy is to create value by building a portfolio with stable earnings and upside opportunities. We do this by focusing on our strategic value levers - operational excellence, commercial innovation, and investing for value - with 2025 being a year of strong progress across all three areas.

Operational excellence supporting commercial innovation

- Strong operational performance across Retail supporting record customer satisfaction (Net Promoter Scores), lower complaints, and an improved 4.4 star British Gas Trustpilot score.
- Customer growth across all Retail businesses, including establishing new recurring revenue streams such as warranty partnerships with leading original equipment manufacturers in Home Services.
- UK Home Services EBITDA within the guidance range one year early, supported by revenue growth and a strong focus on costs.

Investing for value

- £1.3bn capped investment in 3.2GW Sizewell C nuclear power station with a real allowed return on equity of 10.8%, generating a 12%+ IRR, and an expected Regulated Asset Base ("RAB") of £8bn by commercial operations.
- Acquisition of highly contracted Grain LNG terminal in 50% partnership with Energy Capital Partners; £0.2bn equity investment (Centrica share), with expected unlevered IRR of ~9% (equity IRR of ~14%), and further upside from long-term site development opportunities.
- Meter Asset Provider ("MAP") outperforming expectations. Fastest growing MAP in the UK, with over 1.6m meters now under management.
- Recycling capital and accelerating value delivery through the sales of most of Spirit Energy's producing assets other than Morecambe Hub, and the disposal of a number of non-core energy solutions businesses.
- Life extensions announced for Heysham 1 and Hartlepool nuclear power stations through to March 2028. Heysham 2 and Torness remain unchanged, expected to run through to March 2030.
- Partnership with X-energy established to explore deploying Advanced Modular Reactors in UK.

2026 OUTLOOK

- Retail expected to be within its £500m-£800m EBITDA guidance range.
  - Modest growth in UK Home Services.
- Optimisation expected to deliver EBITDA of around £250m, below £300m-£400m guidance range.
- Infrastructure expected to be between £500m-£650m EBITDA.
  - MAP, Sizewell C and Grain LNG ~£175m.
  - Centrica Energy Storage+ (Rough) expected to be around break-even.
- Net interest expense is expected to increase to ~£100m.
- Structurally lower effective tax rate.
- Capital investment in 2026 of at least £0.7bn.
- Further details on our Infrastructure hedging positions are provided on page 17.

SEGMENTATION OVERVIEW

As part of our focus to drive faster and more impactful decision making, enhanced delivery for customers and cost efficiencies, we have streamlined management structures to simplify the Group. Reflecting the reorganisation, our Retail, Optimisation and Infrastructure portfolio will become our three reportable segments:

- Within Retail we have created two separate divisions, Home and Business.
  - Home includes all residential retail activities across the UK and Ireland, covering home energy supply and services.
  - Business brings together all business energy supply and services activities across the UK and Ireland. These were previously split across British Gas Energy, Bord Gáis Energy and Centrica Business Solutions.
- Optimisation comprises the activities previously reported as Centrica Energy, and the equivalent activities formerly reported as part of Bord Gáis Energy.
- Infrastructure includes Power, Gas and Customer Assets.
  - Power includes all power generation assets - our 20% stake in the UK's operating nuclear fleet, our investment in Sizewell C, and other power assets, principally our Irish assets and flexible and renewable assets previously reported within Centrica Business Solutions.
  - Gas includes our investment in Grain LNG, Spirit Energy and Centrica Energy Storage+ (Rough).
  - Customer Assets includes the MAP, previously reported within British Gas Energy.

To assist with the understanding of 2025 performance, our headline results under both segmentation structures can be found below:

Results under previous segmentation

	Adjusted EBITDA		Adjusted operating profit (AOP)		
Year ended 31 December (£m)	2025	2024 (i)	2025	2024	Previous medium-term sustainable AOP ranges
Retail	**557**	557	**405**	427	
British Gas Energy	309	364	229	297	
Residential energy supply	*224*	*331*	*163*	*269*	*150 - 250*
Meter asset provider (MAP)	*25*	*2*	*8*	*—*	
**Business energy supply*	*60*	*31*	*58*	*28*	
British Gas Services & Solutions	169	114	114	67	100 - 200
*Bord Gáis Energy	79	79	62	63	
Optimisation	**272**	457	**197**	380	
Centrica Business Solutions	82	109	47	73	
**Energy supply*	*90*	*132*	*80*	*108*	
Energy services and assets	*(8)*	*(23)*	*(33)*	*(35)*	
Centrica Energy	190	348	150	307	250 - 350
**Note: Bord Gáis Energy and Business energy supply*	*229*	*242*	*200*	*199*	*100 - 200*
Retail and Optimisation	**829**	1,014	**602**	807	**600 - 1,000**
Infrastructure	**669**	1,335	**291**	789	
Colleague profit share and MAP consolidation adjustment	(81)	(44)	(79)	(44)	
Adjusted EBITDA / AOP	**1,417**	2,305	**814**	1,552	

(i) Restated for the allocation of corporate depreciation across relevant business units.

- British Gas residential energy supply delivered adjusted operating profit of £163m, within the medium-term sustainable AOP range under previous segmentation, although lower year-on-year with negative weather and commodity curve impacts offset by regulatory reconciliations and other cost phasing.

- British Gas Services & Solutions delivered £114m adjusted operating profit, a significant improvement, moving into its medium-term sustainable AOP range a year early, supported by revenue growth and a strong focus on costs.
- Centrica Energy operating profit for the year was £150m, below its previous medium-term sustainable AOP range, reflecting challenging market conditions.
- Bord Gáis Energy and Business energy supply adjusted operating profit of £200m was at the top of the range, supported by a strong Business energy supply result.

Updated segmentation result and guidance ranges

	Adjusted EBITDA			Adjusted operating profit	
Year ended 31 December (£m)	**2025**	2024	Retail and Optimisation EBITDA guidance ranges	**2025**	2024
Retail	**574**	611	**500 - 800**	**424**	458
Optimisation	**196**	381	**300 - 400**	**155**	339
Retail and Optimisation	**770**	992	**800 - 1,200**	**579**	797
Infrastructure	**728**	1,357		**314**	799
Colleague profit share and MAP consolidation adjustment	(81)	(44)		(79)	(44)
Adjusted EBITDA / AOP	**1,417**	2,305		**814**	1,552

- Our revised guidance ranges have been simplified and refocused to adjusted EBITDA, which provides a clear view of operating performance before accounting adjustments such as depreciation, and is a more relevant performance metric as we continue to invest in growing our portfolio. There is no change to the total range for the Group or midpoint for Retail and Optimisation. The EBITDA ranges are equivalent to the prior AOP ranges, with no underlying changes.
- For more information on guidance ranges see page 9 to 10.

GROUP OVERVIEW

GROUP PERFORMANCE METRICS

Year ended 31 December	2025	2024	Change
Total recordable injury frequency rate (per 200,000 hours worked)	**0.61**	0.63	(3)%
Total Retail customers (‘000) (closing) (i)	**10,373**	10,239	1 %
Group direct headcount (closing)	**21,881**	22,509	(3)%
Group colleague engagement	**7.9**	8.1	(0.2)pt
Total greenhouse gas emissions (Scope 1 and 2) (tCO_2e) (ii)	**1,580,933**	1,732,328	(9)%

(i) Includes Home Energy Supply and Home Services households and Business customer sites.
(ii) Comprises Scope 1 and Scope 2 emissions as defined by the Greenhouse Gas Protocol. 2024 restated due to availability of improved data.

2025 has been a year of significant capital deployment and strong strategic progress, laying the foundation for the next phase of growth for the Group. In the face of short-term challenges in Home Energy Supply and Optimisation and lower prices and spreads in Infrastructure, we were able to underpin earnings resilience and create long-term value opportunities. Our transformation programme is ramping up, targeting opportunities to simplify our business so we can deliver a better experience for customers and streamline our cost base. Further details on business unit performance can be found in the business unit reviews on pages 12 to 17 and on the transformation programme in the “Creating a fundamentally stronger and higher quality Centrica” section on page 9.

Structural trends such as accelerating electrification, rising intermittency and complexity, and increasing customer engagement are increasing demand for low-carbon baseload power, flexible generation, storage, and more innovative, integrated energy solutions. Our strategy and integrated portfolio are designed to allow Centrica to take advantage of these trends, sustainably grow earnings, protect against downside risks and maximise long-term value regardless of the pace of change.

Operational excellence supporting commercial innovation

Operational performance has largely continued to build on the strong 2024 base, delivering greater levels of customer satisfaction, and helping to support customer growth across all of our Retail businesses.

In Home Energy Supply we welcomed 91,000 customers through the Supplier of Last Resort ("SoLR") process following the failure of Rebel Energy in April and Tomato Energy in November, with 64,000 remaining on supply at the end of the year. We completed the migration of our UK customers on to the Ignition platform in the first half of 2025, helping to drive NPS to a record of 33, +4pts vs 2024. Our British Gas Trustpilot score improved to 4.3 stars at the end of 2025, subsequently improving further to 4.4 stars (2024: 4.2 stars), reflecting enhanced customer experience. We plan to migrate our customers in Ireland onto Ignition.

Home Services customer numbers grew by 10,000, as we continued to build on our strong operational foundation with more commercial innovation. This includes growth from propositions with recurring revenue streams, including our new warranty partnerships with leading original equipment manufacturers ("OEMs"), as we continue to pivot to a more diversified range of customers. These contracts allow our partners to leverage Centrica's unique national workforce and expertise in job handling and dispatch logistics, helping us to maximise engineer utilisation rates.

Retention rates for Services protection contract customers remained strong at 87% (2024: 86%) and engineer NPS at 76 (2024: 73), supported by continued low reschedule rates. New entry-level products such as on-demand and our British Gas membership programme, which provides member-only benefits such as personalised offers, are helping us access new customer segments. On-demand jobs grew 28% in 2025, and we now have almost 600,000 members who have joined our membership programme since it launched in May 2025, with encouraging conversion rates to paid protection products of around 7%.

In Business, our pivot to small and medium-sized enterprises ("SME"), alongside our continued focus on operational delivery and migration of customers to Ignition, is helping to support strong profitability and better customer service levels, with NPS up 9pts to a record 37, and a further 1% growth in business sites on supply versus 2024.

In Optimisation (Centrica Energy), our Europe-wide Renewable Energy Trading & Optimisation ("RETO") assets under management grew by 17% to 19.5GW reflecting long-term investment in skills and technology that allows Centrica Energy to offer partners access to ancillary service markets and price risk more accurately and more quickly than competitors. In-line with typical tendering and renewals activity, we expect assets under management to decline in the first half of 2026, before growing again in the second half of the year.

Our LNG business continued to perform well, underpinning future earnings by hedging our Sabine Pass offtake while continuing to expand our global portfolio and creating long-term growth opportunities. The portfolio is well-positioned for an expected period of gas oversupply, with the portfolio now fully hedged to 2028 and over 80% hedged thereafter to the end of the decade through a range of physical LNG, pipeline gas and financial deals. Importantly, Centrica retains physical optionality in the event of market volatility.

However, our Gas and Power Trading result was heavily impacted by geopolitical uncertainty and European gas storage targets. We remained disciplined throughout the year, focusing on capital preservation rather than pursuing high-risk strategies.

We opened our first Centrica Energy US office in New York in the first half of 2025. Initially focused on physical gas, and leveraging our skills and capabilities from other markets, we intend to build an integrated optimisation business in North America over time. We are also investigating the potential for further geographic expansion in markets which exhibit similar features as those in which we currently operate.

Investing for value

We made strong progress on our investment programme in 2025.

Our Meter Asset Provider now has over 1.6m Centrica-owned smart meters under management having only started the business ~24months ago. We financed 1.2m meters in 2025, investing £224m, making us the fastest growing MAP in the UK, and exceeding our target to deploy £200m of capex a year. Investment in the MAP delivers an attractive, low-risk return with limited on-going capital requirements once a meter is installed. We continue to explore future adjacent market opportunities aligned to the capabilities we have developed in this area.

In July 2025 we announced we were successful in the equity raise process for Sizewell C, with the first payment of £376m as part of revenue commencement occurring in November 2025. Once commissioned, the station will provide zero carbon baseload power for around 6 million UK homes for over 60 years, helping to support the country's decarbonisation goals and the creation of thousands of jobs.

Underpinned by a RAB framework, the project is further supplemented by a comprehensive government support package to mitigate low probability, high impact risks. Our capped investment commitment of £1.3bn, with a 10.8% real allowed return on equity during the construction and initial operations phase, underpins an IRR of 12%+. This supports an expected RAB of £8bn by commercial operations, from a net investment of around £0.5bn. The investment includes appropriate mitigations for cost and schedule overruns. Further details can be found at: www.centrica.com/sizewellc.

In August 2025 we announced the successful acquisition of Grain LNG from National Grid in a 50:50 partnership with Energy Capital Partners ("ECP") for an enterprise value of £1.5bn. Our equity investment was approximately £200m. Grain LNG, which has an independent board, is critical to supporting the UK's energy security, providing LNG storage and regasification capacity to customers under long term, inflation-linked capacity contracts.

The terminal is 100% contracted until 2029, over 70% contracted until 2039 and over 50% contracted to 2045, supporting an unlevered, post-tax nominal IRR of ~9% and an equity IRR of 14%+, with future development opportunities across the large site.

In Ireland, we have a total of 1GW of generation assets in operation and development. Our two 100MW flexible peaking plants are now expected to commence commissioning in the middle of 2026, following delays to gas and grid connections. We have secured an extension to the start date of the 10-year capacity market contracts to mitigate potential losses, and have also learned valuable lessons. The expected total investment of around €380m (Centrica share ~80%) is unchanged, with returns underpinned by a €28m per annum capacity market contract. Planning is currently underway for a 334MW Open Cycle Gas Turbine at Cashla in Galway, with a 10-year capacity market contract secured at €56m per annum. The project is expected to take Final Investment Decision (FID) in early 2027.

In addition, our 445MW CCGT Whitegate station was awarded a 5-year capacity contract at €50m per annum from 2028, ensuring continued operations at the site and underpinning our economic return through to 2033.

Having confirmed further life extensions for two of the UK nuclear power stations in September 2025, we now expect Heysham 1 and Hartlepool to generate electricity until March 2028, one year later than previously expected. Heysham 2 and Torness are expected to generate until March 2030. Extensions announced in September 2025 added 3TWh of incremental generation, taking the total incremental electricity generation between 2026 and 2030 from life extensions announced since December 2024 to approximately 12TWh. Our confidence continues to grow on the case for future life extensions, and will be kept under review. Having published a consultation on financial support for nuclear lifetime extensions in December 2025, including a potential contract for difference at Sizewell B to underwrite life extension investment, the UK Government is due to publish its decision within the next couple of months.

Creating long-term options

We continue to progress development options for Morecambe Net Zero ("MNZ"). The project was granted a carbon storage licence in 2023, and in July 2025 the National Wealth Fund announced its first investment into Carbon Capture and Storage at the Peak Cluster, which is developing plans to decarbonise 40% of the country's cement and lime production. MNZ is a strategic partner of the Peak Cluster and will act as the store for this vital industrial decarbonisation project. Development Consent Order planning for the project is underway, and in October 2025 the UK Government issued its Carbon Budget and Growth Delivery Plan identifying MNZ and the Peak Cluster as one of the priority projects to take a final investment decision within this parliament. With disposals of many of its producing gas fields, Spirit Energy will be largely focused on developing this opportunity further.

At Rough, the UK's only large scale gas storage site, we retain the option to invest ~£2bn to transform the facility into one of the world's biggest methane and hydrogen storage sites. In November 2025 the UK Government published the Gas System in Transition: Security of Supply consultation, a positive next step in securing a future for the asset, as it seeks to directly address the future role of gas storage, the resilience of supply infrastructure, and the commercial models needed to support assets such as Rough. A decision from the Government is expected in the first half of 2026.

Both the MNZ project and Rough re-development remain contingent on suitable regulatory models being established, and we are continuing to work with the UK Government to demonstrate the value of these assets.

Following the acquisition of Grain LNG, which is strategically located with proximity to UK interconnectors and networks, we continue to assess future development options at the site, including power generation, data centre collaboration, bunkering, and hydrogen and ammonia.

In September 2025, we announced a Joint Development Agreement to deploy X-energy's Xe-100 Advanced Modular Reactors ("AMR") in the UK, The preferred first site has been identified as Hartlepool, adjacent to our existing nuclear power station, where we see the possibility for ~1GW of new capacity to be built. With continuing discussions with the Government, subject to regulatory approval, first electricity generation would be in the mid-2030s. We are also in discussions with financing partners, as well as leading global engineering and construction companies, with the goal of establishing a UK-based development company to develop this and subsequent projects.

Creating a fundamentally stronger and higher quality Centrica

Aligned with our focus on improving customer service, driving commercial growth and delivering cost efficiencies, we are ramping up our technology-led transformation programme. Simplifying the Group is a crucial first step in transforming how we operate, and having implemented these changes in the second half of 2025 we are making good progress in identifying and addressing key workstreams to drive meaningful improvement in all three focus areas.

We are transforming our customer service offering, targeting a 30% reduction in contact demand, while expanding the use of digital channels by 40%, supported by improved self-serve options. Advances in technology will support these changes, with AI and improved data analysis allowing us to find and fix the causes of process failure for our customers more quickly and more accurately. Over time this will lead to simpler customer journeys, alongside app and website improvements delivering a step-change in user experience. This will free colleagues to focus on more complex cases and drive commercial growth.

We are driving commercial growth through focus on using advances in data analysis and AI technology, and our growing capabilities to focus on the most valuable customers and market segments, delivering better products and services and a better customer experience. Customer retention and acquisition performance are improving, and we see further opportunities through unifying our systems, giving us richer customer insight across all of Retail, enabling greater cross-sell opportunities and helping reduce our total cost to serve.

We are also targeting a step-change in how our support functions operate and deliver for the business, which presents a large opportunity. Addressing the organisational structure supports streamlining processes and reducing role duplication, in turn reducing costs. Technology can help us accelerate this further. Developing a consolidated technology roadmap is a key enabler for further efficiency, as we implement AI-based solutions to automate repetitive tasks, alongside exploring bolder options such as utilising autonomous reasoning models for more complex processes.

We are already starting to see benefits from the programme. Operational KPIs improved in 2025, and operating costs, excluding depreciation and bad debt, fell by 3%. We delivered underlying efficiencies of around £0.1bn during the year, which helped to more than offset inflation, including higher national insurance contributions, and around £0.1bn investment in transformation across 2025.

Our ambition is to hold operating costs broadly flat in nominal terms through to the end of the decade, delivering a £0.5bn underlying cost reduction, which will fully absorb inflation and incremental costs supporting top-line growth. We anticipate costs to achieve the programme of around £0.6bn, of which £0.4bn will be reported within operating costs and £0.2bn in capex. These costs will be included in business performance rather than as exceptional items, which will ensure our colleagues are focused on the value proposition of any transformation initiative, but will also mean the near-term earnings impact from cost efficiency will be dampened.

Sustainable profitability with a growing regulated and contracted underpin

Our financial framework is unchanged - maximising sustainable earnings, maintaining a strong balance sheet, delivering a progressive dividend, investing for value and returning surplus capital to our shareholders.

Our Group earnings guidance is also unchanged although we have simplified our guidance ranges, in-line with the revised segmentation of the Group, including:

- Retail adjusted EBITDA of £0.65bn, the midpoint of a £0.5bn-£0.8bn range.
- Optimisation adjusted EBITDA of £0.35bn, the midpoint of a £0.3bn-£0.4bn range under normal market conditions.
- Combined, Retail and Optimisation adjusted EBITDA midpoint of £1bn, which is equivalent to our previous adjusted operating profit midpoint of £0.8bn.

Our Infrastructure portfolio is expected to contribute around £0.7bn of adjusted EBITDA by the end of 2028, including £0.4bn from our new, more rateable, infrastructure investments. This includes £0.1bn of benefit from expected life extensions to our existing nuclear fleet that are yet to be approved.

Group adjusted EBITDA of £1.7bn by the end of 2028 is underpinned by the midpoint of these ranges with a belief that we can deliver above this.

In 2030, with the combination of continued investment, plus benefits from the transformation programme and improved commercial delivery leading to further growth, particularly in Retail, we expect to generate adjusted EBITDA of £2.0bn. This also includes £0.2bn from further expected life extensions to our existing nuclear fleet that are yet to be approved.

Supported by the pivoting of our Infrastructure portfolio to assets with regulatory and contractual underpins such as Sizewell C, the MAP and Grain LNG, we expect the proportion of adjusted EBITDA from regulated and contracted infrastructure sources to increase to roughly a quarter of the Group, from near nil today. Including earnings from Retail, which benefits from regulatory and contracted underpins from the Ofgem price cap and contractual agreements across Business and Services means around two-thirds of earnings for the Group will be from regulatory or contracted sources.

We have now committed £3bn of the £4bn investment programme to the end of 2028, and expect to continue investing around £600m-£800m per annum beyond 2028, aligned with our deep investment pipeline.

We remain committed to our progressive dividend policy and continue to expect dividend cover of around 2x by 2028. We are proposing a 2025 final dividend of 3.67p per share, taking the full year dividend to 5.5p from 4.5p per share in 2024.

We completed our £2bn share buyback programme in January 2026, having repurchased a quarter of the Group's share capital at an average price of 136p since late-2022, delivering significant value to shareholders. We are now pausing the programme as we believe investment offers an opportunity to create more value for shareholders at this juncture. We will retain our capital discipline, the balance sheet will remain under constant review and excess capital will be returned to shareholders.

ENGAGING IN REGULATORY CHANGES

Volatile markets and regulatory changes placed pressure on trading margins in 2025, reinforcing the importance of close engagement with policymakers and readiness for further capital and rules-based changes.

Centrica continues to engage proactively with governments and regulators to shape frameworks that support investment in energy infrastructure and the clean energy transition.

The redevelopment of Rough and wider storage options, central to addressing the emerging gas system resilience gap, will depend on securing a suitable regulatory mechanism to unlock ~£2bn investment to secure the UK's energy security and decarbonisation. We have been engaging closely with the UK Government and Ofgem, highlighting the important resilience and flexibility Rough provides to the UK gas system, and have responded to the current consultation which closed on 18 February 2026.

The UK Government's decision to retain a national wholesale electricity market improves UK investment conditions. We continue to advocate for further evolution of the capacity market, particularly more adequate auction prices for refurbished and new assets which would further support energy security.

In UK energy supply, affordability pressures persist, with rising consumer debt signalling structural shortcomings in the regulatory framework. Centrica supports targeted solutions such as a social tariff and improved data sharing to ensure support reaches the most vulnerable customers. The current retail framework does not sufficiently foster the investment and innovation necessary to effectively manage bills, deliver positive outcomes for consumers, and achieve the Government's climate ambitions, and we continue to advocate for significant changes.

British Gas remains under investigation by Ofgem in relation to its legacy arrangements for the installation of prepayment meters under warrant. The investigation is ongoing and British Gas continues to engage extensively with the regulator with a view to securing a conclusion to this issue.

Although we have not resumed this activity, managing growing debt in the sector by identifying those that can't pay and those who choose not to pay remains a sector-wide challenge. Over the last few years, we have taken decisive action to address the areas where we fell short.

In Ireland, political and regulatory attention on affordability remains high. The upcoming renewal of the Capacity Mechanism 10-year state aid approval is also important as we continue to develop opportunities for future investment in the country.

Across Europe and the UK, 2025 brought significant regulatory change affecting trading activities, including an extension of EU gas storage targets, balancing market changes in the Nordics and the introduction of a 15-minute Market Time Unit in electricity markets.

The Carbon Border Adjustment Mechanism ("CBAM"), effective from 2026, introduces new compliance requirements affecting cross-border electricity and hydrogen trades. The delayed European Commission MiFID II review may eliminate Centrica's exemption from banking-style capital requirements, leading to higher compliance and capital costs for market participants.

In LNG, the EU's commitment to phase out Russian gas by 2027 further elevates LNG's strategic importance, and the value of Centrica's global LNG portfolio and Grain LNG.

FINANCIAL SUMMARY

The Group's adjusted EBITDA was £1.4bn (2024: £2.3bn) in 2025, adjusted operating profit was £0.8bn (2024: £1.6bn), and statutory operating profit was £0.1bn (2024: £1.7bn). The segmental breakdown of EBITDA and operating profit is shown below:

	Adjusted EBITDA		Adjusted operating profit	
Year ended 31 December (£m)	**2025**	2024	**2025**	2024
Retail	**574**	611	**424**	458
Optimisation	**196**	381	**155**	339
Infrastructure	**728**	1,357	**314**	799
Colleague profit share (i)	(34)	(25)	(34)	(25)
MAP consolidation adjustment (i)	(47)	(19)	(45)	(19)
Adjusted EBITDA / Adjusted operating profit	**1,417**	2,305	**814**	1,552
Less: Share of joint ventures and associates' EBITDA	(322)	(513)		
Adjusted EBITDA **excluding share of EBITDA from joint ventures and associates**	**1,095**	1,792		
Exceptional items and certain re-measurements			(708)	151
Group operating profit (Statutory)			**106**	1,703

(i) Reconciling items to Group Income statement.

Profitability in Retail declined modestly year-on-year, with further growth in Home Services and continued strong performance in Business being more than offset by lower profitability in Home Energy Supply. In Optimisation, Centrica Energy had a challenging year overall, despite an improved performance in the second half. Infrastructure profitability was also lower, reflecting lower achieved prices and the impact of outages in both Power and Gas, as well as summer-winter gas price spreads impacting gas storage operations.

Adjusted basic EPS of 11.2p (2024: 19.0p) also includes lower net interest income as we invested and returned capital to shareholders, although benefitted from a lower share count. Statutory basic EPS was a 1.5p loss (2024: 25.7p profit) and includes a £708m loss on exceptional items and certain re-measurements (2024: £151m gain) largely driven by the unwind of unrealised positions and the impairment of certain Power and Gas assets.

Free cash flow (FCF) was a £167m outflow (2024: £989m inflow), which includes the impact of a significant increase in capital expenditure to £1,227m (2024: £564m).

The Group returned £1,064m (2024: £718m) to shareholders in the year, £827m through share buybacks and £237m through dividend payments (2024: £499m and £219m respectively), and ended the year with closing adjusted net cash of £1,487m (2024: £2,858m). The reconciliation between statutory gross debt and adjusted net cash is shown in note 11.

The use of adjusted non-IFRS measures, provides additional useful information on business performance and underlying trends. For more information see note 2(a).

For more detail on the Group's 2025 financial performance, please see the Group Financial Review on pages 18 to 24.

RETAIL

Retail consists of our leading brands serving customers across the UK and Ireland in Home and Business, including British Gas, Bord Gáis Energy and Hive.

Year ended 31 December	**2025**	2024	Change
Operational			
Home Energy Supply customers ('000) (closing) (i)	**7,956**	7,907	1%
Home Services customers ('000) (closing) (i)	**2,939**	2,929	0%
Business customer sites ('000) (closing) (i)	**742**	735	1%
Home Energy Supply UK Touchpoint NPS (ii)	**33**	29	4pt
Home Services UK Engineer NPS (ii)	**76**	73	3pt
Business UK Touchpoint NPS (ii)	**37**	28	9pt
Home Energy Supply complaints per UK customer (%) (iii)	**8.1%**	10.1%	(2.0)ppt
Home Services complaints per UK customer (%) (iii)	**4.8%**	5.3%	(0.5)ppt
Business complaints per UK site (%) (iii)	**5.2%**	5.8%	(0.6)ppt
Financial			
Adjusted EBITDA (£m)	**574**	611	(6)%
Adjusted operating profit (£m)	**424**	458	(7)%
Adjusted operating profit margin (%)	**2.6%**	2.7%	(0.1)ppt

All 2025 metrics and 2024 comparators are for the 12 months ended 31 December unless otherwise stated.

(i) Customers defined as:
Home Energy Supply - single households buying energy from British Gas and Bord Gáis Energy.
Home Services - single households having a contract or an on-demand job with British Gas Services, or Bord Gáis Energy, including warranty partnerships.
Business - British Gas Business and Bord Gáis Energy business customer sites.

(ii) Measured independently, through individual questionnaires, the customer's willingness to recommend British Gas following contact or a Home Services gas engineer visit.

(iii) Measured as a percentage of average customers over the year, UK only.

Operational Performance

We have continued to build on the strong 2024 operational performance across Retail. Complaints fell across all businesses, while NPS increased, including a record high in UK Home Energy Supply of 33, supported by the completion of customer migration onto our more flexible Ignition platform. We are progressing the migration of our SME business customers onto Ignition, with 44% now migrated, while we continue to review plans for our Irish customers. Once completed we expect this will help unlock further operational and financial efficiencies across the Retail portfolio.

We continue to address the root causes of customer contact by investing in, and simplifying, customer journeys, while further operational improvements supported continued low reschedule rates in Home Services of 4% (2024: 4%). The Trustpilot score for British Gas reflects these improvements, increasing to 4.4 stars, while we were awarded the Uswitch Energy Awards Best Overall Improvement winner for the second consecutive year.

Home Energy Supply customer numbers grew 1% to 7.96m, in the year, with 7.50m UK energy customers (2024: 7.46m) and 0.46m customers in Ireland (2024: 0.45m). We welcomed 91,000 UK customers through the Supplier of Last Resort ("SoLR") process following the failures of Rebel Energy in April and Tomato Energy in November, with 64,000 remaining on supply at the end of the year. These gains offset a small decrease in underlying customers. We saw increased levels of customer switching during the year, with more customers opting to move onto fixed priced tariffs. 32% of our UK customer base is now on a fixed price product, compared with 25% at the end of 2024. This trend is expected to continue, and we will remain focused on pricing efficiently and sustainably, with long-term value our key priority.

In Home Services, we are starting to see the benefit of better commercial innovation. Total customer numbers grew by 10,000 over 2025, as we began taking steps to transform our commercial offerings and diversify our customer portfolio, including offering our unique field force as a service in new partnerships with OEMs, which added 71,000 customers.

Our traditional protection portfolio declined by 3%, although retention rates improved to 87% (2024: 86%). We continue to build new channels to support contract growth, with on-demand volumes increasing 28% compared to 2024, while we also increased boiler installs by 5% in the year, supported by new sales channels and optimising the end-to-end sales journey. Our British Gas membership scheme is also growing quickly, with almost 600,000 members, helping to build stronger customer engagement to support further commercial growth, with conversion of around 7% to a paid protection contract.

In Business, customer sites increased by 1%, as we continue to focus on growing our SME portfolio.

Financial Performance
Retail delivered adjusted EBITDA of £574m and adjusted operating profit of £424m (2024: £611m and £458m respectively).

UK Home Energy Supply adjusted EBITDA was £224m and adjusted operating profit was £163m (2024: £331m and £269m respectively), with performance impacted by several factors. Warmer than normal weather was an £80m headwind, while the shape of the commodity curve also negatively impacted profitability. These headwinds were broadly offset by several regulatory reconciliations and other cost phasing items, including £42m from the final reconciliation of revenues under the Energy Price Guarantee scheme and a £41m benefit from lower Feed-in-Tariff costs than previously recognised.

Additionally, customers moving to fixed price products, typically at a discount to the standard variable tariff, reduced profitability compared to 2024.

In UK Home Services, strong efficient operations supported an improved result, with adjusted EBITDA of £169m and adjusted operating profit of £114m (2024: £114m and £67m respectively). Building on the momentum from the first half of 2025, top-line revenue grew 7% for the year, supported by our improved customer offerings and improving sales journeys, alongside increased smart installation volumes.

Operating margin improved 2.5ppts to 6.8%, with a sharp focus on efficiency, including improved engineer productivity and management of material and contractor spend. This more than offset the impact of increases in labour costs driven by the rise in employer National Insurance contributions.

Business Energy Supply in the UK delivered another strong performance in 2025, with adjusted EBITDA of £150m and adjusted operating profit of £138m (2024: £163m and £136m respectively). This was supported by growing customer sites and strong commercial performance in the optimisation of commodity costs and risk management of pricing in the year. Additionally, we made strong progress in embedding cost efficiencies through the streamlining of our organisational structure and reducing the use of third-party data and sales teams.

Reflecting good progress on cost efficiency driven by the transformation programme, Retail operating costs excluding bad debt and depreciation were 5% lower at £1,474m (2024: £1,559m).

Bad debt remains a focus, with the charge increasing in the year to £418m (2024: £369m), despite good progress on control initiatives. Within this UK Home Energy Supply bad debt increased to £277m (2024: £237m) and UK Business Energy Supply bad debt increased to £132m (2024: £120m) reflecting continued industry-wide challenges in both sectors, with the value of domestic debt owed to energy suppliers increasing to £4.5bn (page 10 of Ofgem's January 2026 State of the Market Report).

OPTIMISATION

Centrica Energy

Year ended 31 December	**2025**	2024	Change
Operational			
Renewable and flexible capacity under management (GW) (i)	**19.5**	16.7	17%
Financial			
Adjusted EBITDA (£m)	**196**	381	(49)%
Adjusted operating profit (£m)	**155**	339	(54)%
Adjusted operating profit margin (%)	**2.6%**	5.2%	(2.6)ppt

All 2025 metrics and 2024 comparators are for the 12 months ended 31 December unless otherwise stated.

(i) Including assets that have signed contracts but are not yet operational.

Operational Performance

Centrica Energy, which now includes the optimisation activities previously reported within Bord Gáis Energy, continues to build its diverse portfolio of contracted physical positions, while leveraging its risk management and optimisation capabilities to add further value across the Group.

In our Renewable Energy Trading and Optimisation ("RETO") business, managed renewable and flexible capacity increased 17% to 19.5GW across the Nordics, Central and Southern Europe, the Baltics, and the UK. This growth reflects Centrica Energy's ongoing investment in skills and technology, which enables partners to access otherwise unavailable ancillary service markets. In-line with typical tendering and renewals activity, we expect assets under management to decline in the first half of 2026, before growing again in the second half of the year.

Our LNG business continued to perform well in 2025, proactively hedging our Sabine Pass offtake while continuing to expand the global portfolio. As such, we are well-positioned for an expected period of gas oversupply, with the portfolio now fully hedged to 2028 and over 80% hedged to the end of the decade through a range of physical LNG, pipeline gas and financial deals. Centrica Energy retains physical optionality in the event of market volatility.

Leveraging the knowledge built up from our North American LNG and pipeline gas deals, we opened our first North American office in New York during the year. Initially focusing on building a physical gas business, we see the potential to build an integrated optimisation business in North America over time, in-line with our incremental approach to expansion. Centrica Energy also continues to explore other geographical markets where the business model can be implemented.

Our Gas and Power Trading business, which typically benefits from price dislocations based on market fundamentals, faced gas markets driven by short-term geopolitical news flow and speculative capital disrupting fundamentals. European gas storage economics were also impacted by mandatory volume targets imposed by the EU to ensure sufficient gas in store ahead of winter. This reduced the storage capacity we chose to contract at the start of the year and our opportunity to optimise energy flows based on fundamentally driven price dislocations.

Financial Performance

Adjusted EBITDA was £196m and adjusted operating profit was £155m (2024: £381m and £339m respectively). Geopolitical uncertainty and EU storage targets heavily impacted the Gas and Power Trading result for the year, as we proactively reduced our activity levels, focusing on capital preservation and remaining disciplined rather than pursuing high-risk strategies. Performance improved in the second half of the year, with European summer/winter gas price spreads widening, however, they remain below longer-term averages, and structural changes in European gas storage regulation, despite now being more flexible, will continue into 2026.

The LNG and RETO businesses performed well, with LNG benefitting from hedged exposure in advance of delivery through a combination of physical and financial deals protecting the business from the emergent lower European-North American price spread.

Given continued expected headwinds in Gas and Power Trading markets, we expect adjusted EBITDA to be around £250m in 2026, below the adjusted EBITDA range of £300m-£400m under normal market conditions.

INFRASTRUCTURE

Infrastructure consists of our Power, Gas and Customer Asset businesses. This includes our investments in the UK's current operational nuclear fleet and Sizewell C, our Irish power assets and other flexible and renewable assets, alongside our 69% ownership in Spirit Energy, Centrica Energy Storage+ ("CES+") which is the operator of Rough, our 50% ownership of Grain LNG and our Meter Asset Provider ("MAP").

Year ended 31 December	**2025**	2024	Change
Operational			
Power			
Nuclear generation (TWh)	**6.6**	7.5	(12)%
Nuclear achieved power price (£/MWh)	**90**	132	(32)%
Whitegate power generation (TWh)	**2.1**	2.3	(9)%
UK Asset availability (%)	**93%**	93%	nm
Spirit Energy			
Total production volumes (mmboe)	**10.5**	13.3	(21)%
Of which: Retained production volumes (mmboe)	***3.3***	*3.7*	*(11) %*
Average achieved gas sales prices (p/therm)	**107**	132	(19)%
Lifting and other cash production costs (£/boe) (i)	**28.4**	25.3	12%
Centrica Energy Storage+ ("CES+")			
Volume in Rough reservoir (bcf) (ii)	**8**	41	(80)%
Customer Assets			
Centrica smart meters under management ('000)	**1,620**	446	263%
Financial			
Sizewell C equity investment (£m) (iii)	**(376)**	-	nm
Adjusted EBITDA (£m)	**728**	1,357	(46)%
Adjusted operating profit (£m)	**314**	799	(61)%
Capital expenditure (£m)	**(1,134)**	(388)	192 %

All 2025 metrics and 2024 comparators are for the 12 months ended 31 December unless otherwise stated.

(i) Lifting and other cash production costs are total operating costs and cost of sales excluding depreciation and amortisation, dry hole costs, exploration costs and profit on disposal. Unit DDA rate is £18.5/boe (2024: £20.4/boe).

(ii) As at year end. 2025 closing volume consists of 8bcf of indigenous gas only (2024: 14bcf indigenous gas).

(iii) £376m equity investment into Sizewell C for 15% ownership. Regulatory asset base for Sizewell C funded with 35% equity and 65% debt. Group capital expenditure recognised in relation to Sizewell C of £387m includes transaction fees.

Operational Performance

Power

Nuclear output was 6.6TWh (2024: 7.5TWh), driven by unplanned outages, largely at Hartlepool, which was offline for the second half of 2025, with one reactor at the station returning to service at the start of February 2026, and the second reactor due to return to service by early March (as at 17th February 2026).

In Ireland, our 445MW combined cycle gas turbine (CCGT) Whitegate power station performed in line with expectations generating 2.1TWh in the year based on availability of 90%. Our two 100MW flexible natural gas peaking plants under construction in Athlone and Dublin experienced delays relating to gas and grid connections. With commissioning now expected to complete by around the middle of 2026, we have secured an extension to the start date of the 10-year capacity market contracts to mitigate potential associated losses on these projects against the ~€380m total investment (unchanged; Centrica share ~80%). We have also secured a 10-year capacity market contract of €56m p.a., to be fulfilled through a 334MW Open Cycle Gas Turbine (OCGT) at Cashla in Galway, Ireland. Planning is currently underway for the project with FID expected to be taken in early 2027. Once approved, this will take our power generation capacity in Ireland to ~1GW.

<u>Gas</u>

We disposed of Spirit Energy's remaining production assets in the Southern North Sea and the Netherlands through two transactions announced during 2025, generating expected cash proceeds of £180m, and transferring £129m of gross decommissioning liabilities. In October, we completed the sale of a 46.25% interest in the Cygnus gas field for a final consideration of £123m and the transfer of £85m of decommissioning liabilities. This was followed in December by the announced sale of the remaining 15% interest in Cygnus, and all other producing assets in the Greater Markham Area and Southern North Sea. Completion is expected in the second half of 2026, subject to regulatory approvals, for a headline consideration of £57m and the transfer of £44m of decommissioning liabilities. Following completion, the Morecambe Hub will become Spirit's principal producing asset, with retained reserves of 9mmboe. The decommissioning provision balance for Spirit Energy was £961m as at the 31 December 2025, reflecting the impact of disposals, and includes £159m of decommissioning retained relating to the disposal group at the year-end date. For more information on the disposals see note 15.

Going forward, Spirit Energy's focus will be on producing its remaining reserves safely and efficiently, and on decommissioning post-production facilities and wells while minimising the environmental impact. We have completed a series of activities at the Morecambe Hub to boost gas production and maximise economic recovery from the fields, which are expected to continue production through to around the end of the decade. Longer-term, the focus is on progressing the exciting opportunity to transform Morecambe into a carbon storage facility through the Morecambe Net Zero project, with the UK government identifying the project as a priority to reach FID during this parliament.

Total Spirit Energy production volumes were 21% lower in 2025 compared to 2024, with disposals accounting for half of the decline, alongside outages at Morecambe.

At Rough, having paused gas storage operations in 2025 owing to uneconomic seasonal gas price spreads, we await the conclusion of the UK Government's consultation on the future security of gas supply, which was published in November 2025 and closed on 18 February 2026. The consultation seeks to directly address the future role of gas storage, the resilience of supply infrastructure, and the commercial models needed to support assets such as Rough. A decision from the Government is expected in the first half of 2026.

In November, we completed the acquisition of the Isle of Grain LNG terminal for an enterprise value of £1.5bn, with our equity investment being approximately £200m for a 50% share. Since the acquisition completed we have been working closely with our partners ECP and the management team to set up Grain LNG as an efficient standalone business, while continuing to deliver best-in-class safety, reliability and efficiency for capacity holders. In collaboration with ECP, we have established strategic priorities and business goals for Grain LNG, focused on operational excellence, accelerating growth potential and creating long-term value for shareholders as we support the UK's energy transition. The terminal is 100% contracted until 2029, over 70% contracted until 2039 and over 50% contracted to 2045, resulting in highly visible, long-term earnings and cash flow. This supports an expected unlevered, post-tax nominal IRR of ~9% and an equity IRR of ~14%+.

Customer Assets

The MAP financed a further 1.2m smart meters in 2025, maximising our strong capital deployment and installation capabilities through British Gas. We now have over 1.6m smart meters under management, an increase of 263% from 2024, having only installed our first meter ~24 months ago. Using our experience of financing smart meters we have developed capabilities in small asset tracking and financing and we continue to explore adjacent market opportunities for further growth.

Financial Performance

Total Infrastructure adjusted EBITDA fell to £728m with adjusted operating profit of £314m (2024: £1,357m and £799m respectively), reflecting lower commodity prices and the pausing of storage operations, as well as outages in gas and power assets.

Within this, Nuclear adjusted EBITDA fell to £337m (2024: £610m), with adjusted operating profit of £180m (2024: £353m), predominantly driven by lower achieved prices and output, net of associated impacts from associate tax and the Electricity Generator Levy.

Spirit Energy adjusted EBITDA was £380m (2024: £707m) and adjusted operating profit of £166m (2024: £434m), with the decline year on year driven predominantly by lower achieved prices and production as outlined above.

Rough delivered a better than expected EBITDA loss of £45m and an adjusted operating loss of £45m (2024: £17m EBITDA profit and £2m adjusted operating profit) with strong operational reliability through the year supporting indigenous gas production, optimisation of commercial contracts and a range of cost efficiency measures which helped to offset the impact of uneconomic spreads and the pausing of gas storage operations.

Grain LNG adjusted EBITDA loss of £8m and adjusted operating loss of £15m for the period following transaction completion in November reflected transaction and financing fees, with adjusted EBITDA moving forwards from 2026 expected to be around £100m per annum (Centrica share).

Our MAP saw adjusted EBITDA grow to £25m with adjusted operating profit of £8m (2024: £2m and £nil respectively) as the business continues to scale rapidly. We deployed £224m of capex in the year, performing strongly and exceeding our target of £200m investment for the year. This is after the MAP consolidation adjustment of £47m (2024: £19m) which reduces the capital expenditure recognised in Group reporting for the internal margin and indirect costs on smart meter installations across the Group.

Details of our forward hedging positions for 2026 and 2027 are outlined below:

	2026	2027
Nuclear		
Volume hedged (TWh)	**4.8**	**1.8**
Average hedged price (£/MWh)	**76**	**73**
Production volume (i) (TWh)	**6.5-7.5**	

(i) 2026 forecast generation volume.

	2026	2027
Spirit Energy		
Volume hedged (mmths)	**137**	**83**
Average hedged price (p/th)	**120**	**86**
Production volume (i) (mmths)	**405-430**	

(i) 2026 forecast production volume includes ~170-180mmths relating to assets held for sale.

GROUP FINANCIAL REVIEW

REVENUE

Total Group revenue included in business performance, which includes revenue arising on contracts in scope of IFRS 9, decreased by 9% to £22,365m (2024: £24,636m). This was largely driven by the impact of lower commodity prices, and lower seasonal gas price spreads.

Gross segment revenue, which includes revenue generated from the sale of products and services between segments, decreased by 8% to £24,563m (2024: £26,573m). Total statutory Group revenue decreased by 2% to £19,492m (2024: £19,913m).

A table reconciling the different revenue measures is included in note 5(b) of the accounts.

ADJUSTED EBITDA, OPERATING PROFIT, EARNINGS AND DIVIDEND

		2025			2024		
Year ended 31 December (£m)	Notes	**Business performance**	**Exceptional items and certain re-measurements**	**Results for the year**	Business performance	Exceptional items and certain re-measurements	Results for the year
Adjusted EBITDA		**1,417**			2,305		
Group operating profit/(loss)	5(c)	**814**	**(708)**	**106**	1,552	151	1,703
Net finance income/(cost)	7	6	—	6	44	(68)	(24)
Taxation on profit/(loss)	8	(265)	102	(163)	(553)	239	(314)
Profit/(loss) for the year		**555**	**(606)**	**(51)**	1,043	322	1,365
Less: (Profit)/loss attributable to non-controlling interests		(21)	—	(21)	(59)	26	(33)
Earnings attributable to shareholders		**534**	**(606)**	**(72)**	984	348	1,332
Basic earnings per share	10	**11.2p**	**(12.7p)**	**(1.5p)**	19.0p	6.7p	25.7p
Full year dividend per share	9			**5.5p**			4.5p

Adjusted EBITDA decreased to £1,417m (2024: £2,305m), while adjusted operating profit decreased to £814m (2024: £1,552m). More detail on specific business unit performance is provided in the Group Overview on pages 12 to 17.

The statutory operating profit was £106m (2024: £1,703m), with the difference between the two measures of profit relating to a net loss on exceptional items and certain re-measurements of £708m (2024: £151m gain).

Exceptional items and certain re-measurements included within operating profit

Year ended 31 December (£m)	**2025**	2024
Certain re-measurements	**(303)**	279
Exceptional items	**(405)**	(128)
Exceptional items and certain re-measurements	**(708)**	151

The Group operating profit in the statutory results includes a net pre-tax loss of £303m (2024: £279m gain) relating to re-measurements, comprising of:

- A net loss of £345m on the re-measurement of derivative energy contracts predominantly due to a loss on delivery of contracts of £299m, together with net unrealised mark-to-market derivative losses of £46m from market price movements on existing and new contracts; and
- A net gain of £42m relating to a credit from the movement in the onerous LNG contracts position, partially offset by a debit relating to the movement in the onerous energy supply contract provision associated with the acquisition of AvantiGas ON Limited in 2022.

Further details can be found in note 6(a) to the accounts.

An exceptional pre-tax cost of £405m was recognised within the statutory Group operating profit in 2025 (2024: £128m) made up of:

- A £264m impairment of our power assets (2024: £75m), predominantly driven by a £251m impairment of our Nuclear investment (excluding Sizewell C) as a result of the reduction in both forecast and actual power prices, along with an increase to operating and capital expenditure assumptions, partially offset by life extensions at two stations;
- A £244m impairment of our gas field assets (2024: £nil) as a result of an update to the cessation of production date associated with the Morecambe field, together with changes to the discount rate assumptions used in the valuation model, along with an impairment of gas field assets included in the disposal group being sold to Serica Energy plc;
- An £80m gain on the disposal of our interest in the Cygnus gas field to Ithaca Energy; and
- A £23m credit (2024: £53m charge) relating to a decrease in legacy contract cost provisions for business activity that ceased a number of years ago, predominantly related to construction services.

Further details on exceptional items, including on impairment accounting policy, process and sensitivities, can be found in notes 6(b) and 6(c) to the accounts.

Net finance income

Net finance income on business performance was £6m (2024: £44m), reflecting a decrease in interest income from lower cash balances held during the year alongside lower UK interest rates, partially offset by a reduction in financing costs on bonds and bank loans.

There were no exceptional financing items in the period (2024: £68m cost).

Taxation and adjusted effective tax rate

Business performance taxation on profit decreased to £265m (2024: £553m), reflecting lower Group operating profit. This excludes tax on joint ventures and associates. After taking account of our share of tax on joint ventures and associates, the adjusted tax charge was £322m (2024: £671m).

The resultant adjusted effective tax rate for the Group was 37% (2024: 39%), with a lower proportion of profits coming from highly taxed Infrastructure activities. The adjusted effective tax rate calculation is shown below:

Year ended 31 December (£m)	2025	2024
Adjusted operating profit	**814**	1,552
Add: JV/associate taxation included in adjusted operating profit	**57**	118
Net finance income	**6**	44
Adjusted profit before taxation	**877**	1,714
Taxation on profit	**(265)**	(553)
Share of JV/associate taxation	**(57)**	(118)
Adjusted tax charge	**(322)**	(671)
Adjusted effective tax rate (including JV/associate)	**37%**	39%

A charge totalling £19m (2024: £166m) related to the Electricity Generator Levy is included in the Group's cost of sales and in our share of the operating profits of joint venture and associates. The Levy is not an income tax and is not deductible for corporation tax purposes. If this had been treated as a tax, the Group's adjusted effective tax rate would have been 38% (2024: 45%). To the end of 2025, since coming into effect on 1 January 2023, a total charge of £511m has been recognised in the Group's cost of sales and in our share of the operating profits of joint venture and associates relating to the Electricity Generator Levy. Please see note 3(b) for more details.

Total certain re-measurements and exceptional items generated a taxation credit of £102m (2024: £239m), which when included with taxation on business performance generated a total taxation charge of £163m (2024: £314m).
See notes 3(b), 6(a), 6(b) and 8 for more details.

Group earnings

Profit for the year from business performance after taxation was £555m (2024: £1,043m) driven by the movements outlined above. After adjusting for non-controlling interests relating to Spirit Energy, adjusted earnings were £534m (2024: £984m).

Adjusted basic EPS was 11.2p (2024: 19.0p), which also includes the impact of a lower weighted average number of shares than in 2024, as a result of the share buyback programme.

After including exceptional items and certain re-measurements, including those attributable to non-controlling interests, the statutory loss attributable to shareholders for the period was £72m (2024: £1,332m profit). The Group reported a statutory basic EPS loss of 1.5p (2024: 25.7p profit).

Dividend

In addition to the interim dividend of 1.83p per share, the proposed final dividend is 3.67p per share, giving a total full year dividend of 5.5p per share (2024: 4.5p per share).

The cash paid to Centrica shareholders in dividends in 2025 was £237m (2024: £219m), made up of the 3.0p per share final 2024 dividend and the 1.83p per share interim 2025 dividend.

GROUP CASH FLOW, NET CASH AND BALANCE SHEET

Group cash flow

Free cash flow (FCF) is the Group's primary measure of cash flow as management believe it provides relevant information to show the cash generation after taking account of the need to maintain the Group's capital asset base. FCF was an outflow of £167m (2024: £989m inflow). See explanatory notes on page 83 for further details and a reconciliation between statutory cash flow from operating and investing activities to FCF.

Year ended 31 December (£m)	2025	2024
Adjusted EBITDA excluding share of EBITDA from joint ventures and associates (i)	**1,095**	1,792
Dividends received	**135**	355
Tax paid	**(375)**	(636)
Working capital	**183**	124
Decommissioning spend	**(71)**	(80)
Capital expenditure (ii)	**(1,227)**	(564)
Disposals	**131**	4
Exceptional cash flows	**(38)**	(6)
Free cash flow	**(167)**	989
Net interest	**46**	34
Pension deficit payments	**(150)**	(176)
Movements in margin cash (iii)	**51**	131
Share buyback programme	**(827)**	(499)
Dividends - Centrica shareholders	**(237)**	(219)
Other cash flows affecting net debt (iv)	**(9)**	(76)
Adjusted cash flow affecting net cash	**(1,293)**	184
Opening adjusted net cash (as at 1 January)	**2,858**	2,744
Adjusted cash flow movements	**(1,293)**	184
Non-cash movements (v)	**(78)**	(70)
Closing adjusted net cash	**1,487**	2,858

(i) Excludes Centrica's share of JV and associate EBITDA of £322m (2024: £513m).

(ii) Capital expenditure is the net cash flow on capital expenditure, purchases of businesses, assets and other investments, and investments in joint ventures and associates. See page 84 for more information.

(iii) Net margin cash posted as at 31 December 2025 was £61m (31 December 2024: £105m).

(iv) 2024 includes £(68)m relating to exceptional financing costs in relation to debt repurchase and refinancing activities.

(v) 2025 non-cash movements includes £(100)m relating to new leases and the re-measurements of existing leases (2024: £(53)m) and £19m of leases transferred to held for sale relating to Spirit Energy.

The net inflow of working capital was £183m (2024: £124m) mainly driven by inflows in Infrastructure of £361m predominately relating to the release of working capital following the pausing of storage activities at Rough, and inflows in Optimisation of £194m driven by lower storage activity. This was partially offset by an outflow in Retail of £451m driven largely by Home Energy Supply as a result of lower commodity prices leading to a reassessment of direct debits and utilisation of credit balances by customers.

The collateral and margin cash inflow was £51m (2024: £131m).

Net investment

The net investment outflow for the period was £1,096m (2024: £560m). Within this, capital expenditure of £1,227m (2024: £564m) was predominantly driven by investments in Infrastructure, principally Sizewell C and flexible and renewable generation assets in Power, Grain LNG in Gas and the MAP in Customer Assets.

Net disposals of £131m (2024: £4m) related predominantly to the sale of a 46.25% Spirit Energy interest in the Cygnus gas field which completed in October 2025.

The table below provides a summary of total Group net investment by operating segment, which management uses to provide a measure of the Group's capital expenditure from a cash perspective, and a reconciliation of this measure to capital expenditure disclosed in note 5(e).

Year ended 31 December (£m)	2025	2024
Retail	**(68)**	(126)
Optimisation	**(28)**	(39)
Infrastructure	**(1,134)**	(388)
Of which: Sizewell C	*(387)*	–
Of which: Grain LNG	*(208)*	–
Of which: MAP	*(271)*	*(104)*
MAP consolidation adjustment (i)	47	19
Other	(44)	(30)
Capital expenditure	**(1,227)**	(564)
Net disposals	**131**	4
Total Group net investment	**(1,096)**	(560)
Add back:		
Capitalised borrowing costs	**(17)**	(11)
Inception of new leases and movements in payables and prepayments related to capital expenditure	**(97)**	(63)
Purchases of emissions allowances and renewable obligation certificates	**(890)**	(856)
Capital expenditure cash outflow subsequent to transfer to held for sale	**15**	–
Deduct:		
Net disposals	**(131)**	(4)
Purchase of businesses and assets, net of cash acquired	**22**	92
Investment in joint ventures and associates	**609**	–
Net purchase of other investments	**42**	56
Total Group capital expenditure (per note 5(e))	**(1,543)**	(1,346)

(i) The MAP consolidation adjustment reduces the capital expenditure recognised in the MAP for the internal margin and indirect costs on smart meter installation across the Group.

Group adjusted net cash

Accordingly, the Group's adjusted net cash position as at 31 December 2025 was £1,487m, compared to £2,858m on 31 December 2024. The breakdown of adjusted net cash is shown below:

Year ended 31 December (£m)	2025	2024
Current and non-current borrowings, leases and interest accruals	(2,821)	(2,867)
Derivatives	(71)	(107)
Gross debt	(2,892)	(2,974)
Cash and cash equivalents, net of bank overdrafts	4,272	5,693
Current and non-current securities	107	139
Adjusted net cash	1,487	2,858

Further details on the Group's sources of finance and net cash are included in note 11.

Statutory cash flow

Year ended 31 December (£m)	2025	2024
Statutory cash flow from operating activities	695	1,149
Statutory cash flow from investing activities	(690)	493
Statutory cash flow from financing activities	(1,397)	(1,548)
Net (decrease)/increase in cash and cash equivalents	(1,392)	94

Net cash inflow from operating activities decreased to £695m (2024: £1,149m), reflecting the impact of lower adjusted EBITDA partially offset by lower tax paid.

Net cash outflow from investing activities was £690m (2024: £493m inflow). Within this, interest received decreased to £227m (2024: £317m) reflecting the lower interest rate environment and lower average cash balances, while dividends from our Nuclear associate decreased to £135m (2024: £355m). Capital expenditure increased to £1,227m (2024: £564m) as outlined above. This was partially offset by inflows from net disposals of £131m (2024: £4m).

Net cash outflow from financing activities was £1,397m (2024: £1,548m). Within this there was a net outflow on borrowings of £143m (2024: £539m) while financing interest paid reduced to £181m (2024: £283m) given lower interest rates. Cash distributions to equity shareholders were £827m (2024: £499m) through the Group's share buyback programme, and £237m (2024: £219m) related to ordinary dividend payments.

Pension deficit

The Group's IAS 19 net pension deficit was £295m at the year-end, compared with a £21m deficit at 31 December 2024, driven by lower than projected returns on the schemes' growth assets, and updates to member experiences and liability profile calculations following completion of the triennial review, which is usual practice. Partially offsetting these impacts was the net impact of changes in market rates and deficit payments.

The technical provisions deficit is used to determine the agreed level of cash contributions into the schemes. In February 2025, we reached agreement with the pension trustees on a March 2024 technical provisions deficit of £504m, with annual deficit contributions of around £150m in 2026 and £140m in 2027. On a roll-forward basis using the same methodology, consequent assumptions and contributions paid, the technical provision deficit would be around £300m at 31 December 2025 (31 December 2024: £450m).

Further details on post-retirement benefits are included in note 14.

Decommissioning liabilities

The decommissioning provision of £1,302m (2024: £1,459m) is predominantly the estimated pre-tax net present cost of decommissioning gas production facilities at the end of their useful lives, based on 2P reserves, price levels, and technology at the balance sheet date. As at 31 December 2025 the provision balance was £961m for Spirit Energy, £321m in relation to the Rough field and £20m in the remainder of the business. Included within this is a reduction of £85m relating to the completed Spirit Energy disposal of a 46.25% interest in the Cygnus gas field, alongside a further £44m relating to the subsequent disposal agreed in December 2025 which remained held for sale at the year-end date. See note 15 for further details.

The provisions are held gross of tax, with a corresponding deferred tax asset of £536m (2024: £605m).

Further details on the decommissioning provision are included in note 3 and 17.

Balance sheet

Net assets decreased to £3,496m (2024: £4,812m), predominantly driven by the impact of items reported in equity, including a £770m reduction from the share buyback programme and £237m of dividends paid to shareholders, as well as an other comprehensive loss of £312m (2024: £120m) largely driven by an actuarial loss on pensions predominantly as a result of the experience loss in the IAS 19 position on fully reconciling to triennial review data.

Acquisitions, disposals and disposal groups classified as held for sale

During 2025 investments have been made in the Isle of Grain LNG terminal and the Sizewell C nuclear plant. These have not been accounted for as business combinations on the basis that the Group does not have the power to control these entities.

On 20 May 2025 the Group announced that it had agreed to sell part of Spirit Energy's interest in the Cygnus gas field, reducing its interest from 61.25% to 15%, to a subsidiary of Ithaca Energy plc for a headline consideration of £116m, alongside the transfer of £85m decommissioning liabilities. The sale has a commercial effective date of 1 January 2025 and the headline consideration has been increased by the net cash flows generated by the disposal group since this date. The sale completed and control passed on 1 October 2025 for a final consideration of £123m.

On 16 December 2025 the Group announced that it had agreed to sell the remaining 15% of Spirit Energy's interest in the Cygnus gas field and all other producing assets in the Greater Markham Area and Southern North Sea to Serica Energy plc. The sale had a commercial effective date of 1 January 2025 with a headline consideration of £57m and the transfer of £44m of decommissioning liabilities. The Group retains £159m of decommissioning liabilities in relation to the disposal group at the year-end date. The sale is expected to complete in the second half of 2026.

On 23 December 2025 the Group signed a sale and purchase agreement to dispose of Centrica Business Solutions Italia Srl and Centrica Business Solutions B.V. to Joulz B.V. for a headline consideration of €90m, with completion occurring in early February 2026.

Further details on assets purchased, acquisitions and disposals are included in notes 5(e) and 15.

EVENTS AFTER THE BALANCE SHEET DATE

Details of events after the balance sheet date are described in note 19.

RISKS AND CAPITAL MANAGEMENT

The Group maintains a stable overall risk profile, underpinned by a robust risk management framework, including the monitoring of key risk indicators and risk evolution against risk appetites. The Group undertakes an annual review of its principal risks to ensure continued strategic alignment and relevance. While areas of focus have evolved, the overall nature of the Group's principal risks remain broadly stable and consistent with prior disclosures.

The external environment remains complex and volatile with geopolitical tensions, state-affiliated cyber-threats, and ongoing policy uncertainty influencing supply chain and operational resilience risks. In response, the Group is intensifying supplier oversight, cyber resilience, and pursuing diversification strategies to mitigate concentration and dependency risks.

We continue to have a strong liquidity position, underpinned by ~£5bn of committed liquidity from relationship banks, with us having successfully exercised extension options in our committed liquidity facilities during the year.

Strategic capital deployment has accelerated, reflecting good progress on our long-term growth initiatives. Major investments include Sizewell C, a partnership stake in the Isle of Grain LNG terminal, and a new partnership with X-energy to deliver the UK's first advanced modular nuclear reactors; investments which enhance UK energy security. However, CES+ and Spirit continue to navigate complex strategic transitions, with dependencies on government support mechanisms to underpin future investment in the energy transition. Further, whilst inherent exposure to commodity price fluctuations and changes in demand continue to be effectively managed, the unpredictable regulatory and political outlook, including debate over net zero policy and targets, is impacting trading dynamics. The Group is actively monitoring these changes while advancing geographic diversification, including Centrica Energy's expansion into North America.

Economic headwinds and competitive pressures continue to challenge customer retention, however renewed customer focus is being driven by Centrica's new Home and Business organisational units. The Group is enhancing mitigation strategies to support vulnerable customers and ensure regulatory compliance, while accelerating technology transformation. Investments in AI and a Single Customer View platform aim to improve customer experience, maintain stable asset and health and safety risk profiles, and strengthen cyber resilience amid increasingly sophisticated threats.

ACCOUNTING POLICIES

The Group's accounting policies and specific accounting measures, including changes of accounting presentation, selected key sources of estimation uncertainty and critical accounting judgements, are explained in notes 1, 2 and 3.

Statement of Directors' Responsibilities

Directors are responsible for preparing the Group Financial Statements in accordance with applicable law, regulations and accounting standards. In preparing the Group Financial Statements, International Accounting Standard 1 required the Directors to:

- properly select and apply accounting policies;
- present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;
- provide additional disclosures when compliance with the specific requirements in IFRS Standards are insufficient to enable users to understand the impact of particular transactions, other events and conditions on the entity's financial position and financial performance; and
- make an assessment of the company's ability to continue as a going concern.

Each of the Directors confirms that, to the best of their knowledge:

- the Group Financial Statements, which have been prepared in accordance with the United Kingdom adopted International Accounting Standards, with International Financial Reporting Standards as issued by the IASB, give a true and fair view of the assets, liabilities, financial position and profit or loss of the Group; and
- the Strategic Report contained in the Annual Report and Accounts, from which this narrative is extracted, includes a fair review of the development and performance of the business and the position of the Group, together with a description of the principal risks and uncertainties that it faces.

On behalf of the Board on 18 February 2026

Chris O'Shea
Group Chief Executive

Russell O'Brien
Group Chief Financial Officer

Group Income Statement

Year ended 31 December	Notes	2025 Business performance £m	2025 Exceptional items and certain re-measurements £m	2025 Results for the year £m	2024 Business performance £m	2024 Exceptional items and certain re-measurements £m	2024 Results for the year £m
Group revenue	5,6	**21,566**	**(2,873)**	**18,693**	23,836	(4,723)	19,113
Insurance revenue	5	**799**	**—**	**799**	800	—	800
Total Group revenue		**22,365**	**(2,873)**	**19,492**	24,636	(4,723)	19,913
Cost of sales before insurance service expenses (i)	6	**(18,757)**	**7,318**	**(11,439)**	(20,368)	9,064	(11,304)
Insurance service expenses recognised in cost of sales		**(474)**	**—**	**(474)**	(460)	—	(460)
Re-measurement and settlement of derivative energy contracts	6	**—**	**(4,748)**	**(4,748)**	—	(4,062)	(4,062)
Gross profit/(loss)	5,6	**3,134**	**(303)**	**2,831**	3,808	279	4,087
Operating costs before insurance service expenses, credit losses on financial assets and exceptional items		**(1,772)**	**—**	**(1,772)**	(1,833)	—	(1,833)
Insurance service expenses recognised in operating costs		**(288)**	**—**	**(288)**	(306)	—	(306)
Credit losses on financial assets	16	**(418)**	**—**	**(418)**	(373)	—	(373)
Exceptional items	6	**—**	**(405)**	**(405)**	—	(128)	(128)
Operating costs		**(2,478)**	**(405)**	**(2,883)**	(2,512)	(128)	(2,640)
Results relating to joint ventures and associates, net of interest and taxation	12	**158**	**—**	**158**	256	—	256
Group operating profit/(loss)	5	**814**	**(708)**	**106**	1,552	151	1,703
Financing costs	6,7	**(237)**	**—**	**(237)**	(269)	(68)	(337)
Investment income	7	**243**	**—**	**243**	313	—	313
Net finance income/(cost)	7	**6**	**—**	**6**	44	(68)	(24)
Profit/(loss) before taxation		**820**	**(708)**	**112**	1,596	83	1,679
Taxation on profit/(loss)	6,8	**(265)**	**102**	**(163)**	(553)	239	(314)
Profit/(loss) for the year		**555**	**(606)**	**(51)**	1,043	322	1,365
Attributable to:							
Owners of the parent		**534**	**(606)**	**(72)**	984	348	1,332
Non-controlling interests		**21**	**—**	**21**	59	(26)	33

Earnings per ordinary share	Notes	2025 Pence	2024 Pence
Basic	10	**(1.5)**	25.7
Diluted	10	**(1.5)**	25.1
Interim dividend paid per ordinary share	9	**1.83**	1.50
Final dividend proposed per ordinary share	9	**3.67**	3.00

(i) Cost of sales includes a £42 million credit (2024: £142 million debit) relating to movements in onerous contracts provisions within the certain re-measurements column. See notes 2 and 6.

The notes on pages 31 to 79 form part of these Financial Statements.

Group Statement of Comprehensive Income

Year ended 31 December	Notes	2025 £m	2024 £m
(Loss)/profit for the year		**(51)**	1,365
Other comprehensive income			
Items that will be or have been reclassified to the Group Income Statement:			
Impact of cash flow hedging, net of taxation		**(5)**	2
Exchange differences on translation of foreign operations (i)		**24**	(49)
Exchange differences reclassified to the Group Income Statement on disposal		**2**	—
Share of other comprehensive loss of joint ventures related to cash flow hedging, net of taxation	12	**(8)**	—
Items that will not be reclassified to the Group Income Statement:			
Net actuarial losses on defined benefit pension schemes, net of taxation		**(324)**	(84)
Losses on revaluation of equity instruments measured at fair value through other comprehensive income, net of taxation		**(5)**	(27)
Share of other comprehensive income of associates relating to defined benefit pension schemes, net of taxation	12	**4**	38
Other comprehensive loss, net of taxation		**(312)**	(120)
Total comprehensive (loss)/income for the year		**(363)**	1,245
Attributable to:			
Owners of the parent		**(384)**	1,211
Non-controlling interests		**21**	34

(i) Exchange differences on translation of foreign operations includes £24 million of gains (2024: £50 million of losses) attributable to the equity holders of the parent, and £nil (2024: £1 million of gains) attributable to non-controlling interests.

The notes on pages 31 to 79 form part of these Financial Statements.

Group Statement of Changes in Equity

	Share capital £m	Share premium £m	Retained earnings £m	Other equity £m	**Total £m**	Non-controlling interests £m	**Total equity £m**
1 January 2024	365	2,394	3,274	(2,156)	3,877	356	4,233
Profit for the year	—	—	1,332	—	1,332	33	1,365
Other comprehensive (loss)/income	—	—	—	(121)	(121)	1	(120)
Total comprehensive income/(loss)	—	—	1,332	(121)	1,211	34	1,245
Employee share schemes and other share transactions	—	—	(8)	41	33	—	33
Share buyback programme	—	—	—	(480)	(480)	—	(480)
Shares cancelled in the year	(21)	—	(400)	421	—	—	—
Dividends paid to equity holders (note 9)	—	—	(219)	—	(219)	—	(219)
31 December 2024	344	2,394	3,979	(2,295)	4,422	390	4,812
(Loss)/profit for the year	—	—	(72)	—	**(72)**	21	**(51)**
Other comprehensive loss	—	—	—	(312)	**(312)**	—	**(312)**
Total comprehensive (loss)/income	—	—	(72)	(312)	**(384)**	21	**(363)**
Employee share schemes and other share transactions	—	—	(12)	66	**54**	—	**54**
Share buyback programme	—	—	—	(770)	**(770)**	—	**(770)**
Shares cancelled in the year	(31)	—	(681)	712	**—**	—	**—**
Dividends paid to equity holders (note 9)	—	—	(237)	—	**(237)**	—	**(237)**
31 December 2025	313	2,394	2,977	(2,599)	**3,085**	411	**3,496**

The notes on pages 31 to 79 form part of these Financial Statements.

Group Balance Sheet

	Notes	31 December 2025 £m	31 December 2024 £m
Non-current assets			
Property, plant and equipment		**1,488**	1,859
Interests in joint ventures and associates	12	**1,171**	794
Other intangible assets		**318**	318
Goodwill		**504**	478
Deferred tax assets		**659**	339
Trade and other receivables, and contract-related assets	16	**254**	179
Derivative financial instruments	13	**276**	267
Retirement benefit assets	14	**12**	129
Other investments		**121**	87
Securities	11	**105**	139
		4,908	4,589
Current assets			
Trade and other receivables, and contract-related assets	16	**4,675**	5,204
Other intangible assets		**256**	319
Inventories		**339**	904
Derivative financial instruments	13	**600**	1,309
Current tax assets		**90**	70
Securities	11	**2**	—
Cash and cash equivalents	11	**4,307**	6,338
		10,269	14,144
Assets of disposal groups classified as held for sale	15	**238**	—
		10,507	14,144
Total assets		**15,415**	18,733
Current liabilities			
Derivative financial instruments	13	**(693)**	(932)
Trade and other payables, and contract-related liabilities		**(5,581)**	(6,392)
Insurance contract liabilities		**(122)**	(175)
Current tax liabilities		**(113)**	(181)
Provisions for other liabilities	17	**(318)**	(368)
Bank overdrafts, loans and other borrowings	11	**(232)**	(854)
		(7,059)	(8,902)
Liabilities of disposal groups classified as held for sale	15	**(175)**	—
		(7,234)	(8,902)
Non-current liabilities			
Deferred tax liabilities		**(2)**	(88)
Derivative financial instruments	13	**(343)**	(455)
Trade and other payables, and contract-related liabilities		**(138)**	(175)
Provisions for other liabilities	17	**(1,271)**	(1,493)
Retirement benefit obligations	14	**(307)**	(150)
Bank loans and other borrowings	11	**(2,624)**	(2,658)
		(4,685)	(5,019)
Total liabilities		**(11,919)**	(13,921)
Net assets		**3,496**	4,812
Share capital		**313**	344
Share premium		**2,394**	2,394
Retained earnings		**2,977**	3,979
Other equity		**(2,599)**	(2,295)
Total shareholders' equity		**3,085**	4,422
Non-controlling interests		**411**	390
Total shareholders' equity and non-controlling interests		**3,496**	4,812

The Financial Statements on pages 26 to 79, of which the notes on pages 31 to 79 form part, were approved and authorised for issue by the Board of Directors on 18 February 2026 and were signed below on its behalf by:

Chris O'Shea — **Group Chief Executive**

Russell O'Brien — **Group Chief Financial Officer**

Centrica plc Registered No: 03033654

Group Cash Flow Statement

Year ended 31 December	Notes	2025 £m	2024 £m
Group operating profit including results relating to joint ventures and associates		**106**	1,703
Deduct results relating to joint ventures and associates, net of interest and taxation	12	**(158)**	(256)
Group operating (loss)/profit before results relating to joint ventures and associates		**(52)**	1,447
Add back/(deduct):			
Depreciation and amortisation	5	**428**	473
Impairments	5,6	**519**	98
Gain on disposals	15	**(74)**	(4)
(Decrease)/increase in provisions		**(129)**	110
Cash contributions to defined benefit schemes in excess of service cost income statement charge		**(150)**	(208)
Employee share scheme costs		**56**	47
Unrealised losses arising from re-measurement of energy contracts		**362**	96
Operating cash flows before movements in working capital relating to business performance and payments relating to taxes, exceptional charges and operating interest		**960**	2,059
Decrease in inventories		**546**	164
Decrease in trade and other receivables and contract-related assets relating to business performance		**413**	241
Decrease in trade and other payables and contract-related liabilities relating to business performance		**(795)**	(657)
Operating cash flows before payments relating to taxes, exceptional charges and operating interest		**1,124**	1,807
Taxes paid		**(375)**	(636)
Operating interest paid	7	**(16)**	(16)
Payments relating to exceptional charges in operating costs	6	**(38)**	(6)
Net cash flow from operating activities		**695**	1,149
Purchase of businesses and assets, net of cash acquired	15	**(22)**	(92)
Sale of businesses and interests in joint operations, including receipt of deferred consideration	15	**119**	4
Purchase of property, plant and equipment and intangible assets	5	**(554)**	(416)
Sale of property, plant and equipment and intangible assets		**12**	—
Investments in joint ventures and associates	12	**(609)**	—
Dividends received from joint ventures and associates	12	**135**	355
Interest received		**227**	317
Net purchase of other investments		**(42)**	(56)
Settlement of securities	11	**57**	400
Purchase of securities	11	**(13)**	(19)
Net cash flow from investing activities		**(690)**	493
Payments for own shares		**(9)**	(8)
Share buyback programme		**(827)**	(499)
Cash inflow from borrowings	11	**13**	483
Financing interest paid	11	**(181)**	(283)
Cash outflow from repayment of borrowings and capital element of leases	11	**(156)**	(1,022)
Equity dividends paid	9	**(237)**	(219)
Net cash flow from financing activities		**(1,397)**	(1,548)
Net (decrease)/increase in cash and cash equivalents		**(1,392)**	94
Cash and cash equivalents including overdrafts as at 1 January		**5,693**	5,629
Effect of foreign exchange rate changes	11	**(29)**	(30)
Cash and cash equivalents including overdrafts at 31 December	11	**4,272**	5,693
Included in the following line of the Group Balance Sheet:			
Cash and cash equivalents	11	**4,307**	6,338
Overdrafts included within current bank overdrafts, loans and other borrowings	11	**(35)**	(645)

The notes on pages 31 to 79 form part of these Financial Statements.

Notes to the Financial Statements

1. General information, basis of preparation and summary of significant new accounting policies and reporting changes

This section details new accounting standards, amendments to standards and interpretations, whether these are effective in 2025 or later years, and if and how these are expected to impact the financial position and performance of the Group.

(a) General information

Centrica plc (the 'Company') is a public company limited by shares, domiciled and incorporated in the UK, and registered in England and Wales. The address of the registered office is Millstream, Maidenhead Road, Windsor, Berkshire, SL4 5GD. The Company, together with its subsidiaries comprise the 'Group'. The Company has its listing on the London Stock Exchange.

The Financial Statements for the year ended 31 December 2025 included in this announcement were authorised for issue in accordance with a resolution of the Board of Directors on 18 February 2026.

The preliminary results for the year ended 31 December 2025 have been extracted from audited accounts which have not yet been delivered to the Registrar of Companies. The Financial Statements set out in this announcement do not constitute statutory accounts for the year ended 31 December 2025 or 31 December 2024. The financial information for the year ended 31 December 2024 is derived from the statutory accounts from that year. The report of the auditors on the statutory accounts for the year ended 31 December 2025 was unqualified and did not contain a statement under Section 498 of the Companies Act 2006.

(b) Basis of preparation

The accounting policies applied in these Financial Statements for the year ended 31 December 2025 are consistent with those of the Annual Financial Statements for the year ended 31 December 2024, as described in those financial statements, with the exception of standards, amendments and interpretations effective in 2025 and other presentational changes.

The Directors have, at the time of approving the financial statements, a reasonable expectation that the Company and Group have adequate resources to continue in operational existence for the foreseeable future, which reflects a period of twelve months from the date of approval of the accounts, with modelled analysis extending to 31 December 2028. The scenarios considered as part of the going concern assessment are consistent with those used in the longer-term viability statement. In particular, cash forecasts for the Group have been stress-tested for different scenarios including reasonably possible increases/decreases in commodity prices and the risk scenarios described in the viability statement, assessing reasonably possible combinations of risks, the largest of which is the increased margin outflows in our trading businesses. Risks considered also include the continuing impact of a low commodity price environment and resultant profitability of the Group's Infrastructure business, significant adverse weather events, increased bad debt charges, trading and hedging underperformance and operational disruption including cyber risk, supply chain failures, asset outages or industrial action. The Group's strong liquidity position, coupled with its ability to deploy effective mitigating actions, ensures resilience against a volatile external risk environment. The Group continues to manage the Group's financing profile through accessing a diverse source of term funding and maintaining access to carefully assessed levels of standby liquidity which support the Group's planned financial commitments. The level of undrawn committed bank facilities and available cash resources has enabled the Directors to conclude that there are no material uncertainties relating to going concern. As a result, the Group continues to adopt the going concern basis of accounting in preparing the financial statements. Further information on the Group's strong liquidity position, including its indebtedness and available committed facilities, is provided in note 11.

(c) New accounting policies, standards, amendments and interpretations effective or adopted in 2025

From 1 January 2025, the following standards and amendments are effective in the Group's consolidated Financial Statements:

- Amendments to IAS 21 'The Effects of Changes in Foreign Exchange Rates' Lack of Exchangeability, effective from 1 January 2025.

This amendment has not had a material impact on the consolidated Financial Statements during the year.

(d) Standards and amendments that are issued but not yet applied by the Group

At the date of authorisation of these consolidated Financial Statements, the Group has not applied the following new and revised standards and amendments that have been issued but are not yet effective:

- Amendments to IFRS 9 'Financial Instruments' and IFRS 7 'Financial Instruments: Disclosures', Amendments to the Classification and Measurement of Financial Instruments, effective from 1 January 2026;
- Amendments to IFRS 9 'Financial Instruments' and IFRS 7 'Financial Instruments: Disclosures', Contracts Referencing Nature-dependent Electricity, effective from 1 January 2026;
- Annual improvements to IFRS: Amendments to IFRS 1 'First-time Adoption of IFRS', IFRS 7, IFRS 9, IFRS 10 'Consolidated Financial Statements' and IAS 7 'Statement of Cash Flows', effective from 1 January 2026;
- IFRS 18 'Presentation and Disclosure in Financial Statements', effective from 1 January 2027; and
- IFRS 19 'Subsidiaries without Public Accountability', effective from 1 January 2027.

The potential impact of IFRS 18 'Presentation and Disclosure in Financial Statements', and the amendments to IFRS 9 'Financial Instruments' and IFRS 7 'Financial Instruments: Disclosures' in respect of Nature-dependent Electricity are given below.

1. General information, basis of preparation and summary of significant new accounting policies and reporting changes

IFRS 18 'Presentation and Disclosure in Financial Statements'
IFRS 18 will replace IAS 1 'Presentation of Financial Statements' and become effective on 1 January 2027. IFRS 18 will introduce new requirements on presentation and disclosure in the financial statements, with a focus on the income statement and reporting of financial performance. Income and expenses in the income statement will be classified into five categories – operating, investing, financing, income taxes and discontinued operations. Two new subtotals will be presented: 'Operating profit or loss' and 'Profit or loss before financing and income tax'.

IFRS 18 will also require disclosures about management-defined performance measures in the financial statements and disclosure of information based on enhanced general requirements on aggregation and disaggregation. The Group will apply the new standard from its mandatory effective date of 1 January 2027. Retrospective application is required, and so the comparative information for the financial year ending 31 December 2026 will be restated in accordance with IFRS 18.

The Group has assessed the impact of IFRS 18 and notes that the presentation of the Group's share of profits and losses of joint ventures and associates is expected to be shown within investing activities, rather than Group operating profit or loss. Additionally, the Group's investment income is expected to also be shown within investing activities, rather than Group net finance income/cost. The Group currently intends to present foreign exchange differences on intercompany balances within operating activities; clarification is expected from IFRIC on this matter. Certain other reclassifications have been identified; these are not expected to be material to the Group's financial statements.

The Group has considered the IFRS 18 guidance on aggregated and disaggregated information and is not anticipating any changes to the Group Balance Sheet other than separate presentation of goodwill as a line item. The Group is also evaluating its use of existing non-GAAP measures and their presentation within the income statement to ensure compliance with the requirements of IFRS 18. The Group's assessment is not yet final and further changes upon the implementation of IFRS 18 may be required.

Amendments to IFRS 9 'Financial Instruments' and IFRS 7 'Financial Instruments: Disclosures', Contracts Referencing Nature-dependent Electricity
The International Accounting Standards Board (IASB) has introduced targeted amendments to IFRS 9 and IFRS 7 aimed at resolving the challenges in accounting for electricity contracts, such as power purchase agreements, dependent on uncontrollable natural factors, such as weather conditions. The amendments clarify how entities should assess whether these contracts qualify for the 'own-use' exemption available under IFRS 9. Key considerations include whether the entity is a net purchaser over a reasonable time frame, taking into account variability in electricity generation. Amendments to hedge accounting have also been made to allow entities to designate a variable nominal volume of forecasted purchases or sales as the hedged item, provided certain conditions are met.

Management's initial assessment of the Group's own use purchase price electricity agreements is that there is sufficient downstream demand to ensure that the Group remains a net purchaser over a reasonable period of time with sales of unused electricity being incidental. The Group does not designate these contracts as the hedging instrument in a hedge of forecast electricity transactions.

Management does not currently expect the other issued but not effective amendments or standards, or standards not discussed above to have a material impact on the consolidated Financial Statements other than IFRS 18.

(e) Restatements
The Group has re-evaluated its operating and reportable segments during the year following a change in the way the business is organised and financial information is reported. Reportable and operating segments are now defined as:

- Retail;
- Optimisation; and
- Infrastructure

These revised segments reflect the way the Group's operating results are reported to, and regularly reviewed by, the Board to make decisions about resources to be allocated to the segments and assess their performance. Further information on the reportable segments of the Group is shown in note 5.

2. Centrica specific accounting measures

This section sets out the Group's specific accounting measures applied in the preparation of the consolidated Financial Statements. These measures enable the users of the accounts to understand the Group's underlying and statutory business performance separately.

(a) Use of adjusted performance measures

The Directors believe that reporting adjusted measures (revenue, margin, profit, earnings before interest, taxation, depreciation and amortisation, earnings per share and net cash/(debt)) provides additional useful information on business performance and underlying trends. These measures are used for internal performance purposes, are not defined terms under IFRS and may not be comparable with similarly titled measures reported by other companies.

Management uses adjusted revenue, adjusted gross margin and adjusted operating profit to evaluate segment performance. They are defined as revenue/gross margin/operating profit before:

- Exceptional items; and
- Certain re-measurements.

Exceptional items and certain re-measurements are excluded to enable the Directors to convey to the users an enhanced understanding of the Group's business performance. See section (b) of this note for further details. Segmental adjusted gross margin and adjusted operating profit exclude the impact of the colleague profit share because management considers it unrelated to segmental business performance. Similarly, because Segmental adjusted gross margin and adjusted operating profit are presented as managed by the Board, the elimination on consolidation of the internal margin and indirect costs on smart meter installation recognised in Retail and subsequently capitalised in the meter asset provider business within Infrastructure is also excluded.

Adjusted earnings is defined as earnings before:

- Exceptional items net of taxation; and
- Certain re-measurements net of taxation.

A reconciliation of adjusted earnings and adjusted earnings per share is provided in note 10.

Adjusted net cash/(debt) is used by management to assess the underlying indebtedness of the business. Adjusted net cash/(debt) is defined as cash and cash equivalents, net of bank overdrafts, borrowings, leases, interest accruals and related derivatives. This is adjusted for:

- Securities; and
- Sub-lease assets.

2. Centrica specific accounting measures

(b) Exceptional items and certain re-measurements

The Group reflects its underlying financial results in the business performance column of the Group Income Statement. To be able to provide users with this clear and consistent presentation, the effects of 'certain re-measurements' of financial instruments, and 'exceptional items', are reported in a different column in the Group Income Statement.

The Group is an integrated energy business. This means that it utilises its knowledge and experience across the gas and power (and related commodity) value chains to make profits across the core markets in which it operates. As part of this strategy, the Group enters into a number of forward energy trades to protect and optimise the value of its underlying production, generation, storage and transportation assets and contracts (and similar capacity or offtake arrangements including Liquefied Natural Gas (LNG)), as well as to meet the future needs of its customers (downstream demand). These trades are designed to reduce the risk of holding such assets, contracts or downstream demand and are subject to strict risk limits and controls.

Primarily because some of these trades include terms that permit net settlement, they are prohibited from being designated as 'own use' and so IFRS 9 'Financial Instruments' requires them to be individually fair valued.

Fair value movements on these commodity derivative trades do not reflect the underlying performance of the business because they are economically related to the Group's Infrastructure assets, capacity/offtake contracts or downstream demand, which are typically not fair valued. Similarly, where downstream customer supply contracts or LNG procurement contracts have become onerous as a result of significant market price movements (and the fact any associated commodity hedges have separately been recognised at fair value under IFRS 9 and therefore the onerous supply/LNG contract assessment must reflect the reversal of those gains in subsequent periods). Movements in the required provision are also reflected as a certain re-measurement in the 'Cost of sales' line item and separately disclosed in note 6.

Movements in this provision do not reflect the underlying performance of the business because they are economically related to both the hedges as well as forecast future profitability of the portfolio as a whole, in the case of the supply/LNG procurement contracts. Therefore, these certain re-measurements are reported separately and are subsequently reflected in business performance when realised, which is generally when the underlying transaction or asset impacts profit or loss. This enables the Group to convey the performance of the business both with and without the impact of such items.

The effects of these certain re-measurements are presented within either revenue or cost of sales when recognised in business performance depending on the nature of the contract. They are managed separately from proprietary energy trading activities where trades are entered into speculatively for the purpose of making profits in their own right. These proprietary trades are included in revenue in the business performance column of the Group Income Statement.

The Group's result for the year presents both realised and unrealised fair value movements on all derivative energy contracts within the 'Re-measurement and settlement of derivative energy contracts' line item.

Exceptional items are those items that, in the judgement of the Directors, need to be disclosed separately by virtue of their nature, size or incidence. Again, to ensure the business performance column reflects the underlying results of the Group, these exceptional items are also reported in the separate column in the Group Income Statement. Items that may be considered exceptional in nature include disposals of businesses or significant assets, business restructuring, debt repurchase/refinancing costs, legacy contract costs associated with business activities that have ceased, certain pension past service credits/costs, asset impairments/write-backs, and the tax effects of these items. Also tax impacts associated with legislative changes or as a result of commodity price movements may be considered as exceptional.

The Group distinguishes between business performance asset impairments/write-backs and exceptional impairments/write-backs on the basis of the underlying driver of the impairment, as well as the magnitude of the impairment. Drivers that are deemed to be outside of the control of the Group (e.g. commodity price changes) give rise to exceptional impairments. Additionally, impairment charges that are of a one-off nature (e.g. reserve downgrades or one-time change in intended use of an asset) and significant enough value to influence the understanding of the underlying results of the business are considered to be exceptional. Other impairments that would be expected in the normal course of business are reflected in business performance.

3. Critical accounting judgements and key sources of estimation uncertainty

This section sets out the key areas of judgement and estimation that have the most significant effect on the amounts recognised in the consolidated Financial Statements.

(a) Critical judgements in applying the Group's accounting policies

Management has made the following key judgements in applying the Group's accounting policies that have the most significant effect on the consolidated Group Financial Statements.

Spirit Energy consolidation
The Group judges that through its Board majority, it can control the relevant activities that most significantly influence the variable returns of the Spirit Energy business, including Board Reserved Matters. Consequently, Spirit Energy is fully consolidated. This assessment was carried out when the Group acquired Bayerngas Norge's exploration and production business, and combined this with the Group's existing exploration and production business to form the Spirit Energy business in 2017, and is considered annually to ensure consolidation remains appropriate.

The Group holds a 69% interest in Spirit Energy. The 31% minority interest shareholder does have some influence over decision-making activities, but does not possess any controlling rights over the Spirit Energy business.

Sales of Cygnus, Greater Markham Area and Southern North Sea interests
On 20 May 2025 the Group announced that it had agreed to sell part of Spirit Energy's interest in the Cygnus gas field, reducing its interest from 61.25% to 15%, to a subsidiary of Ithaca Energy plc for consideration of £123 million. The sale had a commercial effective date of 1 January 2025 and completed on 1 October 2025.

On 16 December 2025, the Group further announced that it had agreed to dispose of Spirit Energy's remaining 15% interest in the Cygnus gas field, together with all other gas producing assets in the Greater Markham Area and Southern North Sea to Serica Energy plc for a total value of £101 million. The Group has classified this as a disposal group held for sale at the reporting date with completion expected in the second half of 2026. See note 15 for further details.

The disposal groups did not represent a separate major line of business or geographical operation, because the Infrastructure segment retains other producing fields in the United Kingdom, and hence the Group concluded the disposal group did not constitute a discontinued operation.

Investment in Sizewell C nuclear plant
On 22 July 2025, the Group announced its acquisition of a 15% equity stake in the Sizewell C nuclear power station for committed consideration of £1.3 billion, funded primarily through a shareholder loan agreement provided over the construction phase of the contract. During 2025, £338 million was provided through the shareholder loan agreement, together with a £38 million equity contribution. The transaction completed on 4 November 2025. The loan receivable is presented within investments in joint ventures and associates on the Group Balance Sheet, with the interest thereon presented within adjusted operating profit in the Group Income Statement as it reflects part of the return from this investment.

Although the 15% equity ownership interest in the investee is below the typical threshold of 20% for presumed significant influence under IAS 28 'Investment in Associates and Joint Ventures', the Group has determined that it does have significant influence. Accordingly, the investment is classified as an associate and the Group is applying the equity method of accounting, presenting the investment within the same line items as the shareholder loan above . This judgement is based on qualitative factors demonstrating the Group's ability to participate in the financial and operating policy decisions of the investee. In particular, the Group holds a Board seat and also possesses specialised industry knowledge that influences strategic and operational matters and it also benefits from the right to enter an offtake agreement once the nuclear plant is operational.

The Group accounts for the shareholder loan agreement under IFRS 9, and presents it as part of the total investment in Sizewell C, with interest received presented within adjusted group operating profit. See note 12 for details.

Investment in the Isle of Grain LNG terminal
On 14 August 2025 the Group announced its 50% equity investment in the Isle of Grain liquefied natural gas terminal (through Garden Topco Limited). The transaction completed on 28 November 2025.

The Group has determined that the investment is jointly controlled by the Group and its co-investor, Energy Capital Partners LLP (ECP). This critical judgement is based on a control assessment which determined that decisions affecting the returns of the investment are taken on a unanimous basis. The control assessment determined that both investors participate fully in the decisions affecting the operational decisions of the joint venture which is also governed on a day-to-day basis by its own independent executive management committee. The Group has not acquired additional rights to the LNG terminal services; these are subject to regulatory measures. As a result, the investment is presented as a joint venture and accounted for using the equity accounting method. The investment is presented as an investment in joint ventures and associates within the Group Balance Sheet, with the results of the joint venture presented within the Results relating to joint ventures and associates line item in the Group Income Statement. Were a different judgement reached, that the Group fully controlled the substantive activities of the business (as opposed to joint control), full consolidation of the Garden Topco Limited group would have been required, together with recognition of ECP's 50% non-controlling interest.

3. Critical accounting judgements and key sources of estimation uncertainty

Liquefied Natural Gas (LNG) contracts

The Group is active in the LNG market, both procuring long-term LNG supply arrangements and transacting in shorter-term LNG cargoes. As part of its operations in the market, the Group optimises its contractual positions in order to meet customer demand for physical commodity. In response to the continuing development of the global LNG market which, consistent with prior years, is not considered to be active, the Group has reviewed its portfolio of LNG transactions and contracts. It has judged that its activities are carried out for the purpose of receipt or delivery of physical commodity in accordance with its expected purchase and sale requirements. As a result, the Group's contracts to buy and sell LNG meet the 'own-use' exemption and are hence outside the scope of IFRS 9 and accounted for on an accruals basis. Purchase contracts are accounted for as executory contracts under IAS 37 and sales contracts are accounted for under IFRS 15. As a consequence of this judgement, the LNG contracts are also assessed as to whether they may be onerous.

The Group considers it a critical judgement as to whether any onerous contract costs arising should be presented as a certain re-measurement until such time that the physical cargoes are delivered, or within business performance. The same judgement applies to the recognition, and timing, of unrealised hedging gains or losses relating to those contracts.

The onerous contract assessment ignores the portfolio of hedges associated with the LNG contracts because the hedges are separately marked to market. See notes 2(b) and 6(a) for further details on the accounting treatment of LNG onerous contracts and hedging derivatives within certain re-measurements. During the year, an additional £49 million was recognised in respect of onerous LNG contract provisions (2024: £82 million) and a total of £99 million was utilised during the year. See note 6 for details.

Regulatory scheme accounting

As a UK energy supplier, the Group is required to comply with all regulatory schemes mandated by Ofgem's gas and electricity supplier licence conditions. The Group incurs material costs under a number of active schemes, for example: Energy Company Obligation (ECO), Great British Insulation Scheme (GBIS), Energy Intensive Industries Support Levy (EII), Warm Home Discount (WHD), Feed-in Tariff (FIT), Fuel Mix Disclosure (FMD), Renewables Obligation (ROCS), Capacity Market Levy, Smart Metering Transition, Supplier of Last Resort (SOLR) and Contracts for Difference (CFD). Certain of the schemes above also include provisions for mutualisation charges which require separate accounting analysis.

Under the requirements of IAS 37 'Provisions, Contingent Liabilities and Contingent Assets' the Group recognises a liability when there is a present obligation resulting from a past event and where economic outflow is probable. The Group determines the existence of a present obligation on a scheme-by-scheme and the accounting treatment differs accordingly.

The Group determines that the accounting for regulatory schemes is an area of critical accounting judgement because determining whether there is a present obligation may be judgemental.

The Group assesses a range of information when determining the point at which a present obligation exists. This includes statutory legislation, communication from Ofgem and the Department of Energy Security and Net Zero and the treatment of similar issues and schemes, both past and present. The Group estimates costs using both external and internal data sources.

Typically, costs incurred under industry regulatory schemes are calculated with reference to the Group's market share at a point in time and recovered in the future through the Ofgem price cap. Recovery is generally based on revenue earned through future energy supply, meaning a timing difference may arise between the recognition of costs incurred, and the future recovery through charges applied to end consumers. The Group does not have an entitlement to recover costs incurred at the point of recognition and consequently does not recognise an asset in relation to future recoveries.

(b) Key sources of estimation uncertainty

The sections below detail the assumptions the Group makes about the future and other major sources of estimation uncertainty when measuring its assets and liabilities at the reporting date. The information given relates to the sources of estimation uncertainty that have a significant risk of resulting in a material adjustment to those assets and liabilities in the next financial year. In some cases, the matter involves both a critical judgement as well as a key source of estimation uncertainty. That is, there is more than one judgemental aspect related to the matter. In these instances, all critical judgements and key sources of estimation uncertainty related to each area are discussed in the same section to provide a comprehensive understanding of the overall nature of the uncertainties involved.

Estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, including current and expected economic conditions, and, in some cases, actuarial techniques. Although these estimates and associated assumptions are based on management's best knowledge of current events and circumstances, actual results may differ. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

3. Critical accounting judgements and key sources of estimation uncertainty

Electricity Generator Levy

At the end of 2022, the Government announced the implementation of the Electricity Generator Levy (EGL), a new, temporary levy applicable to receipts that the Group realises from electricity generation in the UK from nuclear and renewable sources in the period from 1 January 2023 to 31 March 2028. It was legislated in the Finance (No 2) Act 2023. The levy applies a 45% charge on receipts generated from the production of wholesale electricity sold at an average price in excess of £75/MWh (adjusted for inflation prospectively), exceeding an annual threshold of £10 million. The benchmark rate for the 12 months to 31 March 2026 is £79.95/MWh. It applies to generators whose generation exceeds 50GWh annually, as well as off-take arrangements with significant minority shareholders in such generators.

As at 31 December 2025, the Group's share of its Nuclear (excluding Sizewell C) associate's EGL liabilities amounted to £9 million (31 December 2024: £86 million). This is recorded within the share of profit after tax from associates. The Group has also made payments on account to HMRC of £10 million and recognised an expense in the Group Income Statement, within cost of sales, of £10 million (31 December 2024: £80 million) in relation to its estimated EGL liabilities for its minority shareholder Nuclear (excluding Sizewell C) offtake arrangements during the year ended 31 December 2025.

The Group continues to determine that the accounting for the levy falls within the scope of IAS 37 'Provisions, contingent liabilities, and contingent assets' and IFRIC 21 'Levies' on the basis that the levy represents a legislative liability imposed by the Government, calculated with reference to revenue generated. The Group recognises the levy progressively over time, as the related electricity is sold. The Group also considered the applicability of IAS 12 'Income Taxes', however the EGL is based on revenue generated, and not taxable profit and is therefore outside the scope of IAS 12.

The interpretation and application of the EGL legislation is unclear in respect of the Group's minority shareholding in the Nuclear (excluding Sizewell C) offtake arrangements. As such, the extent of the levy that will ultimately be due in this regard is not yet certain, and a lower amount may eventually be determined. If this were the case, a tax deposit asset would be recorded on the Group Balance Sheet, and as a credit within cost of sales in the Group Income Statement, when it became probable that the asset would be recoverable, in accordance with the 2019 IFRIC Agenda decision on Deposits relating to taxes other than income taxes. Given the current stage of discussions there is not yet sufficient evidence to support the probability of recovery and therefore no asset has been recorded at the balance sheet date.

There is a key source of estimation uncertainty in relation to the amount of levy the Group owes across 2023 to 2025 of up to £155 million, related to the assessment of the proportion of generation that can be ascribed to a wholesale purchase and therefore whether a related tax deposit asset should be recorded for the recovery of payments on account made to HMRC of up to £155 million. Whilst a material change in the accounting could occur in the next financial period, ultimate resolution of this uncertainty may take a number of years. (Note that since its inception Centrica has paid over £500 million of EGL either directly or through its share of the Nuclear (excluding Sizewell C) associate's payments.)

Credit provisions for trade and other receivables

Typical household energy costs have increased during 2025 due to high wholesale commodity costs and increased network and levy charges. Macroeconomic conditions are mixed, interest rates and inflation have fallen, but unemployment figures have risen. Provisions relating to customers who pay on receipt of their bill and aged final debt have increased although cash collection performance has stabilised in respect of these customers.

These factors result in the assessment and adequacy of credit provisions for trade and other receivables continuing to be a key source of estimation uncertainty given the heightened risk of the probability of default and the increase in the overall loss allowance See note 16 for further information.

The Group utilises a range of factors, including both internal and external, historic and forward-looking, to assess the adequacy of its credit provisions. Whilst the Group utilises a matrix output model to record provision coverage, management recognises that the model does not always adequately capture scenarios where there is a delayed impact on customer payments, such as forward-looking macroeconomic changes. In the current year, the Group has continued to assess the model and has recorded a macroeconomic credit provision of £11 million (31 December 2024: £49 million) primarily on the basis that the upward trend in typical household energy bills during 2025 and resultant ability of customers to pay may not be fully reflected in the model. The assumptions included in the overall provision include the impact of the increase to Ofgem's Energy Price Cap, the continued cost of living challenges and the resumption of litigation activities which have uplifted the cash collection on older aged debt. The total credit provision for trade and other receivables at 31 December 2025 remains high at £1,818 million (31 December 2024: £1,532 million).

3. Critical accounting judgements and key sources of estimation uncertainty

Pensions and other post-employment benefits

The cost of providing benefits under defined benefit pension schemes is determined separately for each of the Group's schemes under the projected unit credit actuarial valuation method. Actuarial gains and losses are recognised in full in the year in which they occur.

The key assumptions used for the actuarial valuation are based on the Group's best estimate of the variables that will determine the ultimate cost of providing post-employment benefits. Where a net pension scheme asset arises, recognition of the asset is permitted because the Group has an unconditional right to a refund on any winding up of the schemes or if gradual settlement of liabilities over time is assumed.

The Group's defined benefit schemes hold part of their plan asset portfolio as unquoted assets. These include private equity and property interests that are typically subject to valuation uncertainty. The valuation of these assets is based on the latest asset manager views and other relevant benchmarks.

The key source of estimation uncertainty is the assessment of the value of the pension liabilities (under IAS 19) within the scheme valuations. Key assumptions are the discount rate, inflation and life expectancy.

Further details, including sensitivities to these assumptions, are provided in note 14.

Impairment of long-lived assets

The Group makes judgements in considering whether the carrying amounts of its long-lived assets (principally gas field production assets, Nuclear (excluding Sizewell C) investment (20% economic interest accounted for as an investment in associate), Sizewell C investment (15% economic interest accounted for as an investment in associate), Isle of Grain investment (50% economic interest accounted for as an investment in joint venture), Batteries, Solar assets, Gas peakers and Goodwill) or cash-generating units (CGUs) are recoverable and estimates their recoverable amounts. See note 6(b) for details.

A key assumption in a number of these judgements is forecast future commodity prices. For the first four years, observable market prices are used and thereafter an estimation of longer-term prices is required and is based on third-party median price curves most closely aligned to our long-term view. The Nuclear investment (excluding Sizewell C) is the main asset where the recoverable amount, predominantly determined by forecast future commodity prices, is a key source of estimation uncertainty.

The recoverable amount of the Nuclear investment (excluding Sizewell C) is based on the value of the existing UK nuclear fleet operated by EDF. The existing fleet value is calculated by discounting pre-tax cash flows derived from the stations based on forecast power generation and power prices, whilst taking account of outages and the likely operational lives of the stations. During the year, the recoverable amount has decreased, predominantly due to a fall in power prices both on a forecast and actuals basis, together with an increase in operating and capital expenditure assumptions, offset by the impact of life extensions at two of the stations. This has resulted in an impairment of £251 million. Note that baseload power prices are currently backwardated and so the annual roll-forward reduction in the net present value (recoverable amount) exceeds the related annual book value reduction (prior to impairment).

The key sources of estimation uncertainty are power price forecasts, station lives, outage assumptions and the discount rate. Other input assumptions include production levels, application of the EGL and capital and operating expenditure assumptions. Further details of these uncertainties, together with the methodology, assumptions and impairment booked during the year are provided in note 6, together with related sensitivities.

Revenue recognition – unread gas and electricity meters

Revenue for energy supply activities includes an assessment of energy supplied to customers between the date of the last meter reading and the year-end (known as unread revenue). Unread gas and electricity comprises both billed and unbilled revenue. It is estimated through the billing systems, using historical consumption patterns, on a customer-by-customer basis, taking into account weather patterns, load forecasts and the differences between actual meter readings being returned and system estimates. Actual meter readings continue to be compared to system estimates between the balance sheet date and the finalisation of the accounts.

An assessment is also made of any factors that are likely to materially affect the ultimate economic benefits that will flow to the Group, including bill cancellation and re-bill rates. Estimated revenue is restricted to the amount the Group expects to be entitled to in exchange for energy supplied. The judgements applied, and the assumptions underpinning these judgements, are considered to be appropriate. However, a change in these assumptions would have an impact on the amount of revenue recognised. The material source of estimation uncertainty relating to unread revenue arises in the respect of gas and electricity sales to UK customers within the Retail segment, including where changes in customer behaviour in response to elevated prices affect estimated consumption. At 31 December 2025 unread revenue arising from these customers amounted to £2,687 million (2024: £2,732 million). A change in these assumptions of 2% would impact revenue and profit by £54 million. Additionally, there is some risk this change could be higher when considering the assumptions implicit in unread revenue and the extent to which revenue is constrained through the application of the IFRS 15 requirements.

3. Critical accounting judgements and key sources of estimation uncertainty

Decommissioning costs

The estimated cost of decommissioning at the end of the producing lives of gas fields is reviewed periodically and is based on reserves, price levels and technology at the balance sheet date. Provision is made for the estimated cost of decommissioning at the balance sheet date. The payment dates of total expected future decommissioning costs are uncertain and dependent on the lives of the facilities, but are currently anticipated to be predominantly incurred by 2035.

The level of provision held is sensitive to both the estimated decommissioning costs (in particular for the non-operated assets and non-contracted expenditure) and the discount rate, hence each input is considered to be a key source of estimation uncertainty. During the year, government gilt yields appropriate to the forecast profile of the decommissioning expenditure have remained broadly unchanged, and therefore the real discount rate used to discount the decommissioning liabilities at 31 December 2025 has remained at 2% (31 December 2024: 2%). A 1% increase in the discount rate reduces the decommissioning liability by approximately £53 million (2024:£70 million) whilst a 1% decrease in the discount rate would increase the provision by approximately £56 million (2024: £76 million). A 10% increase in forecast decommissioning costs would increase the provision by approximately £130 million (2024: £146 million).

Determination of fair values – energy derivatives

The fair values of energy derivatives classified as Level 3 in accordance with IFRS 13 'Fair Value Measurement' are determined to be a key source of estimation uncertainty as they are not actively traded and their values are estimated by reference in part to published price quotations in active markets and in part by using complex valuation techniques. The key source of estimation uncertainty is future commodity prices and their inclusion in the reliable estimation of the unobservable components of the Group's Level 3 derivatives in an elevated and volatile commodity price environment.

Climate change

In preparing the financial statements, the Directors have considered the impact of climate change in the context of the risks and opportunities. There has been no material impact identified on the financial reporting judgements and estimates. The Directors specifically considered the impact of climate change in the following areas:

- Cash flow forecasts used in the impairment assessment of non-current assets, including the Nuclear investment (excluding Sizewell C), battery storage assets, solar assets, and gas peakers/power stations/engines;
- Carrying value and useful economic lives of property, plant and equipment;
- Recoverability of deferred tax assets; and
- Going concern and viability of the Group over the next three years.

Whilst there is no short-term impact expected from climate change, the Directors are aware of the risks and regularly assess these risks against judgements and estimates made in preparation of the Group's financial statements.

Further detail is provided in note 3(c).

3. Critical accounting judgements and key sources of estimation uncertainty

(c) Climate change

The Group's assessment of how climate-related issues might affect the business has been integrated into its annual strategic and financial planning process. At the same time, the Group reviews the potential impact of the material risks and opportunities and its Climate Transition Plan on both the current balance sheet position and its accounting policies (including the useful economic lives of its assets).

Summary of our most material risks & opportunities

Climate related trend	Segment	Potential impact
Transition away from fossil fuelled heating	Retail	Risk: Reduced gross margin from the sale and servicing of natural gas residential boilers and commercial combined heat and power (CHP) units
Growth in low carbon heating market	Retail	Opportunity: Increased sales and servicing of electric and hydrogen fuelled heating systems, alongside associated opportunities in fabric upgrade including insulation
Transition away from natural gas and energy efficiency	Retail	Risk: Reduced gross margin from the sale of natural gas and growth in energy efficiency
Growth in low carbon heating market	Retail	Opportunity: Increased sales of electricity and clean gas for heating
Growth of EV transport market	Retail	Opportunity: Access to new and growing value pools related to EV charging installations, operation and maintenance, as well as energy supply
Growth in demand for renewable energy	Retail	Opportunity: Growth in behind-the-meter solar and battery markets, driven by decarbonisation and flexible services
	Optimisation	Opportunity: Growth in renewable and low carbon generation and production technologies, alongside the need for enabling services such as PPAs, balancing services and battery storage
	Infrastructure	Opportunity: To convert Rough gas storage facility to store hydrogen and produce hydrogen at scale
Rising mean temperatures	Retail	Risk: Reduced sales of natural gas and electricity for heat

IFRS dictates how each asset or liability should be accounted for (e.g. cost, fair value or other measurement criteria) and accordingly, there is a fundamental difference between the holistic forward-looking risk and opportunities business analysis, and the possible sensitivity of current accounting carrying values to these risks and opportunities.

For example, whilst the activity of supplying gas to customers or servicing/installing gas boilers is clearly subject to climate-related risks (and opportunities), the balance sheet does not reflect an overall value of those businesses (aside from an element of goodwill). Instead, accounting balances related to these businesses generally manifest themselves in short-term working capital assets and liabilities associated with procuring and selling gas or servicing/installing boilers; with those balances generally settled within six months and so specifically less exposed to climate risks.

In a similar vein, Infrastructure assets are tested for impairment in accordance with relevant IFRS accounting standards. These generally require the recoverable amount of the asset to be calculated based on a best estimate of long-term forecast commodity prices, which the Group estimates based on current market prices and Centrica's view of long-term prices using a balance of reputable commodity pricing consultants' forecasts. However, these estimates are not consistent with net zero scenarios from the consultants (as they do not factor in any prospective, yet to be announced, legislative or market changes that would be required to meet temperature targets) and hence impairment reviews are not based on net zero scenario forward prices. The Group instead discloses the impact on the carrying value of Infrastructure assets by way of sensitivity analysis (see note 6(c)).

3. Critical accounting judgements and key sources of estimation uncertainty

Accordingly, the Group is mindful of these dynamics when it considers which areas of the balance sheet are exposed to key estimation uncertainty from climate-related issues. The Group considers which assets are most exposed to impairment (or write-backs) from climate risks and similarly whether there are any liabilities that are either currently unrecognised or might increase as a result of those risks.

The Group's assets/liabilities have been segmented into three tranches, grading each balance's exposure to climate risks/ opportunities:

(i) Higher risk – As the consumption of gas and power is intrinsically linked to carbon emissions, their pricing is consequently exposed to climate and legislative risk. Accordingly, where assets or contract values have a key dependency on commodity price assumptions and their carrying value is material, those assets (or contracts) are deemed higher risk.

(ii) Medium risk – Infrastructure assets with reduced exposure to commodity prices or lower carrying values, together with decommissioning balances, and gross margin energy transition considerations and their potential impact on forward-looking balances (e.g. Retail and Optimisation goodwill).

(iii) Lower risk – No significant risk identified on the basis that positions are short-term in nature or are specifically linked to the energy transition or are immaterial.

The key non-current asset (and decommissioning provision) balance sheet items have been presented in more granular detail below, together with the groupings into the above risks and with rationale set out below the table:

As at 31 December 2025 (£m):	Goodwill	Intangibles	Investment in joint ventures & associates	Property, plant & equipment	Deferred tax assets/ (liabilities)	Decommissioning provision
Retail	357					
Brand (mainly Dyno-Rod)		57				
Application software		181				
Electric vehicles (vans/cars)				37		
Non-electric vehicles (vans/cars)				37		
Optimisation	147					
Application software		30				
LNG vessel leases				39		
Infrastructure - Gas Assets						
Isle of Grain investment			185			
Gas fields (Spirit)				76	455	(961)
Gas storage facility (Rough)					141	(321)
Infrastructure - Power Assets						
Nuclear investment (excluding Sizewell C)			578			
Sizewell C investment			392			
Battery storage				140		(4)
Gas peakers/power stations/engines				485		(16)
Combined Heat and Power (CHP)/other power assets				27		
Solar				35		
Infrastructure - Meter Assets				368		
Group/Other (i)						
Customer relationships		19				
Emission certificates		31				
Land & buildings				168		
Derivatives deferred tax					100	
Other (ii)			16	76	(37)	
Total	504	318	1,171	1,488	659	(1,302)

(i) Items included within Group/Other have not been allocated out across business type.
(ii) Other property, plant & equipment includes a cumulative £64 million elimination adjustment of internal margin and indirect costs on smart meter installation capitalised in the meter asset provider business within Infrastructure.

Higher
Medium
Lower

Physical Risk Assessment
During the year, the Group reassessed physical climate risks using UK Met Office climate projections and the World Resources Institute (WRI) Aqueduct platform. Across our portfolio, including offshore assets and the Isle of Grain LNG terminal, no material short- or long-term financial statement impacts were identified due to existing mitigations and asset resilience, including flood defences at the Isle of Grain LNG terminal designed to provide protection to at least 2070. Any potential reduction in heat demand under extreme warming scenarios is considered within revenue estimation processes and does not change the conclusions of our impairment or going-concern assessments.

3. Critical accounting judgements and key sources of estimation uncertainty

All items noted above may be impacted by climate-related risks but are not currently considered to be key areas of judgement or sources of estimation uncertainty in the current financial year.

Higher risk

The valuation of the Nuclear investment (excluding Sizewell C) is highly dependent on forecast commodity prices. Climate change risks and opportunities means there is uncertainty over electricity demand and forecast prices. The underlying nuclear stations, which produce electricity with no carbon emissions, have different useful economic lives, with the last station forecast to cease operating in 2055.

The Group's gas peakers/power stations/engines are similarly exposed to climate change risk, with valuations dependent on forecast gas and electricity prices and electricity demand. During the year, this asset class has become material to the Group with the continued construction of two Irish gas peaker assets. The associated decommissioning obligations are deemed medium risk as the value is not significant in the context of the Group.

Valuation sensitivity information based on a net zero price forecast has been provided in note 6(c) for these assets.

Medium risk

The investment in the Sizewell C nuclear new-build power station has some exposure to physical climate change risk during the build and operation phases. However, due to the regulated asset base funding model, the asset valuation itself is less exposed to commodity prices. Accordingly it is deemed medium risk.

The investment in the Isle of Grain LNG terminal has exposure to climate change risk both from a physical asset perspective and from the impact of locational gas price spreads. However, it is deemed medium risk because the investment carrying value is not significant in the context of the Group.

Gas field valuations are dependent on forecast commodity prices. Climate change risk means that there is uncertainty over gas demand and forecast prices. During the year, the announced disposals of a large proportion of the Gas field portfolio mean that the remaining property, plant and equipment carrying value is much smaller than before and therefore is also deemed medium risk. Note further investment in exploring for new gas fields has ceased with the portfolio's decommissioning obligations expected to be substantively met by the early 2030s (including the Rough storage facility).

Deferred tax assets associated with gas fields and the Rough storage facility are predominantly related to decommissioning cost recovery and are not considered high risk due to the length of carry-back rules. Deferred tax assets associated with derivatives are considered medium risk as the derivatives generally realise within two years.

The Group's investment in CHP and other power assets are also exposed to climate risk. They have useful economic lives of up to 40 years but they do not, individually or in total, have material carrying values.

The Group's meter assets are exposed to climate change risk because they record usage of both gas and power. They are deemed medium risk because they are subject to contractual arrangements that provide for ongoing revenue security from suppliers.

LNG vessels on the balance sheet are exposed to risk from climate change, but as they are leased assets with the current term remaining less than five years, this risk is reduced to medium.

The Group continues to transition to an electrified vehicle fleet. Non-electric vehicles are deemed medium risk because their remaining useful economic lives are generally short.

Retail and Optimisation Goodwill and Application Software are categorised as medium risk because the businesses are exposed to energy transition risk as a result of climate change. However, there are also significant opportunities for these businesses and the carrying values are not material.

Lower risk

All other assets denoted in the table above are considered lower risk because they are either specifically related to the energy transition (e.g. electric vehicles, battery storage and associated decommissioning, solar) or are immaterial. Note that designation as lower risk does not mean these assets are not at risk of impairment (e.g. from reduced residual values or commodity price movements) but instead is an assessment of specific exposure to climate change risks.

Other contracts

The Group also has long-term LNG supply contracts with Cheniere, Delfin, Mozambique, Repsol and PTT. These are not reflected on the balance sheet but the Group has certain purchase commitments. The Group also has long-term gas sale and purchase agreements, which similarly have long-term commitments (see note 18). The contracts currently have significant value (when considered together) because of gas price locational spreads but are exposed to climate change risk and therefore could ultimately become onerous in net zero scenarios. The commitments note provides detail of the length of the contracts and commodity purchase commitments.

4. Risk Management

The Group's normal operating, investing and financing activities expose it to a variety of risks. Risk management is fundamental to the way the Group is governed and managed. The system of risk management and internal control is designed to support delivery of the Group's strategy, maintain resilience and protect long-term value, and is set out in the 2024 Annual Report and Accounts.

The Group refreshed its Principal Risks and corresponding qualitative risk appetite statements during the year to ensure they remained strategically aligned, reflected changes in the operating environment and considered emerging risk areas.

Risk areas that were prioritised for leadership attention related to:

- Ineffective allocation and/or deployment of capital, resources or transformational change initiatives;
- Exposure to counterparty, customer or third-party default, or a credit event, limiting the availability of financial facilities or unsecured credit lines;
- Financial loss arising from volatility in energy prices, interest rates and foreign exchange rates;
- Adverse or unseasonal weather conditions leading to unexpected changes in energy demand, commodity prices or asset performance;
- Political or regulatory intervention or potential changes, or failure to comply with laws and regulations;
- Failure to understand and respond to changing customer needs and demands;
- Failure to attract, develop and retain the skills, leadership capability and culture required to deliver strategic priorities and transformation objectives;
- Unfavourable market, regulatory and policy changes driven by climate change;
- Risks to the health and safety of employees, contractors, customers or third parties;
- A successful cyber-attack on the Group's systems; and
- Impaired structural or asset integrity, resulting from any failure in design, maintenance, inspection or operation.

Financial Risk Management
Financial risks are assessed at a Business Unit (BU) level to determine the impact and likelihood. During the BU and Group level risk reviews, the adequacy of mitigating actions are considered given the net residual risk scores in comparison to the Group risk appetite. All Group Principal Risks including financial risks as updated by the Centrica Leadership Team are presented to the Audit and Risk Committee for review.

The main areas of financial risk and their respective management include:

(i) Market price risk is the risk of financial loss, both in terms of short-term profitability and long-term asset valuations, due to trends and volatilities in commodity prices. Price risk management is governed by Business Unit hedging or trading policies as approved by the CEO in the Group Hedging Policy Committee. This Committee regularly reviews and calibrates risk limits to its risk appetite taking market conditions into consideration. Monitoring and reporting of key risk metrics allow for prompt remedial action should exposures fall outside of the policy mandated limits;

(ii) Credit risk is our exposure to counterparty, customer or third-party default or to a credit event that limits the availability of financial facilities or unsecured credit lines and results in financial losses. Wholesale credit risks associated with commodity trading and treasury positions, and exposure to downstream customer credit, are managed in accordance with the Group's Credit Risk Policy, as approved by the Group CFO. The rating thresholds for counterparty credit limits are regularly reviewed and updated, based on a consistent set of principles; the trade-off between credit and liquidity risks is actively managed and a dynamic watchlist is maintained to monitor counterparties facing financial or operational stress, enabling early intervention, informed provisioning, and strategic decision-making. Downstream customer credit risk exposure is managed through active engagement and support for customers repaying debt, including tailored assistance for vulnerable customers, alongside continuing development and enhancement of customer debt management capabilities; and

(iii) Treasury risk, including management of currency risk, interest rate risk and liquidity risk which arise from exposure to events which consume available Group liquidity resources or from variances in interest rates and exchange rates . Management of these risks is carried out by the Group Treasury function in accordance with the Group's Financing and Treasury policy, as approved by the Board.

4. Risk management

Liquidity risk management and going concern

The Group has a number of treasury and risk policies to monitor and manage liquidity risk. Cash forecasts identifying the Group's liquidity requirements are produced regularly and are stress-tested for different scenarios, including, but not limited to, reasonably possible increases or decreases in commodity prices and the potential cash implications of a credit rating downgrade. The Group seeks to ensure that sufficient financial headroom exists for at least a twelve-month period to safeguard the Group's ability to continue as a going concern, and as at the reporting date, the analysis performed by the Group extends to 31 December 2028. It is the Group's policy to maintain committed facilities and/or available surplus cash resources of at least £1,500 million, raise at least 50% of its gross debt (excluding non-recourse debt) in the capital market and to maintain an average term to maturity in the recourse long-term debt portfolio greater than five years.

At 31 December 2025 the Group had undrawn committed credit facilities of £3,066 million (2024: £3,293 million) and £4,161 million (2024: £5,578 million) of unrestricted cash and cash equivalents, net of outstanding overdrafts. 80% (2024: 77%) of the Group's gross debt has been raised in the long-term debt market and the average term to maturity of the long-term debt portfolio was 9.8 years (2024: 9.6 years). The Group's liquidity is impacted by the cash posted or received under margin and collateral agreements. The terms and conditions of these agreements depend on the counterparty and the specific details of the transaction. Margin/collateral is generally posted or received to support energy trading and procurement activities. It is posted when contracts with marginable counterparties are out of the money and received when contracts are in the money. Cash is generally returned to the Group or by the Group within two days of trade settlement. At 31 December 2025 the collateral position was as follows:

31 December	2025 £m	2024 £m
Collateral (received)/posted included within:		
Trade and other payables	**(81)**	(162)
Trade and other receivables	**203**	191
Collateral (received)/posted extinguishing:		
Net derivative (assets)/liabilities (i)	**(61)**	76
Net collateral posted (ii)	**61**	105

(i) Variation margin on daily settled derivatives results in the extinguishment of the net derivative asset/liability. These contracts remain outstanding until a future delivery date, and therefore the cumulative daily settlement is considered collateral until that fulfilment date.
(ii) In-year movements of net collateral posted include a foreign exchange adjustment of £7 million credit (2024: £4 million debit).

The Group utilises initial margin waiver facilities to help manage its liquidity and working capital position in relation to derivative trading. For certain types of trade, initial margin is a requirement before entering into a transaction, as it provides credit assurance for the exchange. As initial margin is not a liability of the Group and is refundable, it is reflected as a margin asset on the Group's balance sheet. Accordingly, where counterparties waive any requirement to post initial margin, the Group has no liability.

The level of undrawn committed bank facilities and available cash resources has enabled the Directors to conclude that the Group has sufficient headroom to continue as a going concern.

5. Segmental analysis

The Group's reporting segments are those used internally by management to run the business and make decisions. The Group's segments are based on products and services as well as the major factors that influence the performance of these products and services across the geographical locations in which the Group operates.

(a) Segmental structure

During the year the Group's reportable operating segments have been redefined to reflect the way the Board makes decisions about resources to be allocated to the segments and assess their performance. See note 1(e) for further details.

The types of products and services from which each reportable segment derived its income during the year are detailed below. All reportable segments are operating segments. Income sources are reflected in total Group revenue unless otherwise stated:

Segment	Description
Retail	• The supply of gas and electricity to residential and business customers in the UK and the Republic of Ireland (i); • the installation, repair and maintenance of central heating and related appliances (including smart meters), to residential and business customers in the UK, and the Republic of Ireland; • the supply of energy services and solutions to large organisations in the UK, Europe and North America; • the provision of fixed-fee maintenance/breakdown services and insurance contracts in the UK; and • the supply of new technologies and energy efficiency solutions in the UK.
Optimisation	• The procurement, trading and optimisation of energy predominantly in the UK and Europe (i); and • the global procurement and sale of LNG.
Infrastructure	• The production and processing of gas and liquids principally within Spirit Energy (i); • the development and operation of power assets, and sale of power generated (including from nuclear assets), in the UK and Europe; • gas and LNG storage in the UK; and • the smart meter asset provider business in the UK.

(i) Where income is generated from contracts in the scope of IFRS 9, this is included in re-measurement and settlement of derivative energy contracts.

5. Segmental analysis

(b) Revenue

Gross segment revenue includes revenue generated from the sale of products and services to other reportable segments of the Group. Total Group revenue reflects only the sale of products and services to third parties. Sales between reportable segments are conducted on an arm's length basis.

	2025			2024 (restated) (i)		
Year ended 31 December	Gross segment revenue £m	Less inter-segment revenue £m	Total Group revenue £m	Gross segment revenue £m	Less inter-segment revenue £m	Total Group revenue £m
Retail	**16,507**	**(207)**	**16,300**	17,124	(79)	17,045
Optimisation	**6,052**	**(776)**	**5,276**	6,537	(560)	5,977
Infrastructure	**2,004**	**(1,215)**	**789**	2,912	(1,298)	1,614
Total Group revenue included in business performance	**24,563**	**(2,198)**	**22,365**	26,573	(1,937)	24,636
Less: revenue arising on contracts in scope of IFRS 9 included in business performance			**(2,873)**			(4,723)
Total Group revenue			**19,492**			19,913

(i) Segmental revenues have been restated to reflect the new operating structure of the Group. See note 1(e) for further details.

The table below shows the total Group revenue arising from contracts with customers, and therefore in the scope of IFRS 15, and revenue arising from contracts in the scope of other standards. The key economic factors impacting the nature, timing and uncertainty of revenue and cash flows are considered to be driven by the type and broad geographical location of the customer. The analysis of IFRS 15 revenue below reflects these factors.

	2025				
Year ended 31 December	Revenue from contracts with customers in scope of IFRS 15 (i) £m	Revenue from fixed-fee service and insurance contracts in scope of IFRS 17, and leasing contracts in scope of IFRS 16 £m	Total Group revenue £m	Revenue in business performance arising from contracts in scope of IFRS 9 £m	Total Group revenue included in business performance £m
Energy supply and services	**15,261**				
Retail	**15,261**	**799**	**16,060**	**240**	**16,300**
Energy sales to trading and energy procurement counterparties	**3,259**				
Optimisation	**3,259**	**5**	**3,264**	**2,012**	**5,276**
Gas and liquid production	**168**				
Infrastructure	**168**	**—**	**168**	**621**	**789**
	18,688	**804**	**19,492**	**2,873**	**22,365**

(i) As part of the finalisation process of the government support schemes, revenue of £42 million was recognised (2024: £21 million reversal) during the year in relation to the Energy Price Guarantee scheme for domestic customers in the Retail segment. In addition, revenue of £2 million was reversed (2024: £13 million recognised) in respect of non-domestic schemes, also in the Retail segment.

	2024 (restated) (i)				
	Revenue from contracts with customers in scope of IFRS 15 £m	Revenue from fixed-fee service and insurance contracts in scope of IFRS 17, and leasing contracts in scope of IFRS 16 £m	Total Group revenue £m	Revenue in business performance arising from contracts in scope of IFRS 9 £m	Total Group revenue included in business performance £m
Energy supply and services	15,823				
Retail	15,823	802	16,625	420	17,045
Energy sales to trading and energy procurement counterparties	3,105				
Optimisation	3,105	15	3,120	2,857	5,977
Gas and liquid production	168				
Infrastructure	168	—	168	1,446	1,614
	19,096	817	19,913	4,723	24,636

(i) Segmental revenues have been restated to reflect the new operating structure of the Group. See note 1(e) for further details.

5. Segmental analysis

Geographical analysis of revenue and non-current assets

The Group monitors and manages performance by reference to its operating segments and not solely on a geographical basis, however provided below is an analysis of revenue and certain non-current assets by geography.

	Total Group revenue (based on location of customer)		Non-current assets (based on location of assets) (i)	
Year ended 31 December	**2025 £m**	2024 £m	**2025 £m**	2024 £m
UK	**15,820**	16,240	**2,913**	2,860
Republic of Ireland	**1,022**	1,021	**441**	325
Europe (excluding UK and Republic of Ireland)	**1,640**	1,423	**232**	376
Rest of the world	**1,010**	1,229	**30**	15
	19,492	19,913	**3,616**	3,576

(i) Non-current assets comprise goodwill, other intangible assets, PP&E, interests in joint ventures and associates and non-financial assets within trade and other receivables, and contract-related assets.

(c) Adjusted gross margin and adjusted operating profit

The measure of profit used by the Group is adjusted operating profit. Adjusted operating profit is operating profit before exceptional items and certain re-measurements. This includes business performance results of equity-accounted interests. This note also details adjusted gross margin. Both measures are reconciled to their statutory equivalents.

	Adjusted gross margin		Adjusted operating profit	
Year ended 31 December	**2025 £m**	2024 (restated) (i) £m	**2025 £m**	2024 (restated) (i) £m
Retail	**2,441**	2,518	**424**	458
Optimisation	**434**	583	**155**	339
Infrastructure	**332**	735	**314**	799
Segmental adjusted gross margin/adjusted operating profit	**3,207**	3,836	**893**	1,596
Reconciling items to Group Income Statement:				
Colleague profit share (ii)	**(12)**	(9)	**(34)**	(25)
Meter asset provider consolidation adjustment (iii)	**(61)**	(19)	**(45)**	(19)
Total Group adjusted gross margin/adjusted operating profit	**3,134**	3,808	**814**	1,552
Certain re-measurements (note 6):				
Onerous energy supply/LNG contract provision movement	**42**	(142)	**42**	(142)
Derivative contracts	**(345)**	421	**(345)**	421
Gross profit	**2,831**	4,087		
Exceptional items			**(405)**	(128)
Operating profit after exceptional items and certain re-measurements			**106**	1,703

(i) Segmental results have been restated to reflect the new operating structure of the Group. See note 1(e) for further details.
(ii) The impact of the colleague profit share is excluded because management considers it unrelated to segmental business performance.
(iii) In accordance with IFRS 8, Segmental adjusted gross margin and adjusted operating profit are presented as managed by the Board and accordingly the internal margin and indirect costs on smart meter installation recognised by Retail and subsequently capitalised in the meter asset provider business within Infrastructure, are eliminated on consolidation and reported as a reconciling item to the Group Income Statement. The Group Income Statement reflects the capitalisation of costs based on their nature as incurred by Retail.

5. Segmental analysis

(d) Included adjusted operating profit

Presented below are certain items included within adjusted operating profit, including a summary of impairments of property, plant and equipment and intangibles.

	Depreciation and impairments of property, plant and equipment		Amortisation and impairments of intangibles	
Year ended 31 December	**2025 £m**	2024 (restated) (i) £m	**2025 £m**	2024 (restated) (i) £m
Retail	**(48)**	(44)	**(81)**	(68)
Optimisation	**(25)**	(29)	**(9)**	(11)
Infrastructure	**(249)**	(300)	**—**	—
Other (ii)	**(26)**	(36)	**(1)**	(8)
	(348)	(409)	**(91)**	(87)

(i) Segmental results have been restated to reflect the new operating structure of the Group. See note 1(e) for further details.
(ii) Other includes corporate functions, subsequently recharged.

Impairments of property, plant and equipment

During 2025, £5 million of net impairments of property, plant and equipment (2024: £22 million) were recognised within business performance

Impairments of intangible assets

During 2025, £6 million of impairments of other intangible assets (2024: £1 million) were recognised within business performance.

(e) Capital expenditure

Capital expenditure represents additions, other than assets acquired as part of business combinations or asset purchase agreements, to property, plant and equipment and intangible assets. Capital expenditure has been reconciled to the related cash outflow.

	Capital expenditure on property, plant and equipment		Capital expenditure on intangible assets other than goodwill	
Year ended 31 December	**2025 £m**	2024 (restated) (i) £m	**2025 £m**	2024 (restated) (i) £m
Retail	**28**	30	**885**	853
Optimisation	**6**	7	**13**	9
Infrastructure	**522**	398	**38**	31
Other (ii)	**97**	37	**1**	—
Segmental capital expenditure	**653**	472	**937**	893
Meter asset provider consolidation adjustment (iii)	**(47)**	(19)	**—**	—
Total Group Capital Expenditure	**606**	453	**937**	893
Capitalised borrowing costs (note 7)	**(17)**	(11)	**—**	—
Inception of new leases and movements in payables and prepayments related to capital expenditure	**(97)**	(62)	**—**	(1)
Capital expenditure cash outflow subsequent to transfer to held for sale	**15**	—	**—**	—
Purchases of emissions allowances and renewable obligation certificates (iv)	**—**	—	**(890)**	(856)
Net cash outflow	**507**	380	**47**	36

(i) Segmental results have been restated to reflect the new operating structure of the Group. See note 1(e) for further details.
(ii) Other includes corporate functions.
(iii) In accordance with IFRS 8, Segmental capital expenditure is presented as managed by the Board and accordingly the internal margin and indirect costs on smart meter installation recognised by Retail and subsequently capitalised in the meter asset provider business within Infrastructure, is eliminated on consolidation and reported as a reconciling item to Total Group capital expenditure.
(iv) Purchases of emissions allowances and renewable obligation certificates of £854 million (2024: £828 million) in Retail and £36 million (2024: £28 million) in Infrastructure.

6. Exceptional items and certain re-measurements

(a) Certain re-measurements

Certain re-measurements are the fair value movements on energy contracts entered into to meet the future needs of our customers or to sell the energy produced from our Infrastructure assets. These contracts are economically related to our Infrastructure assets, capacity/offtake contracts or downstream demand, which are typically not fair valued, and are therefore separately identified in the current period and reflected in business performance in future periods when the underlying transaction or asset impacts the Group Income Statement.

If the future costs to fulfil customer supply contracts, including the mark-to-market reversal of any energy hedging contracts entered into to meet this demand, exceed the charges recoverable from customers, an onerous contract provision will be recognised. Similarly, if the future revenues from LNG procurement contracts, including the mark-to-market reversals of hedging contracts entered into related to these purchases, do not exceed the purchase cost, an onerous contract provision will be recognised. Because the associated, unrealised hedging gains or losses will be recognised in certain re-measurements, the movements in these onerous provisions will also be recognised in certain re-measurements.

Year ended 31 December	2025 £m	2024 £m
Certain re-measurements recognised in relation to energy contracts:		
Net (losses)/gains arising on delivery of contracts	(299)	377
Net (losses)/gains arising on market price movements and new contracts	(46)	44
Net re-measurements included within gross profit before onerous supply contract provision	(345)	421
Onerous energy supply and LNG contracts provision movement (i)	42	(142)
Net re-measurements included within Group operating profit	(303)	279
Taxation on certain re-measurements (note 8) (ii)	(22)	161
Certain re-measurements after taxation	(325)	440

(i) The onerous LNG contracts provision movement amounted to £50 million credit (2024: £82 million debit) and the onerous energy supply contract entry is £8 million debit (2024: £60 million debit). Cumulatively over time the onerous energy supply and LNG contracts provision movement will net to £nil. See notes 2(b) and 3(a) for further details.

(ii) Taxation on onerous energy supply and LNG contracts provision movement amounted to £11 million debit (2024: £35 million credit) and taxation on other certain re-measurements amounted to £11 million debit (2024: £126 million credit).

Year ended 31 December	2025 £m	2024 £m
Total re-measurement and settlement of derivative energy contracts	(4,748)	(4,062)
Excluding:		
IFRS 9 business performance revenue	(2,873)	(4,723)
IFRS 9 business performance cost of sales	7,276	9,206
Unrealised certain re-measurements recognised in relation to energy contracts included in gross profit	(345)	421
Onerous contract provision movement (cost of sales)	42	(142)
Total certain re-measurements	(303)	279

The table below reflects the certain re-measurement derivative movements by operating segment:

Year ended 31 December	2025 £m	2024 (restated) (i) £m
Retail (Energy Supply)	(755)	2,151
Infrastructure and Optimisation	410	(1,730)
Unrealised certain re-measurements recognised in relation to energy contracts included in gross profit	(345)	421

(i) 2024 has been restated to reflect the new operating structure of the Group. See note 1(e) for further details.

6. Exceptional items and certain re-measurements

(b) Exceptional items

Exceptional items are those items that, in the judgement of the Directors, need to be disclosed separately by virtue of their nature, size or incidence. Items which may be considered exceptional in nature include disposals of businesses or significant assets, business restructuring, pension change costs or credits, significant debt repurchase costs and asset impairments and write-backs.

Year ended 31 December	2025 £m	2024 £m
Gain on disposal of interest in the Cygnus gas field (i)	80	—
Impairment of power assets (ii)	(264)	(75)
Impairment of gas field assets (iii)	(244)	—
Legacy contract cost provision movement (iv)	23	(53)
Exceptional items included within Group operating profit (v)	**(405)**	(128)
Debt repurchase costs included within financing costs	—	(68)
Exceptional items included within Group profit before taxation	**(405)**	(196)
Net exceptional item taxation (note 8) (vi)	124	78
Total exceptional items recognised after taxation	**(281)**	(118)

(i) The disposal of part of Spirit Energy's interest in the Cygnus gas field to a subsidiary of Ithaca Energy plc completed on 1 October 2025 (post-tax £80 million). See note 15 for further details.

(ii) In the Infrastructure segment, an impairment of the Nuclear investment (excluding Sizewell C) of £251 million (post-tax £251 million) (2024: £48 million (post-tax £48 million)) has been recorded predominantly as a result of the reduction in both forecast and actual power prices, together with an increase to operating and capital expenditure assumptions, partially offset by life extensions at two stations. Also in the Infrastructure segment, an impairment of £13 million (post-tax £10 million) (2024: £27 million (post-tax £20 million)) has been recorded related to Solar assets, following lower forecast power price capture, together with an increase in discount rate. See note 6(c).

(iii) In the Infrastructure segment, an impairment of the retained gas field assets of £167 million (post-tax £37 million) has been recorded as a result of an update to the cessation of production date associated with the Morecambe field, as gas prices fell and the economic cut-off date changed, together with changes to the discount rate assumptions used in the valuation model. A further impairment of gas field assets, included in the disposal group being sold to Serica Energy plc (see note 15). of £77 million (post-tax £18 million) has also been recorded on their transfer to assets held for sale, based on the expected disposal value following falls in forecast gas prices. See note 6(c).

(iv) Contracts associated with business activity that ceased a number of years ago, predominantly related to construction services, have led to a decrease in provisions of £23 million (post-tax £19 million) (2024: increase of £53 million (post-tax £45 million)) during the year. The cash flow associated is £34 million.

(v) 2025 exceptional items included within Group operating profit are non-cash, with the exception of consideration received for the disposal of the interest in the Cygnus gas field and legacy contract cost provisions. The consideration received on the disposal of interest in the Cygnus gas field is reflected in the Sale of business line item in the Group Cash Flow Statement. The cash flows recorded as payments relating to exceptional charges of £38 million (2024: £6 million) in the Group Cash Flow Statement relate to utilisation of legacy contract cost provisions, together with cash flows associated with previous years' exceptional restructuring costs.

(vi) Exceptional item taxation includes a debit of £64 million (2024: credit of £46 million) associated with deferred tax related to the gas field assets, in the Infrastructure segment. This predominantly relates to a re-measurement of the energy profits levy deferred tax liability and a decrease in the deferred tax asset position related to the recovery of abandonment tax losses, as a result of changes in forecast production profiles and commodity prices, and legislative changes. This item is unrelated to the other exceptional items.

6. Exceptional items and certain re-measurements

(c) Impairment accounting policy, process and sensitivities

The information provided below relates to the assets and CGUs (or groups of CGUs) that have been subject to impairment during the year and/or whose recoverable amount is a key source of estimation uncertainty. See note 3(b).

Exceptional impairment of assets measured on a value-in-use (VIU) basis

Segment	Asset/CGU	Basis for impairment assessment	Recoverable amount £m	Impairment £m
Infrastructure	Power - Nuclear (i)	Decrease in both forecast and actual power prices, together with an update to capital and operating expenditure assumptions, partially offset by the impact of life extensions at Heysham 1 and Hartlepool stations.	578	251

(i) The Nuclear CGU relates to the investment in the Lake Acquisitions Limited group (which holds the existing UK Nuclear fleet) and therefore excludes the recent investment in Sizewell C.

Nuclear

A VIU calculation has been used to determine the recoverable amount of the Group's investment in Nuclear. The cash flows incorporated in the valuation are based on detailed business forecasts in the short term, extrapolated to future years to account for the expected generation profile of the fleet for its remaining life. Assumptions include forward commodity prices (including capacity rates), station lives, outage assumptions, discount rate, production levels, the application of the Electricity Generator Levy (EGL) and operating and capital expenditure requirements. Price assumptions are based on liquid market prices for 2026 to 2029 which are then blended over a one-year period to long-term price forecasts. The methodology for deriving long-term price assumptions remains consistent with the prior year-end, using a single third-party curve provider which most aligns to Centrica's beliefs around the evolution of commodity markets, as a basis for the longer-term commodity price forecasts.

The EGL, applying a 45% tax rate to revenues generated over £75/MWh (adjusted for inflation) until 31 March 2028, based on the above price assumptions, has also been included in the assessment. See note 3.

In September 2025, the Nuclear business announced that estimated operating lifetimes at Heysham 1 and Hartlepool would be extended by a further year to March 2028. Based on prices at 31 December 2025, the lifetime extensions increased the value of the Group's investment in Nuclear by £36 million.

The VIU calculation assumes that the Sizewell B plant operates until 2055, reflecting a 20-year extension beyond its original design life. In the absence of this extension, the carrying value of the Group's investment in Nuclear based on cash flows from 2035 to 2055 would be reduced by £153 million. All other stations' life assumptions are aligned to lifetime closure dates announced by the operator (being between March 2028 and March 2030).

The VIU calculation is also sensitive to changes in outage assumptions, and the base level generation volumes assumed for the fleet were decreased during the period based on a review of planned and unplanned outages. An increase or reduction of 3% in the unplanned outage rate applied to volumes across the Nuclear fleet would lead to an impairment/write-back of £70 million.

The future pre-tax cash flows generated by the investment in the associate are discounted using a pre-tax nominal discount rate of 13.6% (2024: 15.3%). This equated to a post-tax rate of 8.5% (2024: 8.5%). The post-tax discount rate is initially derived from the Group weighted average cost of capital as adjusted for the risks associated with the asset and with reference to comparator companies. The pre-tax rate is then back-calculated by removing tax cash flows and assessing the rate that would give the same result as the post-tax rate. As baseload power prices for the liquid period remain higher than longer-term forecast prices, the near-term cash flows are elevated, which caused the pre-tax discount rate to remain high. A 1% increase in the post-tax discount rate would lead to an impairment of £32 million (when compared with the year-end carrying value). Similarly, a 1% reduction in the post-tax discount rate would lead to a write-back of £37 million.

The asset is particularly sensitive to changes in commodity price and the table below details average prices for the first 5- and 10-year periods and associated sensitivities. Note that the asset is valued based on cash flows arising over its entire economic life and not just this 15-year period.

	Five-year liquid and blended-period price (i)		Ten-year long-term average price (i)		Change in pre/post-tax write-back/(impairment) (ii) +10%		Change in pre/post-tax write-back/(impairment) (ii) -10%	
	2026-2030	2025-2029	2031-2040	2030-2039				
	31 December 2025 £/MWh	31 December 2024 £/MWh	31 December 2025 £/MWh	31 December 2024 £/MWh	31 December 2025 £m	31 December 2024 £m	31 December 2025 £m	31 December 2024 £m
Baseload power	65	72	61	63	196	190	(194)	(193)

(i) Prices are shown in 2024 real terms.
(ii) A 10% change in baseload power prices is deemed to represent a reasonably possible variation across the entire period covered by the liquid market and comparator curves used in the nuclear impairment test. Sensitivities are impacted by the effect of the EGL threshold of £75/MWh (adjusted for inflation).

Furthermore, there is also uncertainty due to climate change and international governmental intervention to reduce CO_2 emissions and the likely impact this will have on both power demand and forecast prices. As a result, a further sensitivity is disclosed below based on the forecast prices aligned to the net zero price curve issued by Aurora (a power analytics providers), which assumes governmental policies are put in place to achieve the temperature and net zero goals by 2050. This net zero forecast currently shows an increase in baseload power prices when compared with the base case impairment test price assumptions.

6. Exceptional items and certain re-measurements

	Five-year average price (i)	Ten-year long-term average price (i)	Reversal of pre/post-tax impairment (ii)
	2026-2030	2031-2040	
	2025	2025	£m
Baseload power (£/MWh)	**72**	**62**	**157**

(i) Prices shown in 2024 real terms.
(ii) Change would lead to a write-back of the carrying value.

While the TCFD analysis identifies Nuclear as strategically exposed to climate transition, under the net zero sensitivity used for IFRS disclosure, structurally higher long-term decarbonised power prices result in a potential write-back of £157 million. This illustrates that strategic exposure can co-exist with higher IFRS valuation outcomes where long-term prices under net zero pathways exceed the base-case market-aligned curves.

Exceptional impairment of assets measured on a FVLCD basis

Segment	Asset/CGU (or group of CGUs)	Basis for impairment assessment	Recoverable amount (ii) £m	FV hierarchy	Pre-tax Impairment £m
Infrastructure	Gas fields - transferred to disposal group held for sale (i)	Field valuations from the disposal process	(1)	L3	77
Infrastructure	Gas fields - retained	A reduction in forecast gas prices, together with a change in the discount rate used in the valuation	(229)	L3	167
Infrastructure	Power - Solar assets	A reduction in forecast price capture, together with an increase in discount rate	35	L3	13

(i) Gas fields - transferred to disposal groups held for sale relates to fields being sold to Serica Energy plc(see note 15) and were individually tested for impairment immediately prior to their balance sheet reclassification.
(ii) Recoverable amount for Gas fields relates only to the impaired fields and includes their decommissioning costs, together with related tax impacts. Recoverable amount for Power - Solar assets relates to the property, plant and equipment balance for the portfolio of assets.

For Gas fields - transferred to asset held for sale, fair value less costs of disposal (FVLCD) is calculated with reference to the expected disposal process field valuations. For all other assets, FVLCD is determined by discounting the post-tax cash flows expected to be generated by the assets or CGU, net of associated selling costs, taking into account those assumptions that market participants would use in estimating fair value. Post-tax cash flows used in the FVLCD calculation are based on the Group's Board-approved business plans and longer-term strategic plans together with, where relevant, long-term production, asset usage and cash flow forecasts. These calculations are then benchmarked back to market transactions, where available, to assess alignment with typical market participant views.

Gas field assets - retained

For gas field assets post-tax cash flows are derived from projected production profiles of each field, taking into account forward prices for gas and liquids over the relevant period. Where forward market prices are not available (i.e. outside the active period for each commodity), prices are determined based on Centrica's view of long-term prices, derived from a third-party market curve. The date of cessation of production depends on the interaction of a number of variables, such as the recoverable quantities of hydrocarbons, production costs, the contractual duration of the licence area and the selling price of the gas and liquids produced. As each field has specific reservoir characteristics and economic circumstances, the post-tax cash flows for each field (including decommissioning) are computed using individual economic models. Price assumptions are critical and use liquid market prices for 2026 to 2029, blended over a one-year period to long-term price forecasts. Long-term price assumptions are Centrica's view of long-term prices as derived from a third-party market curve and are deemed best aligned with pricing that a reasonable market participant would use. Following the implementation of the Energy Profits Levy, the increased tax rates have been included in the FVLCD calculations until the sunset date of 31 March 2030.

During the period, the methodology to assess the discount rate to be used on these cash flows was refined, following significant disposal activity (see note 15). For gas fields reaching the end of their producing life, it was deemed appropriate to discount decommissioning cash outflows using a post-tax risk-free based nominal rate of 4.9%, consistent with the approach to balance sheet provisioning. The future post-tax production cash flows continue to be discounted using a post-tax nominal discount rate, derived from the Group's weighted average cost of capital and compared with other market participants. At the year-end this rate was 10.0% (2024: 11.0% for all cash flows). This approach is considered to align with how a typical market participant would value these types of asset.

Once the disposals of the gas field assets transferred to disposal groups held for sale (see note 15) have completed, the Group's interests in producing gas fields will be substantially reduced. As a result, the retained gas field valuations are no longer materially sensitive to movement in future gas prices, and therefore no sensitivities for reasonably possible changes in prices or for net zero scenarios have been provided. This aligns with the Group's TCFD narrative on portfolio streamlining to reduce transition risk.

7. Exceptional items and certain re-measurements

Power - Batteries, Gas peakers/power stations and Solar assets

An exceptional impairment of £13 million has been recorded in 2025 for Solar assets measured on a FVLCD basis.

For Solar assets, post-tax cash flows are derived from an assessment of expected solar activity and the ability to capture future baseload power prices. Prices are determined based on a third-party capture price forecast. Post-tax cash flows also include an assessment of forecast capital and operating expenditure.

The future post-tax cash flows for Solar assets, are discounted using a post-tax nominal discount rate of 7.0% (2024: 6.0%).

The Solar asset valuations are sensitive to commodity price forecasts. A 10% increase in forecast Solar power price capture would lead to an impairment write-back of £8 million. A 10% reduction would lead to a further impairment of £4 million.

A non-exceptional impairment of £6 million has been recorded in 2025 for Batteries measured on a FVLCD basis. The recoverable amount for the portfolio is £140 million.

For Batteries, post-tax cash flows are derived from projected revenue streams associated with wholesale power, balancing, reserve, response and capacity markets over the life of the asset. Where forward market prices are not available, prices are determined based on third-party price forecasts, together with an assessment of extrinsic value capture. Post-tax cash flows also include an assessment of forecast capital and operating expenditure.

The future post-tax cash flows for Batteries are discounted using a post-tax nominal discount rate of 8.5% (2024: 8.0%).

The Battery asset valuations are sensitive to commodity price forecasts. A 10% increase in forecast Battery revenue capture would lead to an impairment write-back of £12 million (capped at historic cost). A 10% reduction would lead to a further impairment of £32 million.

For Gas peakers/power stations, post-tax cash flows are derived from an assessment of the clean spark-spread, which is the difference between the power revenues from generation and the cost of generation (gas and carbon costs), together with other revenue streams associated with balancing mechanism and capacity and availability markets. Where forward market prices are not available, prices are determined based on third-party price forecasts. Post-tax cash flows also include an assessment of forecast capital and operating expenditure.

The future post-tax cash flows for Gas peakers/power stations are discounted using a post-tax nominal discount rate of 8.0% (2024: 8.0%).

No net impairment or write-back has been required in 2025 for Gas peakers/power stations. Nonetheless, the Gas peaker/power station asset valuations are sensitive to commodity price forecasts. The portfolio carrying value is £485 million. A 10% increase in forecast Gas peaker/power station revenue would lead to an impairment write-back of £48 million (capped at historic cost). A 10% reduction would lead to an impairment of £55 million.

Furthermore, there is also uncertainty due to climate change and international governmental intervention to reduce CO_2 emissions and the likely impact this will have on both power demand and forecast price capture. As a result, a further sensitivity based on the forecast prices aligned to the net zero price curves issued by Aurora (a power analytics providers), which assumes governmental policies are put in place to achieve the temperature and net zero goals by 2050 has been calculated for these assets. Across the Batteries, Gas peakers/power stations and Solar assets, an additional impairment of c.£50 million would be required, under a forecast net zero scenario which is derived from Aurora price curves with certain in-house assumptions.

The combined additional impairment under the net zero sensitivities is primarily due to capture-rate assumptions and merchant revenue volatility. These outcomes are consistent with the TCFD characterisation of flexible assets as having low-to-moderate valuation impact and do not change the conclusions of the base-case impairment tests.

7. Net finance income/(cost)

Financing costs mainly comprise interest on bonds and bank debt, the results of hedging activities used to manage foreign exchange and interest rate movements on the Group's borrowings and notional interest arising from the discounting of decommissioning provisions and pensions. An element of financing cost is capitalised on qualifying projects.

Investment income predominantly includes interest received from short-term investments in money market funds, bank deposits and government bonds.

	2025			2024		
Year ended 31 December	**Financing costs £m**	**Investment income £m**	**Total £m**	Financing costs £m	Investment income £m	Total £m
Financing (cost)/income from net debt:						
Interest income	**—**	**243**	**243**	—	313	313
Interest cost on bonds, bank loans and overdrafts	**(189)**	**—**	**(189)**	(235)	—	(235)
Interest cost on lease liabilities	**(13)**	**—**	**(13)**	(13)	—	(13)
	(202)	**243**	**41**	(248)	313	65
Net gain on revaluation	**6**	**—**	**6**	—	—	—
Notional interest arising from discounting	**(23)**	**—**	**(23)**	(23)	—	(23)
	(219)	**243**	**24**	(271)	313	42
Other interest charges (i)	**(35)**	**—**	**(35)**	(9)	—	(9)
Capitalised borrowing costs (ii)	**17**	**—**	**17**	11	—	11
Financing (cost)/income before exceptional items	**(237)**	**243**	**6**	(269)	313	44
Exceptional items (iii)	**—**	**—**	**—**	(68)	—	(68)
Financing (cost)/income	**(237)**	**243**	**6**	(337)	313	(24)

(i) Other interest charges includes interest charged on cash collateral, and fees for letters of credit. The cash flow associated is £16 million (2024: £16 million).
(ii) Borrowing costs have been capitalised using an average rate of 7.34% (2024: 8.54%).
(iii) During 2024 the Group repurchased £370 million of debt instruments and refinanced a hybrid bond designated in a fair value hedge relationship, resulting in an exceptional financing cost of £68 million.

8. Taxation

The taxation note details the different tax charges and rates, including current and deferred tax arising in the Group. The current tax charge is the tax payable on this year's taxable profits together with amendments in respect of tax provisions made in earlier years. This tax charge excludes the Group's share of taxation on the results of joint ventures and associates. Deferred tax represents the tax on differences between the accounting carrying values of assets and liabilities and their tax bases. These differences are temporary and are expected to unwind in the future.

Analysis of tax charge

	2025			2024		
Year ended 31 December	**Business performance £m**	**Exceptional items and certain re-measurements £m**	**Results for the year £m**	Business performance £m	Exceptional items and certain re-measurements £m	Results for the year £m
Current tax						
UK corporation tax	**(126)**	**(65)**	**(191)**	(383)	146	(237)
UK energy profits levy	**(131)**	**(18)**	**(149)**	(243)	—	(243)
UK petroleum revenue tax	**7**	**—**	**7**	37	—	37
Non-UK tax	**(19)**	**11**	**(8)**	(35)	(17)	(52)
Adjustments in respect of prior years – UK	**10**	**45**	**55**	(1)	(50)	(51)
Adjustments in respect of prior years – non-UK	**(6)**	**—**	**(6)**	(7)	—	(7)
Total current tax	**(265)**	**(27)**	**(292)**	(632)	79	(553)
Deferred tax						
Origination and reversal of temporary differences – UK	**(21)**	**169**	**148**	(8)	(22)	(30)
UK energy profits levy	**28**	**(5)**	**23**	70	188	258
UK petroleum revenue tax	**(5)**	**—**	**(5)**	(2)	—	(2)
Origination and reversal of temporary differences – non-UK	**1**	**—**	**1**	2	(9)	(7)
Adjustments in respect of prior years – UK	**(8)**	**(35)**	**(43)**	14	3	17
Adjustments in respect of prior years – non-UK	**5**	**—**	**5**	3	—	3
Total deferred tax	**—**	**129**	**129**	79	160	239
Total UK tax	**(246)**	**91**	**(155)**	(516)	265	(251)
Total non-UK tax	**(19)**	**11**	**(8)**	(37)	(26)	(63)
Taxation on profit/(loss) (i)	**(265)**	**102**	**(163)**	(553)	239	(314)

(i) Total taxation on profit excludes taxation on the Group's share of results of joint ventures and associates.

UK tax rates

Most activities in the UK are subject to the standard rate for UK corporation tax of 25% (2024: 25%). Gas production activities are taxed at a rate of 30% (2024: 30%), a supplementary charge of 10% (2024: 10%), plus the Energy Profits Levy of 38% (2024: 35.5%) to give an overall tax rate of 78% (2024: 75.5%). Certain gas production assets in the UK are subject to the UK petroleum revenue tax (PRT) regime at the current tax rate of 0% (2024: 0%).

Non-UK tax rates

Taxation in non-UK jurisdictions, where the Group has a substantial presence, is calculated at the rate prevailing in those respective jurisdictions. The main non-UK rates of corporation tax are 12.5% (2024: 12.5%) in the Republic of Ireland, 22% (2024: 22%) in Denmark and 17% (2024: 17%) in Singapore.

The Group is subject to a minimum corporation tax rate of 15% in all jurisdictions as a result of the implementation of the OECD's Base Erosion and Profit Shifting (BEPS) initiative. Where the effective tax rate falls below 15% in a particular jurisdiction, a top up tax is payable.

Prior year adjustments occur when new information leads to changes in estimates or judgements made in 2024 and earlier years.

9. Dividends

Dividends represent the return of profits to shareholders. Dividends are paid as an amount per ordinary share held. The Group retains part of the profits generated to meet future investment plans or to fund share buyback programmes.

	2025			2024		
	£m	Pence per ordinary share	Date of payment	£m	Pence per ordinary share	Date of payment
Prior year final dividend	150	3.00	5 Jun 2025	141	2.67	11 Jul 2024
Interim dividend	87	1.83	30 Oct 2025	78	1.50	14 Nov 2024
	237			219		

The Directors propose a final dividend of 3.67 pence per ordinary share for the year ended 31 December 2025 (which would total £169 million based on shareholding at that date). The dividend will be paid on 14 May 2026 to those shareholders registered on 10 April 2026.

The Company has sufficient distributable reserves to pay dividends to its ultimate shareholders. Distributable reserves are calculated on an individual legal entity basis and the ultimate parent company, Centrica plc, currently has adequate levels of realised profits within its retained earnings to support dividend payments. At 31 December 2025, Centrica plc's Company-only distributable reserves were c.£5.4 billion (2024: c.£4.0 billion). On an annual basis, the distributable reserve levels of the Group's subsidiary undertakings are reviewed and dividends paid up to Centrica plc as appropriate to replenish its reserves.

10. Earnings per ordinary share

Earnings per share (EPS) is the amount of profit or loss attributable to each share. Basic EPS is the amount of profit or loss for the year divided by the weighted average number of shares in issue during the year. Diluted EPS includes the impact of outstanding share options.

Basic earnings per ordinary share has been calculated by dividing the loss attributable to equity holders of the Company for the year of £72 million (2024: £1,332 million profit) by the weighted average number of ordinary shares in issue during the year of 4,785 million (2024: 5,187 million). The number of shares excludes 563 million ordinary shares (2024: 573 million), being the weighted average number of the Company's own shares held in the employee share trust and treasury shares repurchased during the year by the Group as part of the share buyback programme. These 563 million shares do not include shares expected to be repurchased as part of the Group's share buyback programme during 2026.

The Directors believe that the presentation of adjusted basic earnings per ordinary share, being the basic earnings per ordinary share adjusted for certain re-measurements and exceptional items, assists with understanding the underlying performance of the Group, as explained in note 2.

Information presented for diluted and adjusted diluted earnings per ordinary share uses the weighted average number of ordinary shares as adjusted for 134 million (2024: 119 million) potentially dilutive ordinary shares as the denominator, unless it has the effect of increasing the profit or decreasing the loss attributable to each ordinary share.

Basic to adjusted basic earnings per ordinary share reconciliation

	2025		2024	
Year ended 31 December	**£m**	**Pence per ordinary share**	£m	Pence per ordinary share
Earnings – basic	**(72)**	**(1.5)**	1,332	25.7
Net exceptional items after taxation (notes 2 and 6) (i)	**269**	**5.6**	132	2.5
Certain re-measurement losses/(gains) after taxation (notes 2 and 6) (i)	**337**	**7.1**	(480)	(9.2)
Earnings – adjusted basic	**534**	**11.2**	984	19.0
Earnings – diluted (ii)	**(72)**	**(1.5)**	1,332	25.1
Earnings – adjusted diluted	**534**	**10.9**	984	18.5

(i) Net exceptional items after taxation and certain re-measurement losses/(gains) after taxation are adjusted to reflect the share attributable to non-controlling interests.
(ii) Potential ordinary shares are not treated as dilutive when they would decrease a loss per share.

11. Sources of finance

(a) Capital structure

The Group seeks to maintain an efficient capital structure with a balance of debt and equity as shown in the table below:

31 December	2025 £m	2024 £m
Gross debt	**2,892**	2,974
Shareholders' equity	**3,085**	4,422
Capital	**5,977**	7,396

Debt levels are restricted to limit the risk of financial distress and, in particular, to maintain a strong credit profile. The Group's credit standing is important for several reasons: to maintain a low cost of debt, limit collateral requirements in energy trading, hedging and decommissioning security arrangements, and to ensure the Group is an attractive counterparty to energy producers and long-term customers.

The Group monitors its current and projected capital position on a regular basis, considering a medium-term view of at least three years, and different stress case scenarios, including the impact of changes in the Group's credit ratings and significant movements in commodity prices. A number of financial ratios are monitored, including those used by the credit rating agencies.

The level of debt that can be raised by the Group is restricted by the Company's Articles of Association. Borrowing is limited to the higher of £10 billion and a gearing ratio of three times shareholders' equity. The Group funds its long-term debt requirements through issuing bonds in the capital markets and taking bank debt. Short-term debt requirements are met primarily through commercial paper or short-term bank borrowings. The Group maintains substantial committed facilities and uses these to provide liquidity for general corporate purposes, including short-term business requirements and back-up for commercial paper.

British Gas Insurance Limited (BGIL) is required to hold a minimum capital amount under PRA regulations and has complied with this requirement since its inception. BGIL's capital risk appetite, which is approved by the board, exceeds the PRA capital requirements.

BGIL's capital management policy and plan are subject to review and approval by the BGIL board. Reporting processes provide relevant and timely capital information to management and the board. A medium-term capital management plan forms part of BGIL's planning and forecasting process, embedded into approved timelines, management reviews and board approvals.

11. Sources of finance

(b) Adjusted net cash/(debt) summary

Adjusted net cash/(debt) predominantly includes capital market borrowings offset by cash, securities and certain hedging financial instruments used to manage interest rate and foreign exchange movements on borrowings. Presented in the derivatives and current and non-current borrowings, leases and interest accruals columns shown below are the assets and liabilities that give rise to financing cash flows.

				Other assets and liabilities			
	Current and non-current borrowings, leases and interest accruals £m	Derivatives £m	Gross debt £m	Cash and cash equivalents, net of bank overdrafts [(i)] £m	Current and non-current securities [(ii)] £m	Sub-lease assets £m	Adjusted net cash/(debt) £m
Group adjusted net (debt)/cash at 1 January 2024	(3,289)	(119)	(3,408)	5,629	521	2	2,744
Cash outflow for purchase of securities	—	—	—	(19)	19	—	—
Cash inflow from settlement of securities	—	—	—	400	(400)	—	—
Cash outflow for payment of capital element of leases	97	—	97	(97)	—	—	—
Cash outflow for repayment of borrowings	842	15	857	(925)	—	—	(68)
Cash inflow from borrowings	(483)	—	(483)	483	—	—	—
Net cash flow from operating activities	—	—	—	1,149	—	—	1,149
Net cash flow from other investing activities [(iii)]	—	—	—	87	—	—	87
Cash outflow for share buyback programme [(iv)]	—	—	—	(499)	—	—	(499)
Net cash flow from other financing activities [(iv)]	—	—	—	(227)	—	—	(227)
Revaluation	13	(22)	(9)	—	5	—	(4)
Interest receivable on securities	—	—	—	—	19	—	19
Interest received on securities	—	—	—	25	(25)	—	—
Financing interest paid	171	76	247	(283)	—	—	(36)
Increase in interest payable and amortisation of borrowings, and impact of associated interest rate swaps	(168)	(57)	(225)	—	—	—	(225)
New lease agreements and re-measurement of existing lease liabilities	(53)	—	(53)	—	—	(2)	(55)
Exchange adjustments	3	—	3	(30)	—	—	(27)
Group adjusted net (debt)/cash at 31 December 2024	(2,867)	(107)	(2,974)	5,693	139	—	2,858
Transfers to disposal groups held for sale	19	—	19	—	—	—	19
Cash inflow from settlement of securities	—	—	—	57	(57)	—	—
Cash outflow for purchase of securities	—	—	—	(13)	13	—	—
Cash outflow for payment of capital element of leases	95	—	95	(95)	—	—	—
Cash outflow for repayment of borrowings	61	—	61	(61)	—	—	—
Cash inflow from borrowings	(13)	—	(13)	13	—	—	—
Net cash flow from operating activities	—	—	—	695	—	—	695
Net cash flow from other investing activities [(iii)]	—	—	—	(734)	—	—	(734)
Cash outflow for share buyback programme [(iv)]	—	—	—	(827)	—	—	(827)
Cash outflow from other financing activities [(iv)]	—	—	—	(246)	—	—	(246)
Revaluation	(37)	35	(2)	—	8	—	6
Interest receivable on securities	—	—	—	—	2	—	2
Financing interest paid	141	39	180	(181)	—	—	(1)
Increase in interest payable and amortisation of borrowings, and impact of associated interest rate swaps	(153)	(38)	(191)	—	—	—	(191)
New lease agreements and re-measurement of existing lease liabilities	(100)	—	(100)	—	—	—	(100)
Exchange adjustments	33	—	33	(29)	2	—	6
Group adjusted net (debt)/cash at 31 December 2025	**(2,821)**	**(71)**	**(2,892)**	**4,272**	**107**	**—**	**1,487**

(i) Cash and cash equivalents includes £111 million (2024: £115 million) of restricted cash. This includes cash totalling £nil (2024: £3 million) within the Spirit Energy business that is not restricted by regulation but is managed by Spirit Energy's own treasury department. Cash and cash equivalents are net of £35 million bank overdrafts (2024: £645 million).

(ii) Securities includes £48 million (2024: £31 million) of other loans receivable measured at amortised cost, as well as £49 million (2024: £73 million) of other debt instruments, and £10 million (2024: £35 million) of equity instruments, both measured at fair value.

(iii) Net cash flow from other investing activities excludes cash outflow relating to the purchase of securities of £13 million (2024: £19 million), cash inflow from the settlement of securities of £57 million (2024: £400 million), and interest received on securities of £nil (2024: £25 million) during the year.

(iv) Cash outflow of £827 million (2024: £499 million) relates to the share buyback programme, for which there is a liability of £14 million (2024: £75 million) recognised at 31 December 2025. Cash outflow from other financing activities includes £237 million (2024: £219 million) payments of equity dividends and £9 million (2024: £8 million) payments for own shares.

11. Sources of finance

(c) Borrowings, leases and interest accruals summary

31 December	Coupon rate %	Principal m	2025 Current £m	2025 Non-current £m	2025 Total £m	2024 Current £m	2024 Non-current £m	2024 Total £m
Bank overdrafts			**(35)**	**—**	**(35)**	(645)	—	(645)
Bank loans (> 5 year maturity)			**—**	**(114)**	**(114)**	—	(124)	(124)
Other borrowings			**(2)**	**(55)**	**(57)**	(61)	(39)	(100)
Bonds (by maturity date):								
4 September 2026 (i)	6.400	£52	**(51)**	**—**	**(51)**	—	(50)	(50)
16 April 2027	5.900	US$70	**—**	**(52)**	**(52)**	—	(56)	(56)
13 March 2029 (i)	4.375	£552	**—**	**(515)**	**(515)**	—	(492)	(492)
5 January 2032 (ii)	Zero	€50	**—**	**(77)**	**(77)**	—	(70)	(70)
19 September 2033 (i)	7.000	£400	**—**	**(328)**	**(328)**	—	(319)	(319)
16 October 2043	5.375	US$367	**—**	**(269)**	**(269)**	—	(288)	(288)
12 September 2044 (i)	4.250	£550	**—**	**(538)**	**(538)**	—	(539)	(539)
25 September 2045	5.250	US$50	**—**	**(37)**	**(37)**	—	(39)	(39)
21 May 2055 (i) (iii)	6.500	£405	**—**	**(407)**	**(407)**	—	(401)	(401)
			(51)	**(2,223)**	**(2,274)**	—	(2,254)	(2,254)
Obligations under lease arrangements			**(99)**	**(232)**	**(331)**	(104)	(241)	(345)
Interest accruals			**(45)**	**—**	**(45)**	(44)	—	(44)
			(232)	**(2,624)**	**(2,856)**	(854)	(2,658)	(3,512)

(i) Bonds or portions of bonds maturing in 2026, 2029, 2033, 2044 and 2055 have been designated in a fair value hedge relationship.
(ii) €50 million of zero coupon notes have an accrual yield of 4.2%, which will result in a €114 million repayment on maturity.
(iii) The Group has the right to repay at par on 21 May 2030 and every interest payment date thereafter.

12. Joint ventures and associates

Results relating to joint ventures and associates represent the results of businesses where we exercise joint control or significant influence and generally have an equity holding of up to 50%.

Interests in joint ventures and associates represent businesses where we exercise joint control or significant influence and generally have an equity holding of up to 50%.

(a) Results relating to joint ventures and associates

The Group's results relating to joint ventures and associates for the year ended 31 December 2025 principally arise from its interests in the following entities, all of which are reported within the Infrastructure segment:

- Garden Topco Limited ('Isle of Grain') - joint venture
- Lake Acquisitions Limited ('Lake') - associate
- Sizewell C (Holding) Limited ('Sizewell C') - associate

	2025				2024 [(i)]
Year ended 31 December	Isle of Grain £m	Lake £m	Sizewell C £m	Total £m	Total £m
Income	**11**	**583**	**—**	**594**	808
Expenses before depreciation, amortisation, exceptional items and certain re-measurements	**(19)**	**(258)**	**—**	**(277)**	(295)
Depreciation and amortisation	**(4)**	**(95)**	**—**	**(99)**	(139)
Operating (loss)/profit	**(12)**	**230**	**—**	**218**	374
Interest cost	**(3)**	**(5)**	**—**	**(8)**	—
Taxation excluding taxation on exceptional items and certain re-measurements	**—**	**(57)**	**—**	**(57)**	(118)
Share of post-taxation results of joint ventures and associates	**(15)**	**168**	**—**	**153**	256
Interest income on shareholder loans [(ii)]	**—**	**—**	**5**	**5**	—
Results relating to joint ventures and associates	**(15)**	**168**	**5**	**158**	256

(i) 2024 results relating to joint ventures and associates pertain solely to Lake.
(ii) Interest income on shareholder loans relates to interest accrued on loans provided to Sizewell C.

(b) Interests in joint ventures and associates

	2025			2024		
	Investments in joint ventures and associates £m	Shareholder loans £m	Total £m	Investments in joint ventures and associates £m	Shareholder loans £m	Total £m
1 January	**794**	**—**	**794**	903	—	903
Additions	**271**	**338**	**609**	—	—	—
Interest accrued on shareholder loans	**—**	**5**	**5**	—	—	—
Impairments [(i)]	**(251)**	**—**	**(251)**	(48)	—	(48)
Share of profits for the year	**153**	**—**	**153**	256	—	256
Share of other comprehensive (loss)/income	**(4)**	**—**	**(4)**	38	—	38
Dividends	**(135)**	**—**	**(135)**	(355)	—	(355)
31 December [(ii)]	**828**	**343**	**1,171**	794	—	794

(i) The £251 million in 2025 relates to the Lake investment impairment (2024: £48 million). See note 6 for further details.
(ii) Interests in joint ventures and associates closing balance at 31 December 2025 included £185 million (2024: £nil) relating to Isle of Grain, £578 million (2024: £794 million) relating to Lake and £392 million (2024: £nil) relating to Sizewell C, of which £343 million (2024: £nil) related to shareholder loans.

(c) Share of joint ventures' and associates' assets and liabilities

	2025					2024
31 December	Isle of Grain £m	Lake £m	Sizewell C £m	Other £m	Total £m	Total £m
Share of non-current assets	863	4,121	1,104	12	**6,100**	4,278
Share of current assets	111	728	266	5	**1,110**	758
	974	4,849	1,370	17	**7,210**	5,036
Share of current liabilities	(144)	(480)	(113)	(1)	**(738)**	(305)
Share of non-current liabilities	(645)	(2,446)	(1,208)	—	**(4,299)**	(2,843)
	(789)	(2,926)	(1,321)	(1)	**(5,037)**	(3,148)
Cumulative impairment	—	(1,345)	—	—	**(1,345)**	(1,094)
Share of net assets of joint ventures and associates	**185**	**578**	**49**	**16**	**828**	794
Shareholder loans	—	—	343	—	**343**	—
Interests in joint ventures and associates	**185**	**578**	**392**	**16**	**1,171**	794
Net (debt)/cash included in share of net assets	(568)	83	(675)	2	**(1,158)**	73

13. Derivative financial instruments

The Group generally uses derivative financial instruments to manage the risk arising from fluctuations in the value of certain assets or liabilities associated with treasury management and energy sales and procurement, and for proprietary energy trading purposes. The Group also uses derivatives to hedge exchange risk.

For accounting purposes, derivatives are either classified as held for trading, in which case changes in their fair value are recognised in the Group Income Statement, or they are designated in hedging relationships. Where derivatives are in hedging relationships, the treatment of changes in their fair value depends on the nature of that relationship, and whether it represents a fair value hedge or a cash flow hedge. The table below gives a high-level summary of the Group's accounting for its derivative contracts.

Purpose	Classification	Accounting treatment
Proprietary energy trading and treasury management	Held for trading and fair value hedges	Changes in fair value recognised in the Group's business performance results for the year
Treasury management	Cash flow hedges	Effective portion of hedge initially recognised in the Group Statement of Other Comprehensive Income. Gains and losses are recycled to the Group Income Statement when the hedged item impacts profit or loss. Ineffective portions of the hedge are recognised immediately in the Group's business performance results for the year
Energy procurement and optimisation	Held for trading	Changes in fair value recognised in the Group's exceptional items and certain re-measurements results for the year

The carrying values of derivative financial instruments by product type for accounting purposes are as follows:

	2025		2024	
31 December	**Assets £m**	**Liabilities £m**	Assets £m	Liabilities £m
Derivative financial instruments – held for trading under IFRS 9:				
Energy derivatives – for procurement/optimisation	**513**	**(426)**	530	(251)
Energy derivatives – for proprietary trading	**285**	**(393)**	886	(913)
Foreign exchange derivatives	**40**	**(106)**	128	(83)
Derivative financial instruments in hedge accounting relationships:				
Interest rate derivatives	**—**	**(95)**	—	(134)
Foreign exchange derivatives	**38**	**(16)**	32	(6)
Total derivative financial instruments	**876**	**(1,036)**	1,576	(1,387)
Included within:				
Derivative financial instruments – current	**600**	**(693)**	1,309	(932)
Derivative financial instruments – non-current	**276**	**(343)**	267	(455)

The contracts included within energy derivatives are subject to a wide range of detailed specific terms, but comprise the following general components, analysed on a net carrying value basis:

31 December	**2025 £m**	2024 £m
Short-term forward market purchases and sales of gas and electricity:		
UK and Europe	**122**	125
Other derivative contracts including structured gas sale and purchase arrangements	**(144)**	127
Net total	**(22)**	252

14. Post-retirement benefits

The Group manages a number of final salary and career average defined benefit pension schemes. It also has defined contribution schemes. The majority of these schemes are in the UK.

(a) Summary of main post-retirement benefit schemes

Name of scheme	Type of benefit	Status	Country	Number of active members as at 31 December 2025	Total membership as at 31 December 2025
Centrica Engineers Pension Scheme	Defined benefit final salary pension	Closed to new members in 2006	UK	1,303	8,341
	Defined benefit career average pension	Closed to new members in 2022	UK	2,333	7,067
Centrica Pension Plan	Defined benefit final salary pension	Closed to new members in 2003	UK	1,225	8,328
Centrica Pension Scheme	Defined benefit final salary pension	Closed to new members in 2003	UK	1	9,934
	Defined benefit career average pension	Closed to new members in 2008	UK	664	4,124
Centrica Savings Plan	Defined contribution pension	Open to new members	UK	13,345	14,871
Centrica Leavers Savings Plan	Defined contribution pension	Deferred members only	UK	—	10,351
Bord Gáis Energy Company Defined Benefit Pension Scheme	Defined benefit final salary pension	Closed to new members in 2014	Republic of Ireland	80	168
Bord Gáis Energy Company Defined Contribution Pension Plan	Defined contribution pension	Open to new members	Republic of Ireland	433	634

The Centrica Engineers Pension Scheme (CEPS), Centrica Pension Plan (CPP) and Centrica Pension Scheme (CPS) form the significant majority of the Group's defined benefit obligation and are referred to below as the 'Registered Pension Schemes'. The other schemes are individually, and in aggregate, immaterial.

Independent valuations

The Registered Pension Schemes are subject to independent valuations at least every three years, on the basis of which the qualified actuary certifies the rate of employer contributions, which together with the specified contributions payable by the employees and proceeds from the schemes' assets, are expected to be sufficient to fund the benefits payable under the schemes.

The latest full actuarial valuations agreed and finalised with the Pension Trustees were carried out at the following dates: the Registered Pension Schemes at 31 March 2024 and the Bord Gáis Energy Company Defined Benefit Pension Scheme at 1 January 2023. These valuations have been updated to 31 December 2025 for the purpose of meeting the requirements of IAS 19. Investments held in all schemes have been valued for this purpose at market value. In February 2025, full actuarial valuations of the Registered Pension Schemes at 31 March 2024 were agreed and finalised with the Pension Trustees. The impact on pension scheme contributions is shown in note 14(g). These valuations will be updated prospectively in future reporting periods for the purpose of meeting the requirements of IAS 19.

Governance

The Registered Pension Schemes are managed by trustee companies whose boards consist of both company-nominated and member-nominated Directors. Each scheme holds units in the Centrica Combined Common Investment Fund (CCCIF), which holds the majority of the combined assets of the Registered Pension Schemes. The board of the CCCIF is currently comprised of seven directors: two independent directors (including the Chair), two directors appointed by Centrica plc and one director appointed by each of the three Registered Pension Schemes.

Under the terms of the Pensions Act 2004, Centrica plc and each trustee board must agree the funding rate for its defined benefit pension scheme and a recovery plan to fund any deficit against the scheme-specific statutory funding objective. This approach was first adopted for the triennial valuations completed at 31 March 2006, and has been reflected in subsequent valuations, including the 31 March 2024 valuation.

14. Post-retirement benefits

(b) Risks

The Registered Pension Schemes expose the Group to the following risks:

Asset volatility

The pension liabilities are calculated using a discount rate set with reference to AA corporate bond yields. If the growth in plan assets is lower than this, this will create an actuarial loss within other equity. The CCCIF is responsible for managing the assets of each scheme in line with the risk tolerances that have been set by the Trustees of the schemes, and invests in a diversified portfolio of assets. The schemes are relatively young in nature (the schemes opened in 1997 on the formation of Centrica plc on demerger from BG plc (formerly British Gas plc)), and only took on past service liabilities in respect of active employees.

The Trustees reduce their tolerance to scheme valuation risk by hedging a significant majority of the long term inflation and interest rate risk. This de-risking includes the use of physical gilts and collateralised gilt holdings in the schemes' Liability-Driven Investment (LDI) portfolio (shown in the Pension scheme asset table in section (f) of this note within Liability matching assets). Since the last quarter of 2022, following significant volatility in gilt yields, the Trustees have significantly reduced the levels of leverage within the LDI portfolio. The schemes also benefit from further hedging arising from the other long-dated income unquoted asset portfolio.

Interest rate

A decrease in bond interest rates will increase the net present value of the pension liabilities. The relative immaturity of the schemes means that the duration of the liabilities is longer than average for typical UK pension schemes, resulting in a relatively higher exposure to interest rate risk. This risk is reduced via the hedging referred to in the Asset volatility section.

Inflation

Pensions in deferment, pensions in payment and pensions accrued under the career average schemes increase in line with the Retail Prices Index (RPI) and the Consumer Prices Index (CPI). Therefore, scheme liabilities will increase if inflation is higher than assumed, although in some cases caps are in place to limit the impact of significant movements in inflation. Furthermore, a pension increase exchange (PIE) option implemented in 2015 is available to future retirees, which gives the choice to receive a higher initial pension in return for giving up certain future increases linked to RPI, again limiting the impact of significant movements in inflation. Inflation risk is reduced via the hedging referred to in the Asset volatility section.

Longevity

The majority of the schemes' obligations are to provide benefits for the life of scheme members and their surviving spouses; therefore increases in life expectancy will result in an increase in the pension liabilities. The relative immaturity of the schemes means that there is comparatively little observable mortality data to assess the rates of mortality experienced by the schemes, and means that the schemes' liabilities will be paid over a long period of time, making it particularly difficult to predict the life expectancy of the current membership. Furthermore, pension payments are subject to inflationary increases, resulting in a higher sensitivity to changes in life expectancy.

Salary

Pension liabilities are calculated by reference to the future salaries of active members, and hence salary rises in excess of assumed increases will increase scheme liabilities. During 2011, changes were introduced to the final salary sections of CEPS and CPP such that annual increases in pensionable pay are capped to 2%, resulting in a reduction in salary risk. During 2016, a salary cap on pensionable pay for the CPS career average and CPP schemes was implemented, and in 2019 a similar change took place for CEPS. All of the 2011, 2016 and 2019 changes result in a reduction in salary risk.

Foreign exchange

Certain assets held by the CCCIF are denominated in foreign currencies, and hence their values are subject to exchange rate risk. The CCCIF has long-term hedging policies in place to manage interest rate, inflation and foreign exchange risks. The following table analyses the total liabilities of the Registered Pension Schemes, calculated in accordance with accounting principles, by type of liability, as at 31 December 2025.

14. Post-retirement benefits

Total liabilities of the Registered Pension Schemes

31 December	2025 %
Actives – final salary – capped	**8**
Actives – final salary – uncapped and crystallised benefits	**1**
Actives – career average	**3**
Deferred pensioners	**33**
Pensioners	**55**
	100

The weighted average duration of the Registered Pension Schemes as at 31 December 2025 was approximately 16 years (31 December 2024: 17 years).

(c) Accounting assumptions

The accounting assumptions for the Registered Pension Schemes are given below:

Major assumptions used for the actuarial valuation

31 December	2025 %	2024 %
Rate of increase in employee earnings:		
Subject to 2% cap	**1.5**	1.6
Other not subject to cap	**2.6**	2.8
Rate of increase in pensions in payment	**2.9**	3.1
Rate of increase in deferred pensions:		
In line with CPI capped at 2.5%	**2.3**	2.5
In line with RPI	**2.8**	3.1
Discount rate	**5.5**	5.4

The assumptions relating to longevity underlying the pension liabilities at the balance sheet date have been based on a combination of standard actuarial mortality tables, scheme experience and other relevant data, and include an allowance for future improvements in mortality. The longevity assumptions for members in normal health are as follows:

Life expectancy at age 65 for a member

	2025		2024	
31 December	Male Years	Female Years	Male Years	Female Years
Currently aged 65	**21.8**	**23.6**	22.2	23.7
Currently aged 45	**23.1**	**24.7**	23.4	24.8

The other demographic assumptions have been set having regard to the latest trends in scheme experience and other relevant data. The assumptions are reviewed and updated as necessary as part of the periodic actuarial valuations of the pension schemes.

For the Registered Pension Schemes, marginal adjustments to the assumptions used to calculate the pension liability, or significant swings in bond yields or stock markets, can have a large impact in absolute terms on the net assets of the Group. Reasonably possible changes as at 31 December to one of the actuarial assumptions would have affected the scheme liabilities as set out below:

Impact of changing material assumptions

	2025		2024	
31 December	Increase/ decrease in assumption	Indicative effect on scheme liabilities %	Increase/ decrease in assumption	Indicative effect on scheme liabilities %
Rate of increase in employee earnings subject to 2% cap	**0.25%**	**+/-0**	0.25%	+/-0
Rate of increase in pensions in payment and deferred pensions	**0.25%**	**+/-3**	0.25%	+/-3
Discount rate	**0.25%**	**-/+4**	0.25%	-/+4
Inflation assumption	**0.25%**	**+/-3**	0.25%	+/-3
Longevity assumption	**1 year**	**+/-2**	1 year	+/-2

The indicative effects on scheme liabilities have been calculated by changing each assumption in isolation and assessing the impact on the liabilities. For the reasonably possible change in the inflation assumption, it has been assumed that a change to the inflation assumption would lead to corresponding changes in the assumed rates of increase in uncapped pensionable pay, pensions in payment and deferred pensions.

The remaining disclosures in this note cover all of the Group's defined benefit schemes.

14. Post-retirement benefits

(d) Amounts included in the Group Balance Sheet

31 December	2025 £m	2024 £m
Fair value of plan assets	**5,606**	5,563
Present value of defined benefit obligation	**(5,901)**	(5,584)
Recognised in the Group Balance Sheet	**(295)**	(21)
Presented in the Group Balance Sheet as:		
Retirement benefit assets	**12**	129
Retirement benefit liabilities	**(307)**	(150)

The Trust Deed and Rules for the Registered Pension Schemes provide the Group with a right to a refund of surplus assets assuming the full settlement of scheme liabilities. The Trustees do not have the unilateral right to wind-up the schemes and cannot unilaterally enhance member benefits. The Group has not recognised any liability in relation to future contributions under its minimum funding agreement with the Trustees. No asset ceiling restrictions have been applied in the consolidated Financial Statements.

(e) Movement in the year

	2025		2024	
	Pension liabilities £m	Pension assets £m	Pension liabilities £m	Pension assets £m
1 January	**(5,584)**	**5,563**	(6,260)	6,143
Items included in the Group Income Statement:				
Current service cost	**(18)**	**—**	(18)	—
Contributions by employer in respect of employee salary sacrifice arrangements (i)	**(17)**	**—**	(24)	—
Total current service cost	**(35)**	**—**	(42)	—
Past service cost	**(3)**	**—**	—	—
Interest (expense)/income	**(296)**	**301**	(282)	283
Termination cost	**(8)**	**—**	(1)	—
Items included in the Group Statement of Comprehensive Income:				
Returns on plan assets, excluding interest income	**—**	**(168)**	—	(830)
Actuarial loss from changes to demographic assumptions	**(14)**	**—**	(16)	—
Actuarial gain from changes in financial assumptions	**247**	**—**	721	—
Actuarial (loss)/gain from experience adjustments	**(494)**	**—**	12	—
Items included in the Group Cash Flow Statement:				
Employer contributions	**—**	**179**	—	227
Contributions by employer in respect of employee salary sacrifice arrangements	**—**	**17**	—	24
Other movements:				
Benefits paid from schemes	**287**	**(287)**	284	(284)
Other	**(1)**	**1**	—	—
31 December	**(5,901)**	**5,606**	(5,584)	5,563

(i) A salary sacrifice arrangement was introduced on 1 April 2013 for pension scheme members. The contributions paid via the salary sacrifice arrangement have been treated as employer contributions and included within the current service cost, with a corresponding reduction in salary costs.

In addition to current service cost on the Group's defined benefit pension schemes, the Group also charged £113 million (2024: £95 million) to operating profit in respect of defined contribution pension schemes. This included contributions of £43 million (2024: £39 million) paid via a salary sacrifice arrangement.

The 2024 triennial actuarial valuation was completed during the period and the use of updated data from the valuation had the dual impact of capturing experience up to 31 March 2024 not already quantified within previous IAS 19 accounting figures and also allowing for any difference in the roll-forward and assumption changes of the liability after allowing for the updated underlying liability profile and cash flows. This led to an adverse experience adjustment. The adjustment is purely for accounting purposes and has no impact on the technical provisions (funding basis) valuations.

14. Post-retirement benefits

(f) Pension scheme assets

The market values of plan assets were:

	2025			2024		
31 December	Quoted £m	Unquoted £m	Total £m	Quoted £m	Unquoted £m	Total £m
Equities	55	416	471	19	491	510
Corporate bonds (i)	435	—	435	12	—	12
High-yield debt	15	945	960	14	1,063	1,077
Liability matching assets	2,430	—	2,430	2,388	—	2,388
Other long-dated income assets	—	913	913	—	1,025	1,025
Property	—	287	287	—	303	303
Cash pending investment	110	—	110	248	—	248
	3,045	2,561	5,606	2,681	2,882	5,563

(i) Corporate bonds includes investment grade asset-backed securities.

Unquoted private equity, other long-dated income assets and debt funds are valued at fair value as calculated by the investment manager at the latest valuation date in accordance with generally accepted guidelines, adjusted for cash flow in the intervening period. Investment properties are valued in accordance with guidelines by independent valuers. These valuations are reviewed annually as part of the CCCIF audit and receive greater scrutiny now that unquoted assets make up a greater proportion of the scheme portfolio. Included within equities are £nil (2024: £nil) of ordinary shares of Centrica plc via pooled funds that include a benchmark allocation to UK equities. Included within corporate bonds are £nil (2024: £nil) of bonds issued by Centrica plc, albeit minor exposure may be held within pooled funds over which the CCCIF has no ability to direct investment decisions. Apart from the investment in the Scottish Limited Partnerships which form part of the asset-backed contribution arrangements described in section (g) of this note, no direct investments are made in securities issued by Centrica plc or any of its subsidiaries or property leased to or owned by Centrica plc or any of its subsidiaries. The corporate bond, high-yield debt and liability matching asset categories headings above have segregated portfolio mandates which include the cash, cash funds and derivatives associated with the mandates.

The liability matching assets in the table above relate to the quoted LDI and gilts portfolio used to hedge against movements in interest rates and inflation. The other long-dated income assets are unquoted investments in infrastructure and similar assets.

Included within the Group Balance Sheet within non-current securities are £59 million (2024: £108 million) of investments, held in trust on behalf of the Group, as security in respect of the Centrica Unapproved Pension Scheme. Of the pension scheme liabilities above, £46 million (2024: £48 million) relate to this scheme.

(g) Pension scheme contributions

The Group estimates that it will pay £18 million of ordinary employer contributions during 2026 for its defined benefit schemes, together with £12 million of contributions paid via a salary sacrifice arrangement.

The actuarial valuation as at 31 March 2024 for the Registered Pensions Schemes has been agreed with the Pension Trustees. As at that date, the technical provisions deficit (funding basis) was £504 million. The Group committed to annual cash contributions to fund this pension deficit. The overall deficit contributions committed to, including the previously disclosed asset-backed contribution arrangements, totalled £175 million in 2024 (of which £99 million was after 31 March 2024), £146 million in 2025, £139 million in 2026 and £140 million in 2027; with a balancing payment of £44 million in 2028. Separately, a pension strain payment of £4 million associated with employee redundancies was also contributed in 2025 (2024: £1 million). Outside of the above recovery plan, asset-backed contribution arrangements remain where additional cash contributions are contingent on whether individual schemes remain in deficit on a technical provision basis. The contingent payment for 2026 is £14 million. At the year-end, the Group continues to provide security of £798 million of letters of credit/surety bonds to the Trustees enforceable in the unlikely event the Group is unable to meet its obligations.

On a pure roll-forward basis, from 31 March 2024, using the same methodology and consequent assumptions, the technical provisions deficit (funding basis) would be around £300 million on 31 December 2025. Note that the valuation methodology and assumptions used for future assessments may differ from those previously used.

15. Disposals, disposal groups classified as held for sale and acquisitions

This section details disposals, business combinations and asset acquisitions made by the Group.

(a) Disposals
On 20 May 2025 the Group announced that it had agreed to sell part of Spirit Energy's interest in the Cygnus gas field, reducing its interest from 61.25% to 15%, to a subsidiary of Ithaca Energy plc. The headline consideration of £116 million was increased by the cash flows generated by the disposal group from the commercial effective date of 1 January 2025 up to the legal completion date of 1 October 2025 (at which point control passed), resulting in a final consideration of £123 million.

In applying IFRS 5 'Non-current assets held for sale and discontinued operations', the Group has judged that there is one disposal group relating to the above interest in the Cygnus gas field, which was classified as held for sale as at 20 May 2025. The disposal group, which is included in the Infrastructure segment, did not represent a separate major line of business or geographical operation and hence the Group has concluded that it did not constitute a discontinued operation. A separate disposal group was held for sale at 31 December 2025 - see note 15(c).

Details of the assets and liabilities of the disposal group at completion of 1 October 2025 are shown below.

	Cygnus £m
Non-current assets	
Property, plant and equipment	234
Current assets	
Inventories	12
Assets disposed	**246**
Current liabilities	
Trade and other payables, and contract-related liabilities	(14)
Non-current liabilities	
Deferred tax liabilities	(99)
Provisions for other liabilities	(91)
	(190)
Liabilities disposed	**(204)**
Net assets disposed	**42**
Consideration received (net of transaction costs of £1 million)	**122**
Gain on disposal before and after taxation (note 6(b))	**80**

The results of the disposal group during 2025 reported in business performance are as follows:

	Cygnus £m
Operating profit	96
Taxation on profit	(75)
Profit after taxation	**21**

All other disposals undertaken by the Group were immaterial, both individually and in aggregate. These amounted to a loss on disposal of £6 million and net cash outflow of £3 million.

15. Disposals, disposal groups classified as held for sale and acquisitions

(b) Assets and liabilities of disposal groups held for sale

On 16 December 2025 the Group announced that it had agreed to sell the remaining 15% of Spirit Energy's interest in the Cygnus gas field and all other gas producing assets in the Greater Markham Area and Southern North Sea to Serica Energy plc. The sale has a commercial effective date of 1 January 2025 with a headline consideration of £57 million and the transfer of £44 million of decommissioning liabilities. The Group has retained £159 million of decommissioning liabilities in relation to the disposal group at the year-end date. The sale is expected to complete in the second half of 2026.

In applying IFRS 5 'Non-current assets held for sale and discontinued operations', the Group has judged that there is one disposal group classified as held for sale. The assets and liabilities comprising the disposal group were classified as held for sale as at 16 December 2025. This is on the basis that at that point, the disposal group was available for immediate sale, subject only to terms that are customary for sales of such assets, and the sale was highly probable. The disposal group, which is included in the Infrastructure segment, did not represent a separate major line of business or geographical operation and hence the Group has concluded that it did not constitute a discontinued operation.

On 23 December 2025 the Group signed a sale and purchase agreement to dispose of Centrica Business Solutions Italia Srl and Centrica Business Solutions B.V. to Joulz B.V. for a headline consideration of €90 million. Legal completion occurred on 6 February 2026.

In applying IFRS 5 'Non-current assets held for sale and discontinued operations', the Group has judged that there is one disposal group as both subsidiaries are being disposed of in a single transaction. The assets and liabilities comprising the disposal group were classified as held for sale as at 23 December 2025. This is on the basis that at that point, the disposal group was available for immediate sale, subject only to terms that are customary for sales of such assets, and the sale was highly probable. The disposal group, which is included in the Retail segment, did not represent a separate major line of business or geographical operations and hence the Group has concluded that it did not constitute a discontinued operation.

Details of the assets and liabilities of the disposal groups at 31 December 2025 are shown below.

	Italy and Netherlands solutions businesses - Retail	Spirit fields - Infrastructure	Total
	£m	£m	£m
Non-current assets			
Property, plant and equipment	34	141	175
Trade and other receivables, and contract-related assets	—	2	2
Other investments	—	1	1
Deferred tax assets	—	19	19
Current assets			
Other intangible assets	—	1	1
Inventories	6	4	10
Trade and other receivables, and contract-related assets	26	4	30
Assets of disposal groups classified as held for sale	**66**	**172**	**238**
Current liabilities			
Trade and other payables, and contract-related liabilities	(16)	(19)	(35)
Lease liabilities	—	(4)	(4)
Non-current liabilities			
Trade and other payables, and contract-related liabilities	(2)	—	(2)
Deferred tax liabilities	—	(75)	(75)
Lease liabilities	—	(15)	(15)
Provisions for other liabilities	—	(44)	(44)
Liabilities of disposal groups classified as held for sale	**(18)**	**(157)**	**(175)**
Net assets of disposal groups classified as held for sale	**48**	**15**	**63**

(c) Business combinations and asset acquisitions

During the year, the Group has been appointed by Ofgem as the Supplier of Last Resort to Rebel Energy Supply Limited and Tomato Energy Limited, both of whom ceased trading. A customer intangible asset of £11 million has been recognised in 2025 in respect of certain customer credit balances acquired.

During the year, the Group completed the acquisition of Swyft Energy (Ardrar Holdings Limited), a leading solar PV provider in the Republic of Ireland, for total consideration of £9 million, of which £1 million is deferred. This has been accounted for as a business combination and goodwill of £8 million has arisen on the transaction.

During 2025 investments have been made in the Isle of Grain LNG terminal and the Sizewell C nuclear plant. These have not been accounted for as business combinations on the basis that the Group does not have the power to control these entities, see notes 3 and 12.

There were no other material acquisitions during the year. No material adjustments have been made to acquisitions completed in 2024, although there was a cash outflow of £3 million in respect of deferred consideration on previous acquisitions.

16. Trade and other receivables and contract-related assets

Trade and other receivables include accrued income, and are amounts owed by our customers for goods we have delivered or services we have provided. These balances are valued net of expected credit losses. Other receivables include payments made in advance to our suppliers. Contract-related assets are balances arising as a result of the Group's contracts with customers in the scope of IFRS 15.

	2025		2024	
31 December	Current £m	Non-current £m	Current £m	Non-current £m
Financial assets:				
Trade receivables	**3,951**	**57**	3,270	—
Unbilled downstream energy income	**870**	**—**	968	—
Trading and energy procurement accrued income (i)	**855**	**—**	1,653	—
Other accrued income	**83**	**—**	71	—
Cash collateral posted	**203**	**—**	191	—
Other receivables (including contract assets) (ii)	**149**	**62**	264	52
	6,111	**119**	6,417	52
Less: provision for credit losses	**(1,818)**	**—**	(1,532)	—
	4,293	**119**	4,885	52
Non-financial assets: prepayments, other receivables and costs to obtain a contract with a customer (iii)	**382**	**135**	319	127
	4,675	**254**	5,204	179

(i) Trading and energy procurement counterparty receivables are typically with customers with external, published credit ratings. Such receivables have typically much lower credit risk than downstream counterparties, are settled in a short period of time and expected credit losses are not significant.

(ii) Other receivables includes amounts owed under public service obligation schemes in Ireland of £27 million (2024: £90 million).

(iii) Includes costs of £49 million (2024: £28 million) incurred to obtain contracts with customers in the Retail segment. Costs are amortised over the expected tenure of the customer contract.

The amounts above include gross amounts receivable arising from the Group's IFRS 15 contracts with customers of £3,899 million (2024: £3,195 million). Additionally, accrued income of £960 million (2024: £1,032 million) arising under IFRS 15 contracts is included.

Trade and other receivables include financial assets representing the contractual right to receive cash or other financial assets from residential customers, business customers and treasury, trading and energy procurement counterparties as follows:

	2025		2024	
31 December	Current £m	Non-current £m	Current £m	Non-current £m
Financial assets by business type:				
Residential customers	**3,363**	**64**	2,897	—
Business customers	**1,474**	**55**	1,517	50
Treasury, trading and energy procurement counterparties	**1,274**	**—**	2,003	2
	6,111	**119**	6,417	52
Less: provision for credit losses	**(1,818)**	**—**	(1,532)	—
	4,293	**119**	4,885	52

16. Trade and other receivables and contract-related assets

Credit loss charge for trade and other receivables and contract assets

The impairment charge in trade receivables is stated net of credits for the release of specific provisions made in previous years, which are no longer required. These relate primarily to residential and business customers in the UK. Movements in the provision for credit losses by business type are as follows:

	2025				2024			
	Residential customers £m	Business customers £m	Treasury, trading and energy procurement counterparties £m	**Total £m**	Residential customers £m	Business customers £m	Treasury, trading and energy procurement counterparties £m	Total £m
1 January	(984)	(529)	(19)	**(1,532)**	(850)	(443)	(16)	(1,309)
Increase in impairment of trade receivables (predominantly related to credit impaired trade receivables) (i) (ii) (iii)	(285)	(135)	(1)	**(421)**	(245)	(132)	(6)	(383)
Receivables written off (iv)	74	60	1	**135**	111	46	3	160
31 December	**(1,195)**	**(604)**	**(19)**	**(1,818)**	(984)	(529)	(19)	(1,532)

(i) Includes £410 million (2024: £364 million) of credit losses related to trade receivables resulting from contracts in the scope of IFRS 15.

(ii) All loss allowances reflect the lifetime expected credit losses on trade receivables and contract assets.

(iii) Excludes recovery of previously written-off receivables of £3 million (2024: £10 million). Due to the large number of individual receivables and the matrix approach employed, any reduction in provision is reflected in a reduced charge for the relevant period, rather than in separately identifiable reversals of previous provisions.

(iv) Materially all write-offs relate to trade receivables where enforcement activity is ongoing. The gross carrying value of write-offs related to trade receivables where enforcement activity is ongoing was £105 million (2024: £122 million).

Year ended 31 December	**2025 £m**	2024 £m
Increase in impairment provision for trade receivables (per above)	**(421)**	(383)
Less recovery of previously written-off receivables	**3**	10
Credit losses on financial assets (per Group Income Statement)	**(418)**	(373)

Enforcement activity continues in respect of balances that have been written off unless there are specific known circumstances (such as bankruptcy) that render further action futile.

16. Trade and other receivables and contract-related assets

Credit loss charge for trade and other receivables and contract assets

Receivables from residential and business customers are generally considered to be credit impaired when the payment is past the contractual due date. The Group applies different definitions of default for different groups of customers, ranging from sixty days past the due date to six to twelve months from the issuance of a final bill. Receivables are generally written off only once a period of time has elapsed since the final bill. Contractual due dates range from falling due upon receipt to falling due in thirty days from receipt.

The table below shows credit impaired balances in gross receivables (those that are past due) and those that are not yet due and therefore not considered to be credit impaired.

Gross trade and other receivables

31 December	2025 £m	2024 £m
Balances that are not past due	**3,420**	4,143
Balances that are past due [(i)]	**2,810**	2,326
	6,230	6,469

(i) The majority of balances that are past due relate to residential and business customers, ageing of these receivables is included in the credit risk tables in the sections below.

The IFRS 9 impairment model is applicable to the Group's financial assets including trade receivables, contract assets and other financial assets using the simplified approach. As the majority of the relevant balances are trade receivables and contract assets to which the simplified model applies, this disclosure focuses on these balances.

The provision for credit losses for trade receivables and contract assets is based on an expected credit loss model that calculates the expected loss applicable to the receivable balance over its lifetime. Expected credit losses on receivables due from treasury, trading and energy procurement counterparties are not significant. For residential and business customers default rates are calculated initially by considering historical loss experience and applied to trade receivables within a provision matrix. The matrix approach allows application of different default rates to different groups of customers with similar characteristics. These groups are determined by a number of factors including: the nature of the customer, the payment method selected and, where relevant, the sector in which they operate. The characteristics used to determine the groupings of receivables are the factors that have the greatest impact on the likelihood of default. The rate of default increases once the balance is thirty days past due.

Concentration of credit risk in trade and other receivables

Treasury, trading and energy procurement counterparty receivables are typically with customers with external, published credit ratings. Such receivables have typically much lower credit risk than downstream counterparties, and that risk is assessed primarily by reference to the credit ratings rather than to the ageing of the relevant balance.

The Group's posted cash collateral balance has increased to £203 million in 2025 (2024: £191 million). Collateral counterparties typically have strong credit ratings and accordingly have low credit risk; the Group does not expect credit losses to arise on these balances.

The majority of the Group's credit exposure arises in the Retail segment and relates to residential and business energy customers. The credit risk associated with these customers is assessed as described above, using a combination of the age of the receivable in question, internal ratings based on a customer's payment history, and external data from credit rating agencies and wider macroeconomic information. The disclosures below reflect the information that is reported internally for credit risk management purposes in these segments.

16. Trade and other receivables and contract-related assets

Retail energy customer credit risk

Of the Group total of £4,008 million (2024: £3,270 million) billed trade receivables, energy customers in the Retail reporting segment contribute £3,699 million (2024: £3,075 million). The Retail segment includes residential and business energy customers. As described above, credit risk is concentrated in receivables from energy customers who pay in arrears. Gross receivables from residential energy customers in the UK amount to £2,481 million (2024: £1,945 million) and from business energy customers in the UK amount to £990 million (2024: £910 million) and are analysed below. The Retail segment also includes residential and business energy customers in Ireland of £125 million (2024: £93 million), but these are not included in the analysis below.

Trade receivables due from retail as at 31 December [i]	2025					2024				
Days beyond invoice date [ii]	< 30 days £m	30-90 days £m	>90 days £m	**Total £m**	Percentage of credit risk	< 30 days £m	30-90 days £m	>90 days £m	Total £m	Percentage of credit risk
Risk profile										
Direct debits [iii]										
Gross receivables	358	73	243	**674**		303	67	227	597	
Provision	—	(1)	(18)	**(19)**		—	—	(10)	(10)	
Net	358	72	225	**655**	**3%**	303	67	217	587	2%
Payment on receipt of bill [iii]										
Gross receivables	89	86	1,095	**1,270**		89	56	815	960	
Provision	(4)	(13)	(551)	**(568)**		(4)	(8)	(445)	(457)	
Net	85	73	544	**702**	**45%**	85	48	370	503	48%
Final bills [iv]										
Gross receivables	19	33	485	**537**		19	22	347	388	
Provision	(6)	(19)	(426)	**(451)**		(7)	(14)	(311)	(332)	
Net	13	14	59	**86**	**84%**	12	8	36	56	86%
Total net residential energy customers trade receivables	**456**	**159**	**828**	**1,443**	**42%**	400	123	623	1,146	41%
Trade receivables due from business customers as at 31 December										
Commercial and industrial [v]										
Gross receivables	21	6	19	**46**		22	4	15	41	
Provision	—	—	(10)	**(10)**		—	—	(10)	(10)	
Net	21	6	9	**36**	**22%**	22	4	5	31	24%
Medium-sized entities										
Gross receivables	40	9	123	**172**		41	14	105	160	
Provision	—	—	(78)	**(78)**		—	—	(64)	(64)	
Net	40	9	45	**94**	**45%**	41	14	41	96	40%
Small businesses										
Gross receivables	95	46	631	**772**		116	59	534	709	
Provision	(2)	(8)	(470)	**(480)**		(3)	(10)	(405)	(418)	
Net	93	38	161	**292**	**62%**	113	49	129	291	59%
Total net business energy customers trade receivables	**154**	**53**	**215**	**422**	**57%**	176	67	175	418	54%
Total retail energy customers trade receivables	**610**	**212**	**1,043**	**1,865**	**46%**	576	190	798	1,564	45%

(i) The receivables information presented in this table relates to downstream customers who pay energy bills using the methods presented. For residential energy customers, it excludes low residual credit risk amounts, such as balances in the process of recovery through pay-as-you-go energy (PAYGE) arrangements and amounts receivable from PAYGE energy vendors. Gross amounts in the process of recovery through PAYGE arrangements at 31 December 2025 are £103 million (2024: £114 million), against which a provision of £65 million is held (2024: £92 million).

(ii) This ageing analysis is presented relative to invoicing date and presents receivables according to the oldest invoice outstanding with the customer. There are a range of payment terms extended to residential energy customers. Amounts paid on receipt of a bill (PORB), which are settled using bank transfers, cash or cheques are typically due within fourteen days of invoicing. Direct debit customers typically pay in equal instalments over a twelve-month period. For business energy customers, there are a range of payment terms extended to business energy customers. Standard credit terms for small business customers are ten working days. Standard credit terms for medium-sized entity customers are ten working days. Credit terms for commercial and industrial customers are bespoke and are set based on the commercial agreement with each customer.

(iii) Receivables settled by direct debit are deemed to present a lower credit risk than PORB amounts. This is reflected in the relative level of provision held for these types of receivables.

(iv) Final bill customers are those who are no longer customers of the Group and have switched energy supplier. These balances are deemed to have the highest credit risk.

(v) This category includes low credit risk receivables, including those from public sector and customers with high turnover (greater than £100 million).

16. Trade and other receivables and contract-related assets

Sensitivity to changes in assumptions

Typically, the most significant assumption included within the expected credit loss provisioning model that gives rise to estimation uncertainty is that future performance will be reflective of past performance and that there will be no significant change in the payment profile or recovery rates within each identified group of receivables. To address this risk, the Group reviews and updates default rates, by group, on a regular basis to ensure they incorporate the most up to date assumptions along with forward-looking information where available and relevant. The Group also considers regulatory changes and customer segment specific factors that may have an impact, now or in the future, on the recoverability of the balance.

The specific consideration of forward-looking information in the impairment model does not usually give rise to significant changes in the levels of credit losses. However, typical household energy costs have trended upwards during 2025 and continue to cause uncertainty in economic outlook; there remains a level of estimation uncertainty inherent in determining credit loss provisions for the Group's trade receivables.

Where customers experience difficulties in settling balances, the increased ageing of these amounts results in an increase in provisions held in respect of them under the provision matrix approach employed. The Group has also considered changes in customer payment patterns, the specific circumstances of the customers and the economic impacts of the factors identified above, on the sectors in which they operate. Whilst economic recovery is expected, a level of unpredictability remains apparent.

Customers are facing continued pressures relating to their cost of living, including increased energy bills. The Group has considered macroeconomic forecasts and sensitivities, as well as disposable income analysis from a credit rating agency, to model and determine the level of provisions for credit losses.

During 2025 the Group recognised credit losses of £418 million (2024 : £373 million) in respect of financial assets, representing 2.1% of total Group revenue of total Group revenue 2024: 1.9%) and 1.9% (2024: 1.5%) of total Group revenue from business performance. As described above, the majority of the Group's credit exposure arises in respect of receivables from energy customers in the Retail segment. Credit losses in respect of these assets amounted to £410 million (2024: £361 million). This represents 2.7% (2024: 2.3%) of total Retail revenue within the scope of IFRS 15 from these segments of £15,261 million (2024: £15,823 million). Further details of segmental revenue are provided in note 5.

Due to the different level of risks presented by billed and unbilled receivables, these asset groups are considered separately in the analysis below.

Billed trade receivables

	31 December 2025 £m	31 December 2024 £m
Trade receivables (i)	**4,008**	3,270
Provision	**(1,759)**	(1,471)
Net balance	**2,249**	1,799

	31 December 2025 %	31 December 2024 %
Provision coverage	**44**	45
Sensitivity	**£m**	£m
Impact on billed receivables/operating profit from 1 percentage point (increase)/decrease in provision coverage (i)	**(40)/40**	(33)/33

(i) Credit risk in the Group is impacted by a large number of interacting factors.

Typical household energy bills have trended upwards during 2025 as wholesale prices remain high and network costs and policy levies have increased. The operating landscape within the Retail residential portfolio remains difficult, with mixed macroeconomic conditions. Although interest rates and inflation have fallen, unemployment has increased. Challenges relating to the performance of older aged debt persist due to the lasting impact of both the energy crisis and warrant suspension. Both gross receivables, and the total value of the credit loss provision have increased in value during the year. In November, the government announced an estimated £150 a year reduction in residential energy bills by removing certain green levies from April 2026. Whilst this does not impact the gross receivable value at 31 December 2025, it may improve cash collections, and hence reduce provisioning, on a forward-looking basis.

Within the residential customer base, management have identified billed customers who pay on receipt of their bills as being the highest risk. Credit loss provision coverage for this cohort of customers has in fact decreased, primarily because the forward-looking expectations of debt performance, covered by the Group's macroeconomic provision in the prior year, were more conservative than actual collections. Although collections performance has improved slightly over the year as a result of litigation activities, this cohort of customers is a key focus for the Retail business.

Debt recovery relating to residential energy customers remains challenging. Limited field activity continues, although warrant visits remain suspended, with only a minimal level of voluntary credit to prepayment meter exchanges taking place. It is unlikely to return to previous volumes due to a stricter Code of Practice, creating uncertainty in relation to future debt recovery. This is partially mitigated by litigation activity, however debt levels relating to distressed customer accounts are continuing to increase.

16. Trade and other receivables and contract-related assets

Gross receivables relating to business customers in the Retail segment have slightly decreased, although the provision coverage has increased. As well as the mixed macroeconomic factors affecting residential customers above, business customers also face increased employer National Insurance payments, as well as a rise in the National Minimum Wage. Latest figures also indicate that company insolvencies have slightly increased during the year, suggesting that cost pressures remain. The mix between live and final debt in the business portfolio has also changed during the year, driven by a greater volume of field activities. This has resulted in more amounts due being classified as final, attracting a higher resultant provision rate.

The delayed impact on customer payments are now broadly reflected in the underlying matrix output model used to record provision coverage, hence the reduction in the additional macroeconomic provision to £11 million (2024: £49 million). Management considers the impact of specific cohorts of customers referenced in the previous tables when making this assessment, recognising the different credit terms and different risk profiles that exist. This assessment also utilises a range of factors, both internal and external, historic and forward-looking, and considers the sensitivities of these to help management estimate the likely recovery of debt.

It remains uncertain as to when and how these factors will reduce the collectability of debt and at what scale. Future changes in commodity prices may also impact this. The table above and the unbilled section below provide details of the sensitivity of moving the debt provision by a further 1%.

The Group's services, infrastructure and trading operations are less susceptible to credit risk. No significant deterioration of credit risk has been experienced or is expected in the relevant segments in respect of billed trade receivables recognised at 31 December 2025, taking into account cash collection cycles in those areas of the Group and credit rating information.

Unbilled downstream energy income

The table below shows the IFRS 15 unbilled downstream energy income for the Group as a whole.

	31 December 2025 £m	31 December 2024 £m
Gross unbilled receivables	**870**	968
Provision	**(59)**	(61)
Net balance	**811**	907

	31 December 2025 %	31 December 2024 %
Provision coverage	**7**	6
Sensitivity	**£m**	£m
Impact on unbilled receivables/operating profit from 1 percentage point (increase)/decrease in provision coverage [(i)]	**(9)/9**	(10)/10

(i) Credit risk in the Group is impacted by a large number of interacting factors.

Unbilled downstream energy income is typically provided at a significantly lower rate than billed debt. This is because a large proportion of this debt once billed will be subject to the very short cash collection cycles of the Group's downstream energy supply businesses.

17. Provisions for other liabilities

Provisions are recognised when an obligation exists that can be reliably measured, but where there is uncertainty over the timing and/or amount of the payment. The main provisions relate to decommissioning costs for Infrastructure assets we own, or have owned, which require restoration or remediation, along with onerous supply contracts. Further provisions relate to restructuring costs, and legal and regulatory matters.

	1 January 2025 £m	Charged in the year £m	Unused and reversed in the year £m	Utilised £m	Transfers [v] £m	Exchange adjustments £m	**31 December 2025 £m**
Current							
Restructuring costs	(8)	(18)	8	7	(5)	—	**(16)**
Decommissioning costs [i] [ii]	(103)	—	—	71	(125)	—	**(157)**
Onerous contracts provision [iii]	(104)	(40)	1	109	(2)	2	**(34)**
Other [iv]	(153)	(46)	32	70	(13)	(1)	**(111)**
Total	**(368)**	**(104)**	**41**	**257**	**(145)**	**1**	**(318)**

	1 January 2025 £m	Charged in the year £m	Notional interest £m	Unused and reversed in the year £m	Revisions and additions £m	Transfers [v] £m	Transfers to disposal groups held for sale [vi] £m	Exchange adjustments £m	**31 December 2025 £m**
Non-current									
Restructuring costs	(7)	—	—	—	—	5	—	—	**(2)**
Decommissioning costs [i] [ii]	(1,356)	(47)	(26)	22	16	125	129	(8)	**(1,145)**
Onerous contracts provision [iii]	(15)	(28)	—	—	—	2	—	—	**(41)**
Other [iv]	(115)	(13)	—	39	(7)	13	—	—	**(83)**
Total	**(1,493)**	**(88)**	**(26)**	**61**	**9**	**145**	**129**	**(8)**	**(1,271)**

Included within the above liabilities are the following financial liabilities:

	2025		2024	
31 December	**Current £m**	**Non-current £m**	Current £m	Non-current £m
Restructuring costs	**(16)**	**(2)**	(8)	(7)
Provisions other than restructuring costs	**(134)**	**(104)**	(249)	(113)
	(150)	**(106)**	(257)	(120)

Maturity profile of decommissioning provisions

31 December	**2025 £m**
2026-2030	**(734)**
2031-2035	**(549)**
2036-2040	**(13)**
2041-2045	**(1)**
2046-2050	**(1)**
2051-2055	**(2)**
2056-2060	**(1)**
2061 or later	**(1)**
	(1,302)

(i) Provision has been made for the estimated net present cost of decommissioning gas production facilities at the end of their useful lives. The estimate has been based on 2P reserves, price levels and technology at the balance sheet date. The payment dates of decommissioning costs are dependent on the lives of the facilities, but utilisation of the provision is expected to occur until the 2060s. The maturity profile of total decommissioning provisions is analysed above. The rate used to discount decommissioning provisions is 2% (2024: 2%). See note 3.

(ii) Included in the provision balance as at 31 December 2025 is £961 million (2024: £1,139 million) held in Spirit Energy, £321 million (2024: £302 million) in relation to the Rough field, and £20 million (2024: £18 million) in the remainder of the business.

(iii) The onerous contracts provision includes a charge of £(49) million (2024: £(82) million) and utilisation of £99 million (2024: £nil) related to movements in onerous LNG contract provisions. See note 6.

(iv) Other provisions have been made for dilapidations, insurance, legal, warranty, regulatory and various other claims, including in relation to Ofgem's ongoing investigation into British Gas's legacy arrangements for the installation of prepayment meters under warrant. Utilisation of the non-current other provision balance is expected to occur by the early 2030s.

(v) Transfers relate to amounts transferred between current and non-current provisions.

(vi) Transfers to disposal groups held for sale relate to the sales of the Cygnus fields in the Infrastructure segment. £85 million relates to the disposal that completed in October 2025. The remaining £44 million relates to the subsequent disposal agreed in December 2025 which remained held for sale at the year end date. See note 15 for further details.

18. Leases, commitments and contingencies

(a) Commitments and leases

Commitments are not held on the Group's Balance Sheet as these are executory arrangements, and relate to amounts that we are contractually required to pay in the future as long as the other party meets its contractual obligations.

The Group's commitments in relation to commodity purchase contracts disclosed below are stated net of amounts receivable under commodity sales contracts where there is a right of offset with the counterparty, and are based on the expected minimum quantities of gas and other commodities that the Group is contracted to buy at estimated future prices.

The Group's 20-year agreement with Cheniere to purchase 89bcf per annum of LNG volumes for export from the Sabine Pass liquefaction plant in the US commits the Group to capacity payments of £3.0 billion (included in 'LNG capacity' below) between 2024 and 2039. It also allows the Group to make up to £4.7 billion of commodity purchases based on market gas prices and foreign exchange rates as at the reporting date.

During 2019, the Group signed a 20-year agreement to purchase LNG volumes from Mozambique LNG1 Company. The commercial start date is 2029 and under this agreement the Group is committed to make commodity purchases expected to amount to £7.9 billion based on market gas and oil prices at the reporting date.

During 2023, the Group signed a 15-year agreement to purchase LNG volumes from Delfin LNG. The provisional commencement date is 2029 and under this agreement the Group is allowed to make commodity purchases expected to amount to £5.7 billion based on market gas prices at the reporting date.

During 2024, the Group signed a 3-year agreement to purchase LNG volumes from Repsol LNG Holding between 2025 and 2027. Under this agreement the Group is committed to make commodity purchases amounting to £281 million based on market gas prices and foreign exchange rates at the reporting date.

During 2025, the Group signed a 10-year agreement to purchase LNG volumes from PTT International Trading Pte Ltd. The provisional commencement date is 2028 and under this agreement the Group is allowed to make commodity purchases expected to amount to £1.2 billion based on market gas prices at the reporting date. The Group also signed a 10-year agreement to purchase natural gas volumes from Equinor. Under this agreement the Group is committed to make commodity purchases expected to amount to £11.2 billion based on market gas prices at the reporting date.

In 2024 and 2025 the Group signed a total of five natural gas sale and purchase agreements with US counterparties. These contracts are provisionally expected to commence in 2028 and 2029, each for a duration of 10 years. Under these agreements, the Group is committed to purchase natural gas amounting to £3.7 billion based on market gas prices and foreign exchange rates at the reporting date. These contracts are measured at fair value under IFRS 9 and presented as derivative financial instruments on the Group's Balance Sheet, and are also presented in note 13. Due to the material nature of these long-term contracts, the cash outflow in respect of these purchase commitments is included below.

The Group has numerous renewable power purchase arrangements where renewable obligation certificates are purchased as power is produced. This gives rise to the commitments below.

31 December	2025 £m	2024 £m
Commitments in relation to the acquisition of property, plant and equipment	**65**	72
Commitments in relation to the acquisition of intangible assets:		
Renewable obligation certificates	**2,109**	2,786
Other intangible assets	**335**	261
Other commitments:		
Commodity purchase contracts	**36,364**	32,461
LNG capacity (i)	**5,445**	4,171
Transportation capacity	**182**	187
Other long-term commitments (ii) (iii)	**1,288**	328

(i) LNG capacity commitments include £243 million of commitments to Grain LNG Limited, a subsidiary of Garden Topco Limited.

(ii) Other long-term commitments include £902 million of commitments to invest in Sizewell C (Holding) Limited, comprising £812 million of shareholder loans and £90 million of equity injections.

(iii) Other long-term commitments include amounts related to executory contracts and the smart meter roll-out programme.

18. Leases, commitments and contingencies

The maturity analysis for commodity purchase contract commitments at 31 December is given below:

	Commodity purchase contract commitments			
	Fixed price commodity commitments		Commodity commitments that float with indices	
31 December	**2025 £bn**	2024 £bn	**2025 £bn**	2024 £bn
<1 year	**4.7**	5.3	**2.1**	4.6
1–2 years	**1.2**	0.9	**1.9**	1.3
2–3 years	**0.2**	0.2	**1.7**	0.9
3–4 years	**0.1**	—	**2**	0.6
4–5 years	**—**	—	**2.1**	1.3
>5 years	**—**	—	**20.4**	17.4
	6.2	6.4	**30.2**	26.1

(b) Guarantees and indemnities

This section discloses any guarantees and indemnities that the Group has given, where we may have to provide security in the future against existing and future obligations that will remain for a specific period.

In connection with the Group's energy trading, transportation and infrastructure activities, certain Group companies have entered into contracts under which they may be required to prepay, provide credit support or provide other collateral in the event of a significant deterioration in creditworthiness. The extent of credit support is contingent upon the balance owing to the third party at the point of deterioration.

As at 31 December 2025 £406 million (2024: £401 million) of letters of credit and on-demand payment bonds have been issued in respect of decommissioning obligations included in the Group Balance Sheet. Additionally, £902 million (2024: £nil) of letters of credit have been issued in respect of commitments to invest in Sizewell C (Holding) Limited. See note 18(a) for further details on commitments.

(c) Contingent liabilities

The Group has no material contingent liabilities.

19. Events after the balance sheet date

The Group updates disclosures in light of new information being received, or a significant event occurring, in the period between 31 December 2025 and the date of this report.

The Directors propose a final dividend of 3.67 pence per ordinary share for the year ended 31 December 2025 (which would total £169 million based on shareholding at that date). The dividend will be submitted for formal approval at the Annual General Meeting to be held on 7 May 2026 and, subject to approval, will be paid on 14 May 2026 to those shareholders registered on 10 April 2026.

The disposal of the Group's energy solutions businesses in Italy and the Netherlands to Joulz B.V. completed on 6 February 2026. See note 15(b) for further details.

Gas and Liquids Reserves (unaudited)

The Group's estimates of reserves of gas and liquids are reviewed as part of the full year reporting process and updated accordingly.

A number of factors affect the volumes of gas and liquids reserves, including the available reservoir data, commodity prices and future costs. Due to the inherent uncertainties and the limited nature of reservoir data, estimates of reserves are subject to change as additional information becomes available.

The Group discloses 2P gas and liquids reserves, representing the central estimate of future hydrocarbon recovery. Reserves for Centrica operated fields are estimated by in-house technical teams composed of geoscientists and reservoir engineers. Reserves for non-operated fields are estimated by the operator but are subject to internal review and challenge.

As part of the internal control process related to reserves estimation, an assessment of the reserves, including the application of the reserves definitions, is undertaken by an independent technical auditor. An annual reserves assessment has been carried out by RISC Advisory for the Group's global reserves. Reserves are estimated in accordance with a formal policy and procedure standard.

The Group has estimated 2P gas and liquids reserves in Europe.

The principal retained fields in Spirit Energy are Morecambe Hub, Clipper South, Galleon and Eris & Ceres. The principal non-Spirit Energy field is Rough. The European reserves estimates are consistent with the guidelines and definitions of the Society of Petroleum Engineers, the Society of Petroleum Evaluation Engineers and the World Petroleum Council's Petroleum Resources Management System using accepted principles.

Estimated net 2P reserves of gas (billion cubic feet)	Spirit Energy (i)	Rough	**Total**
1 January 2025	175	14	**189**
Revisions of previous estimates (ii)	24	—	**24**
Disposals(iii)	(79)	—	**(79)**
Production (iv)	(28)	(6)	**(34)**
31 December 2025	92	8	**100**

Estimated net 2P reserves of liquids (million barrels)	Spirit Energy (i)	Rough	**Total**
1 January 2025	1	—	**1**
Production (iv)	(1)	—	**(1)**
31 December 2025	—	—	**—**

Estimated net 2P reserves (million barrels of oil equivalent)	Spirit Energy (i)	Rough	**Total**
31 December 2025 (v)	16	1	**17**

(i) The movements represent Centrica's 69% interest in Spirit Energy.
(ii) Revision of previous estimates include those associated with Morecambe Hub and Cygnus.
(iii) Disposals relate to the disposal of part of Spirit Energy's interest in the Cygnus gas field to Ithaca. Reserves relating to the Spirit Energy disposal group held for sale are included in the closing balance as at 31 December 2025. See note 15.
(iv) Represents total sales volumes of gas and liquids produced from the Group's reserves.
(v) Includes the total of estimated gas and liquids reserves at 31 December 2025 in million barrels of oil equivalent.

Liquids reserves include oil, propane, butane, condensate and natural gas liquids.

Five Year Summary (unaudited)

Year ended 31 December	2021 (restated) (i)	2022 (restated) (i)	2023 (restated) (i)	2024 (restated) (i)	**2025 £m**
Total Group revenue included in business performance	18,300	33,637	33,374	24,636	**22,365**
Operating profit before exceptional items and certain re-measurements:					
Retail (i)	206	34	808	458	**424**
Optimisation (i)	66	1,481	831	339	**155**
Infrastructure (i)	676	1,816	1,121	799	**314**
Colleague profit share	—	(23)	(8)	(25)	**(34)**
Meter asset provider consolidation adjustment	—	—	—	(19)	**(45)**
	948	3,308	2,752	1,552	**814**
Exceptional items and certain re-measurements after taxation	866	(2,755)	2,165	322	**(606)**
Profit/(loss) attributable to equity holders of the parent	1,210	(782)	3,929	1,332	**(72)**

	Pence	Pence	Pence	Pence	**Pence**
Earnings per ordinary share	20.7	(13.3)	70.6	25.7	**(1.5)**
Adjusted earnings per ordinary share	4.1	34.9	33.4	19.0	**11.2**
Dividend per ordinary share in respect of the year	—	3.0	4.0	4.5	**5.5**

Assets and liabilities

31 December	2021 £m	2022 £m	2023 £m	2024 £m	**2025 £m**
Goodwill and other non-current intangible assets	1,161	1,116	745	796	**822**
Other non-current assets	6,040	7,234	4,555	3,793	**4,086**
Net current assets/(liabilities)	1,465	(1,023)	4,930	5,242	**3,210**
Non-current liabilities	(6,360)	(6,047)	(5,997)	(5,019)	**(4,685)**
Net assets of disposal groups held for sale	444	—	—	—	**63**
Net assets	2,750	1,280	4,233	4,812	**3,496**
Adjusted net (debt)/cash (note 11)	680	1,199	2,744	2,858	**1,487**

Cash flows

Year ended 31 December	2021 £m	2022 £m	2023 £m	2024 £m	**2025 £m**
Net cash flow from operating activities before exceptional payments	1,687	1,338	2,758	1,155	**733**
Payments relating to exceptional charges in operating costs	(76)	(24)	(6)	(6)	**(38)**
Net cash flow from investing activities	2,263	(566)	115	493	**(690)**
Net cash flow before cash flow from financing activities	3,874	748	2,867	1,642	**5**

(i) Results have been restated to reflect the new operating structure of the Group, effective during 2025, See note 1(e) for further details.

Additional Information – explanatory notes (unaudited)

Definitions and reconciliation of adjusted performance measures

Centrica's 2025 Preliminary Results include a number of non-GAAP measures. These measures are chosen as they provide additional useful information on business performance and underlying trends. They are also used to measure the Group's performance against its strategic financial framework. They are not however, defined terms under IFRS and may not be comparable with similarly titled measures reported by other companies. Where possible they have been reconciled to the statutory equivalents from the primary statements (Group Income Statement (I/S), Group Balance Sheet (B/S), Group Cash Flow Statement (C/F)) or the notes to the Financial Statements.

Adjusted revenue, adjusted gross margin, adjusted operating profit and adjusted earnings have been defined and reconciled separately in notes 2, 5 and 10 to the Financial Statements where further explanation of the measures is given. Additional performance measures are used within these Financial Statements to help explain the performance of the Group and these are defined and reconciled below. Further information has been provided to help readers when reconciling between different parts of the consolidated Group Financial Statements, and when reconciling cash flow measures to the Group Cash Flow Statement.

Adjusted EBITDA

Adjusted EBITDA is a business performance measure of operating profit, after adjusting for depreciation and amortisation. It provides a clear view of operating performance before accounting adjustments, such as depreciation, and is a more relevant performance metric as the Group continues to invest in growing its portfolio.

Year ended 31 December	Notes	2025 £m	2024 £m	Change
Group operating profit	I/S	**106**	1,703	
Exceptional items before taxation	6	**405**	128	
Certain re-measurements before taxation	6	**303**	(279)	
Share of interest, taxation, depreciation and amortisation of joint ventures and associates	12	**164**	257	
Depreciation and impairments of property, plant and equipment (i)	5	**348**	409	
Amortisation and impairments of intangibles (i)	5	**91**	87	
Group total adjusted EBITDA		**1,417**	2,305	(39)%
Less: share of EBITDA relating to joint ventures and associates	12	**(322)**	(513)	
Group total adjusted EBITDA excluding share of EBITDA from joint ventures and associates		**1,095**	1,792	(39)%

(i) These line items relate to business performance only.

Definitions and reconciliation of adjusted performance measures

Free cash flow

Free cash flow is used by management to assess the cash-generating performance of the business after taking account of the need to maintain its capital asset base. Free cash flow is defined as net cash flow from operating and investing activities before:

- Deficit reduction payments made to the UK defined benefit pension schemes;
- Movements in variation margin and collateral;
- Interest received; and
- Sale, settlement and purchase of securities.

By excluding deficit reduction payments and movements in variation margin and collateral, which are predominantly triggered by wider market factors and, in the case of collateral and margin movements, represent timing differences, free cash flow gives a measure of the underlying performance of the Group.

Interest received and cash flows from the sale, settlement and purchase of securities are excluded from free cash flow as these items are included in the Group's adjusted net cash/(debt) measure and are therefore viewed by the Directors as related to the manner in which the Group finances its operations.

The below table shows the reconciliation between net cash flow from operating and investing activities to Group total free cash flow:

Year ended 31 December	Notes	2025 £m	2024 £m
Net cash flow from operating activities	C/F	**695**	1,149
Net cash flow from investing activities	C/F	**(690)**	493
Total cash flow from operating and investing activities		**5**	1,642
Reconciling items:			
UK pension deficit payments	14	**150**	176
Movements in variation margin and collateral	4	**(51)**	(131)
Interest received	C/F	**(227)**	(317)
Settlement of securities	C/F	**(57)**	(400)
Purchase of securities	C/F	**13**	19
Group total free cash flow		**(167)**	989

The below table shows how adjusted EBITDA reconciles to net cash flow from operating activities, adjusted operating cash flow, and free cash flow:

Year ended 31 December	Notes	2025 £m	2024 £m
Group total adjusted EBITDA excluding share of EBITDA from joint ventures and associates		**1,095**	1,792
Group operating (loss)/profit, including results relating to joint ventures and associates, from exceptional items and certain re-measurements	I/S	**(708)**	151
Impairments included in exceptional items	6	**508**	75
Gain on disposals	C/F	**(74)**	(4)
(Decrease)/increase in provisions	C/F	**(129)**	110
Cash contributions to defined benefit schemes in excess of service cost income statement charge	C/F	**(150)**	(208)
Employee share scheme costs	C/F	**56**	47
Unrealised losses arising from re-measurement of energy contracts	C/F	**362**	96
Net movement in working capital	C/F	**164**	(252)
Taxes paid	C/F	**(375)**	(636)
Operating interest paid	C/F	**(16)**	(16)
Payments relating to exceptional charges in operating profit	C/F	**(38)**	(6)
Net cash flow from operating activities		**695**	1,149
Dividends received from joint ventures and associates	C/F	**135**	355
UK pension deficit payments	14	**150**	176
Movements in variation margin and collateral	4	**(51)**	(131)
Group total adjusted operating cash flow		**929**	1,549
Purchase of businesses and assets, net of cash acquired	C/F	**(22)**	(92)
Sale of businesses and interests in joint operations, including receipt of deferred consideration	C/F	**119**	4
Purchase of property, plant and equipment and intangible assets	C/F	**(554)**	(416)
Sale of property, plant and equipment and intangible assets	C/F	**12**	—
Investments in joint ventures and associates	C/F	**(609)**	—
Net purchase of other investments	C/F	**(42)**	(56)
Group total free cash flow		**(167)**	989

Definitions and reconciliation of adjusted performance measures

The below table shows the reconciliation from net movement in working capital to adjusted net movement in working capital:

Year ended 31 December	Notes	2025 £m	2024 £m
Decrease in inventories	C/F	**546**	164
Decrease in trade and other receivables and contract-related assets relating to business performance	C/F	**413**	241
Decrease in trade and other payables and contract-related liabilities relating to business performance	C/F	**(795)**	(657)
Net movement in working capital		**164**	(252)
Add back/(deduct) movements in collateral included within working capital	4	**93**	(47)
Other reconciling items:			
Increase/(decrease) in provisions related to business performance, excluding payments related to decommissioning provisions (i)		**7**	(5)
Unrealised (gains)/losses arising from re-measurement of energy contracts relating to business performance		**(120)**	429
Operating interest paid	C/F	**(16)**	(16)
Other (ii)		**55**	15
Adjusted net movement in working capital		**183**	124

(i) Increase/(decrease) in provisions related to business performance excludes payments related to decommissioning provisions of £71 million (2024: £80 million).
(ii) Other includes employee share scheme costs of £56 million (2024: £47 million) and cash contributions to defined benefit schemes in excess of service cost income statement charge of £(150) million (2024: £(208) million), excluding the impact of pension benefit payments of £150 million (2024: £176 million).

Group net investment

With an increased focus on cash generation, capital discipline and managing adjusted net cash/(debt), Group net investment provides a measure of the Group's capital expenditure from a cash perspective and allows the Group's capital discipline to be assessed.

Year ended 31 December	Notes	2025 £m	2024 £m	Change
Capital expenditure (i)		**1,227**	564	
Net disposals (ii)		**(131)**	(4)	
Group net investment		**1,096**	560	96%
Dividends received from joint ventures and associates	C/F	**(135)**	(355)	
Interest received	C/F	**(227)**	(317)	
Settlement of securities	C/F	**(57)**	(400)	
Purchase of securities	C/F	**13**	19	
Net cash flow from investing activities	C/F	**690**	(493)	(240)%

(i) Capital expenditure is the net cash flow on capital expenditure, purchases of businesses, assets and other investments, and investments in joint ventures and associates. See table (a).
(ii) Net disposals is the net cash flow from sales of businesses and interests in joint operations, and property, plant and equipment and intangible assets. See table (b).

Group net investment is capital expenditure including acquisitions less net disposals. It excludes cash flows from investing activities not associated with capital expenditure as detailed in the table above.

(a) Capital expenditure

Year ended 31 December	Notes	2025 £m	2024 £m	Change
Purchase of property, plant and equipment and intangible assets	C/F	**554**	416	
Purchase of businesses and assets, net of cash acquired	C/F	**22**	92	
Investments in joint ventures and associates	C/F	**609**	—	
Net purchase of other investments	C/F	**42**	56	
Capital expenditure		**1,227**	564	118%

(b) Net disposals

Year ended 31 December	Notes	2025 £m	2024 £m	Change
Sale of businesses and interests in joint operations, including receipt of deferred consideration	C/F	**(119)**	(4)	
Sale of property, plant and equipment and intangible assets	C/F	**(12)**	—	
Net disposals		**(131)**	(4)	3,175 %

Definitions and reconciliation of adjusted performance measures

The following tables provide additional information to help readers when reconciling between different parts of the consolidated Group Financial Statements, and the Group Cash Flow Statement.

Reconciliation from free cash flow to change in adjusted net cash

Year ended 31 December	Notes	2025 £m	2024 £m
Group total free cash flow		**(167)**	989
Financing interest paid	C/F	**(181)**	(283)
Interest received	C/F	**227**	317
Premium paid on debt repurchase	7	**—**	(68)
UK pension deficit payments	14	**(150)**	(176)
Payments for own shares	C/F	**(9)**	(8)
Share buyback programme	C/F	**(827)**	(499)
Equity dividends paid	C/F	**(237)**	(219)
Movements in variation margin and collateral	4	**51**	131
Cash flows affecting adjusted net cash		**(1,293)**	184
Non-cash movements in adjusted net cash		**(78)**	(70)
Change in adjusted net cash		**(1,371)**	114
Opening adjusted net cash	11	**2,858**	2,744
Closing adjusted net cash	11	**1,487**	2,858

Reconciliation of adjusted net cash to unadjusted net cash

Adjusted net cash is a business performance measure used by management to assess the underlying indebtedness of the business.

Year ended 31 December	Notes	2025 £m	2024 £m
Adjusted net cash	11	**1,487**	2,858
Less: current and non-current securities	11	**(107)**	(139)
Unadjusted net cash		**1,380**	2,719

Depreciation, amortisation and impairments

Year ended 31 December	Notes	2025 £m	2024 £m
Movement from depreciation, amortisation and impairments, from exceptional items included in the Group Cash Flow Statement		**508**	75
Comprised of:			
Impairment of power assets	6	**264**	75
Impairment of gas field assets	6	**244**	—
Movement from depreciation and amortisation, from business performance included in the Group Cash Flow Statement		**439**	496
Comprised of:			
Business performance property, plant and equipment depreciation	5	**343**	387
Business performance property, plant and equipment impairments	5	**5**	22
Business performance intangibles amortisation	5	**85**	86
Business performance intangibles impairments	5	**6**	1
Movement from depreciation, amortisation and impairments included in the Group Cash Flow Statement		**947**	571

Definitions and reconciliation of adjusted performance measures

Reconciliation of receivables and payables to the Group Cash Flow Statement

Year ended 31 December	Notes	2025 £m	2024 £m
Receivables opening balance	B/S	**5,383**	5,619
Less: receivables closing balance	B/S	**(4,929)**	(5,383)
Payables (including insurance contract liabilities) opening balance	B/S	**(6,742)**	(7,372)
Less: payables (including insurance contract liabilities) closing balance	B/S	**5,841**	6,742
Net movement in receivables and payables		**(447)**	(394)
Non-cash changes, and other reconciling items:			
Movement in share buyback liability		**61**	19
Business acquisitions and disposals (including transfers to disposal groups held for sale)		**14**	(28)
Movement in capital creditors		**(10)**	(20)
Movement in ROCs and emission certificate intangible assets		**31**	(26)
Other movements (including foreign exchange movements)		**(31)**	33
Non-cash changes, and other reconciling items		**65**	(22)
Movement in trade and other receivables, trade and other payables and contract-related assets/liabilities relating to business performance	C/F	**(382)**	(416)

Pensions

Year ended 31 December	Notes	2025 £m	2024 £m
Cash contributions to defined benefit schemes in excess of service cost income statement charge	C/F	**(150)**	(208)
Ordinary employer contributions	14	**(29)**	(51)
UK pension deficit payments	14	**(150)**	(176)
Contributions by employer in respect of employee salary sacrifice arrangements	14	**(17)**	(24)
Total current service cost, including salary sacrifice	14	**35**	42
Past service cost	14	**3**	—
Termination cost	14	**8**	1

Disclosures

Disclaimer

This announcement does not constitute an invitation to underwrite, subscribe for, or otherwise acquire or dispose of any Centrica shares or other securities. This announcement contains certain forward-looking statements, forecasts and projections that reflect the current intentions, beliefs or expectations of Centrica's Management with respect to, the Group's financial condition, goals and commitments, prospects, growth, strategies, results, operations and businesses of Centrica.

These statements only take into account information that was available up to and including the date that this announcement was prepared and can be identified by the use of terms such as 'intend', 'aim', 'project', 'anticipate', 'estimate', 'plan', 'believe', 'expect', 'forecasts', 'may', 'could', 'should', 'will', 'continue' and other similar expressions of future performance and results including any of their negatives words.

Although we make such statements based on assumptions that we believe to be reasonable, by their nature, readers are cautioned that these forward-looking statements are not guarantees or predictions of the Group's future performance and undue reliance should not be placed on them when making investment decisions. Any reliance placed on this announcement or past performance is not indicative of future results and is done entirely at the risk of the person placing such reliance.

There can be no assurance that the Group's actual future results, financial condition, performance, operations and businesses will not differ materially from those express or implied in the forward-looking statements due to a variety of factors that are beyond the control of the Group and therefore cannot be precisely predicted. Such factors include, but not limited to, those set out in this announcement and in the 'Our Principal Risks and Uncertainties' section of the Strategic Report in our most recently published Annual Report and Accounts. Other factors could also have an adverse effect on our business performance and results.

At any time subsequent to the publication of this announcement, neither Centrica nor any other person assumes responsibility for the accuracy and completeness or undertakes any obligation, to update or revise any of these forward-looking statements to reflect any new information or any changes in events, conditions or circumstances on which any such forward-looking statement is based save in respect of any requirement under applicable law or regulation.

Further when considering the information contained in, or referred to in this announcement, please note that profit and inventory from Rough operations are reported under Centrica Energy Storage Limited, also referred to as Centrica Energy Storage+, for presentational purposes only. Centrica Energy Storage Limited does not produce, supply or trade gas, except to the extent necessary for the efficient operation of the storage facility. In accordance with the Gas Act 1986, such production, supply and trading of gas is carried out wholly independently of Centrica Energy Storage Limited by other Centrica group companies.

Certain figures shown in this announcement were rounded in accordance with standard business rounding principles and therefore there may be discrepancies.

For further information

Centrica will hold its 2025 Preliminary Results presentation for analysts and institutional investors at 9.30am (UK) on Thursday 19 February 2026. There will be a live webcast of the presentation and slides. Please register to view the webcast at:

https://secure.emincote.com/client/centrica/results/2025-preliminary-results

An archived webcast and full transcript of the presentation and question and answer session will be available on the Centrica website thereafter.

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Financial calendar

Ex-dividend date for 2025 final dividend	9 April 2026
Record date for 2025 final dividend	10 April 2026
Annual General Meeting (AGM)	7 May 2026
Payment of 2025 final dividend	14 May 2026

For more information on Centrica's financial calendar please visit: https://www.centrica.com/investors/financial-calendar/

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