

# Corporate responsibility report 2013

Doing the right things **right**

Helping our customers.  
We're on it.

**e-on**

# Doing the right things right

Welcome to the 2013 E.ON corporate responsibility report. We achieved a great deal in 2013, from developing new ways for our customers to take control of their energy use to supporting those who need help most. We know we've still got a lot to do to regain our customers' trust, but we believe we're already making good progress.

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## Our approach

Our vision is to become our customers' trusted energy partner. That means putting customers at the heart of everything we do, listening to what they tell us and going the extra mile to help them. We know that energy prices have increased over recent years, and that bills and tariffs have been too complicated. As a result, we lost the trust of some of our customers. Now, more than ever, we must regain that trust and ensure we do the right things right.

That's why we've been talking to customers to find out what matters most to them. We undertook a variety of activities in 2013, including introducing a Customer Listening Programme, which helps our senior leaders find out what our customers really think. We also canvassed the opinions of 28,000 residential customers and 750 business customers through our YourSay panels, while our MySay panel also gave us insight into the opinions of 1,400 of our colleagues.

For our customers, doing the right things right means they can rely on us to be helpful and to provide a high-quality service. They want to trust that we will act fairly and honestly and admit when we get things wrong, while also working with them to reduce their energy usage. And they want to know that we're continuing to develop low carbon energy solutions and having a positive impact in the communities where we work.



In 2013, we canvassed the opinions of **28,000** of our residential customers through our YourSay panel



Last year, our Board members met up with over **500** customers as part of our Customer Listening Programme

# Welcome from our CEO

Our CEO, Tony Cocker, discusses trust – what it means to him and why it's so important.



Trust is vital to everyone, especially people in the public eye such as those who provide essential services like banking or energy.

Customers don't necessarily want to find themselves immersed in the complexities of energy policy, but they do need to have faith you are doing the

right things right. Not everyone trusts the price they pay, and most people are frustrated if they receive poor service, and our customers have told us these are the **real** issues.

As I look back to 2013, I am proud of what we have achieved but I'd also reflect that at the start of 2014, there was still much more I wanted to change.

## We have listened and acted

We listened to what customers wanted, and then acted:

- We've simplified our bills and tariffs, and explained what makes up an energy bill
- We've established an internal 'trust programme' to make sure we are set up to treat our customers fairly and keep them informed of our progress
- We've ended face-to-face sales and outbound residential telephone cold calling
- We've ended auto rollover contracts for small businesses

Affordable energy is using and therefore paying for no more than you need, so our philosophy is to control the costs we can, and then to help our customers understand and control their energy use. In 2013, I'm proud that we:

- Launched online saving energy tools for homes and businesses
- Rolled out smart meters to almost 300,000 homes and businesses
- Trained more than 4,500 of our front-line colleagues to give energy-saving advice
- Led the way on installing energy-saving measures and improving the fabric of our customers' homes
- Led the market in developing district heating schemes providing lower carbon, efficient heat in the most cost effective way
- Acquired the energy management specialist Matrix, which helps blue-chip corporate and public sector customers optimise the use of energy in their buildings

We also provide support to our most vulnerable customers. In 2013, we announced £7.6 million of financial support for more than 400,000 customers on our Age UK tariffs, in addition to the £25 million we have provided over the past 13 years. We also provided payments to eligible vulnerable customers through our Warm Home Discount obligation.

## We're still listening and doing more

To drive improvements it is important that we get feedback from our customers, so I am proud that I regularly meet our customers face to face to hear the good, the bad and the ugly of their interactions with us.

We are also continuing to improve and innovate our service, for example we have a trial in Milton Keynes that provides a glimpse of the future for every home and business. Our Thinking Energy customers involved in this trial have the ability to switch the kettle on using their phone and the ability to turn off the light from their tablet.

## Renewing our energy

Over the last five years, we've invested £5.5 billion into new energy infrastructure, including Grain, one of the most efficient gas-fired combined heat and power plants in the UK, and London Array, the world's largest operational offshore wind farm. In 2013, we made great progress on our biomass power station at Blackburn Meadows in Sheffield, which will become fully operational by the end of 2014. The plant will use recycled waste wood to generate clean energy for more than 40,000 homes. A linked district heating network will capture an additional 25MW of heat energy and supply low carbon heat through an 8km pipe network to a mix of local businesses.

## What else needs to happen?

There are three key things which need to happen to build greater trust in the energy market and this is just as true in 2014 as it was in 2013:

1. In 2011, I first called for a competition review, and I welcome the Competition and Markets Authority investigation. I hope that it delivers a final conclusion on the state of the energy market, which sets out a clear position, draws a line under the past, and gives us a platform from which we can build and go forward.
2. I believe in simple clear prices, not a price freeze, which would be damaging for the market as a whole. It introduces risk and uncertainty for all energy companies – large and small. I don't believe it does anything to build trust. Instead, we need an open and honest conversation from politicians, media and the energy industry on what makes up a customer's bill. We need transparency around who controls the cost of each element, what can cause changes in the future and how we ensure each element is as cost-effective as possible. Finally, there needs to be a debate on whether it would be better and fairer to levy some of these costs through general taxation rather than in customers' energy bills.
3. The rollout of smart meters will make the energy market simpler, help to improve service and reduce costs, aid customers to understand and control their energy use, support greater trust, and create a foundation for a much smarter energy world.

I am committed to rebuilding customer trust and securing an affordable and sustainable energy future and I believe we're making good progress.

## What matters most

Our approach to corporate responsibility is to tackle the issues that matter most to you. That means continuing to improve our relationships with our customers and offering the right products at fair prices. But it's also about helping customers to use no more energy than they need and investing in the communities where we have an impact.

In 2013, we organised a series of workshops where customers told us which activities we should focus on in 2014 and what being a responsible business means to them. Our 2013 report is focused around these issues.

## Giving our customers control

We want to help our customers understand their energy usage, use no more than they need and reduce their bills.

Last year, we trained more than 4,500 of our employees to give effective energy-saving advice and launched our residential and SME (Small and Medium Enterprise) online saving energy toolkits. By the end of 2013, more than 350,000 residential customers had used the toolkit, which helps customers compare their energy usage with others and make simple changes to reduce how much they use. In 2013 we launched a new online hub, where business customers can find energy-efficiency advice specific to different business sectors and see case studies about customers who have saved energy and seen a positive impact on their bottom line.

We also installed 282,860 smart meters and we've retrained over 500 meter technicians to install electricity smart meters and over half of these have also gained a gas smart meter qualification.

In 2013, E.ON bought Matrix, the UK market leader in energy management and energy efficiency services for commercial buildings. Matrix has a superb track record of helping blue-chip companies and public sector customers to reduce their energy consumption, sometimes by as much as 40%. We can now harness this expertise, and use its advanced metering and building energy management technologies to help benefit our business customers, which include Tesco, BT and M&S.



More than **350,000** residential customers used Saving Energy Toolkit



Installed **282,860** smart meters



**700** SME customers used our Energy Efficiency Advice Line





We welcome an independent investigation into the energy market to review whether the market is fair and offering real choice to customers



100% of frontline staff trained on the breakdown of bills

## Transparent pricing

Transparency is about helping customers see how their bill is calculated and how their money is spent. It's also about understanding whether the profit we make is fair.

In March 2013, we introduced a detailed breakdown of our bill - including the fact that only 4% is profit. We also recognise that customers often don't understand why prices have increased, and we've trained all our frontline staff on the breakdown of a customer's bill and started publishing a summary of our different costs for customers to see. In December 2013, we wrote to our customers to tell them about the decision to increase our prices from 18 January 2014 by an average of 3.7% for dual fuel users. For the second year running we announced an increase later than any other major supplier, as well as a lower average percentage rise.

We're sorry that we haven't always got things right. Following Ofgem's investigation into E.ON's sales, we agreed a penalty payment of £1 and a fuel poverty package amounting to £12 million across a group of about 333,000 vulnerable customers. In addition, about 465,000 customers have received notification that they may have received incorrect information when choosing their energy tariff. Customers with concerns can contact the E.ON Sales Compensation Fund by calling 0800 056 8497 for more information.

## Keeping things simple and fair

Earning and keeping the trust of our customers is our number one priority, which is why we're always working to make things simple and fair. To us, that means explaining ourselves clearly and taking responsibility if things go wrong.

In December 2013, we achieved first place amongst the six largest suppliers in the industry top down Net Promoter Score (NPS) for residential customers. This increased our lead over the average score of our major competitors by 12 points. We also launched 'E.ON Price Alerts', which allow online customers on eligible tariffs to receive alerts when we release a new version of their tariff.

We provided call coaching for our employees in our customer service teams, helping our staff improve their communication skills, meaning we can provide a real level of consistency when we speak to customers. How quickly we answer calls is one of the main concerns of our customers and remains one of our key challenges. The average time we took to answer calls in 2013 was just under three minutes. It's an area that we're still working on, and we're looking to make improvements by continually investing in our call centres.



We were the first energy company to call for an end to auto rollover of contracts for small and medium-sized businesses



Voted Britain's favourite major energy supplier for the second year running in the uSwitch Customer Satisfaction Awards



Our field staff - who collectively visit up to **70,000** customer homes each day - were awarded Investors in Excellence accreditation



 Reduced CO<sub>2</sub> emissions from generating electricity by **27%** in 2013 compared to 2012

 We have capacity to produce over **500MW** of wind energy, thanks to **20** onshore and **3** offshore wind farms, enough to power around **300,000** homes

 Invested nearly **£220,000** in communities around our operational onshore wind farms, as part of the Community Benefit Funds scheme

 Our biomass plant in Sheffield will produce enough energy to power **40,000** homes when it becomes fully operational

## Supporting those most vulnerable

We work with partners to provide products and support services which help vulnerable customers reduce energy bills, improve energy efficiency, access support and benefits, and manage payments or debts effectively.

E.ON's Caring Energy team ensures customers are receiving the energy-related benefits they're entitled to. We supported more than 327,000 customers through the Warm Home Discount scheme for the winter of 2013/2014, through which eligible customers could receive a £135 rebate on their energy bill. We're also on track to meet our targets for helping customers to heat their homes affordably. Eligible customers can get free loft or cavity wall insulation - or even a new boiler if theirs is broken.

Working with charities such as Age UK, we reached 68 communities to help the elderly prepare for the winter by mixing benefit entitlement checks with practical energy help. Last year, we helped Age UK find an additional £15.5 million in benefits for customers and reduce customers' energy bills by over £100,000 by making their homes more efficient.

In June 2013, we launched the E.ON Energy Action Fund to help worthwhile causes in local communities better manage their energy consumption. Local projects have been applying for funding and successful projects have received backing of between £50 and £2,000.

## Renewing our energy

We want to deliver energy in a way that is sustainable, affordable and secure. We'll do this by investing in cleaner, renewable energy, reducing our carbon emissions and helping our customers reduce theirs, too.

With the help of our partners Masdar and Dong Energy, in July 2013 we officially opened London Array, the largest offshore wind farm in the world. Its 175 turbines deliver clean energy to nearly 500,000 homes. We're also now well on our way to completing our fourth offshore wind farm, the £700 million Humber Gateway, which will produce electricity for 170,000 homes when it opens in 2015.

By 2016, all new residential buildings in the UK will need to meet a zero-carbon standard. We're now market leaders in the area of community energy schemes, with 19 projects currently delivering low carbon heat to 10,000 customers, with more schemes in the pipeline. These all involve an energy centre which generates power. The centre is connected to homes and offices via a network of pipes so that individual buildings no longer need their own boilers. And that means more efficiency and fewer carbon emissions.

 Announced payouts totalling more than **£7.6 million** for over **400,000** eligible customers on E.ON's previous Age UK Energy tariffs

 **£46.8 million** contributed through the Warm Home Discount, supporting **327,000** vulnerable people

 Undertook **2,738** home visits to provide help to vulnerable customers struggling to pay their bills



-  Provided energy workshops for **13,000** pupils from **139** schools
-  More than **700** unemployed people in **five** UK cities benefitted from free energy efficiency training
-  Delivered **600** apprenticeship courses to almost **4,000** people

## Creating a happy place to work

We exist for our customers; it's as simple as that. Doing a good job for our customers starts with creating a happy and a safe workplace where each colleague understands how they can make a difference.

That means putting our customers at the heart of everything we do, listening to what they tell us and going the extra mile to help them. So we've been transforming what we do and how we do it - including introducing our People Plan to make sure our colleagues are equipped with the right skills to help them wow our customers. We've also launched Buzz, our scheme that recognises colleagues who do that bit extra.

As an employer, we want to go the extra mile too. We've further developed our wellbeing programmes and are also pleased to report that we've beaten a number of accident reduction targets that we set ourselves. Other highlights have been the launch of our Black Asian Minority Ethnic Network and the publication of our Flexible Working Guidance. These are all part of our commitment to creating a happy and safe place where people can give their best.

In 2013 we received the 'Inclusive Recruitment' award from the Employers Network for Equality & Inclusion (ENEI). It recognises innovative programmes and approaches, and is awarded to companies who promote best practice in equality and inclusion. We also participated in the Disability Employment Conference to support the launch of the Government's two-year campaign to help all employers become 'disability confident'. E.ON was invited in recognition of our work in this area and received special mention in the Prime Minister's keynote speech at the conference.

Our 2013 Pride survey, our main tool for measuring colleague engagement, showed progress in the areas we had already identified as needing improvements. The overall engagement score for the UK came out at 71%; 9% higher than the previous full survey. 81% of colleagues support E.ON UK's strategy and direction, 89% said they understand the need for change within the company, and 72% agree that the senior leadership team communicates a clear vision of where the organisation is going.

## Investing in people

Investing in people is not just about developing our own workforce; it's also about helping local communities reach their full potential. It means providing the best training for our people, offering opportunities to young and marginalised people in society, and playing a positive role in the communities where we work.

In 2013, a total of 31 people joined our nine graduate schemes - a 24% increase from 2012. We also delivered approximately 600 apprenticeship courses to almost 4,000 people, and subsequently, we announced a pilot Customer Service Apprenticeship Scheme to support the UK's youth unemployment agenda and develop talent for the future.

Our 2013 education activity, which benefitted more than 13,000 pupils from 139 primary and secondary schools, focused on live events, such as lessons and theatre and drama workshops about energy.

More than 700 people in five UK cities have benefitted from the Community Energy Fit scheme, which provided energy efficiency training and practical work experience to unemployed people.

Since October 2013, as part of our work with Go ON UK we've trained 150 external Digital Champions to promote digital skills across the UK. This training helps people get online and access online services and opportunities.

-  Launched our People Plan, aiming to help colleagues reach their full potential
-  Almost **6,000** colleagues completed our Diversity Survey
-  E.ON employees have been nominated - or 'buzzed' - by their colleagues more than **36,000** times for going the extra mile



# Our commitments

In February 2013 we set out our commitments for action, showing how we plan to regain the trust of our customers. They cover our relationship with our customers, our people, the environment and the communities where we work, as well as how we finance and govern the business.

Status key:



Commitment	Status	Progress update
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## Customers

Continually improve to ensure our customers are the most satisfied in the sector		In the uSwitch Customer Satisfaction Awards 2013, we were voted Britain's favourite major energy supplier for the second year running. And our field staff, who visit 70,000 customers' homes each day, were awarded 'Investors in Excellence' accreditation in 2013.
Work with customers to control their energy use		In October 2013 we launched our residential online energy saving toolkit and our SME online hub, which enable customers to compare energy usage and access energy saving tips. By the end of 2013 more than 350,000 residential customers and 21,000 businesses had accessed the online information.
Install smart meters in all our customers' homes and businesses by 2020		By the end of 2013 we had installed 282,860 smart meters, benefitting over 200,000 home and business customers.
Support our vulnerable customers		In June 2013, we announced payouts totalling more than £7.6 million for over 400,000 eligible customers. In 2013/2014, we helped deliver the Warm Home Discount Scheme to more than 327,000 customers, through which eligible customers could receive a £135 rebate on their energy bill. Also, in partnership with Age UK, we've developed a fixed two-year tariff that has a range of benefits designed to provide reassurance to the customer.
Deal with complaints quickly and thoroughly		In the 2013 Which? Energy Satisfaction Survey, we were rated as one of the two best major energy companies at managing complaints.
Measure how well we are doing with our business customers		We canvassed the opinions of 750 of our business customers through our YourSay business panel. We aim to increase recruitment to the panel throughout 2014 and reach 1,500 members by the end of the 2014.

## Our people

Keep supporting diversity		We launched our first Disability Employee Network and Black Asian and Minority Ethnic network in 2013 and published our first Flexible Working Guidance for Managers and Employees.
Continue to engage with our employees		Our full Pride survey, conducted in September 2013, was completed by 5,762 colleagues and the overall engagement score came out at 71%; 9% higher than the previous full survey. In May 2013 we also launched 'Buzz', our internal colleague-to-colleague recognition scheme.
Invest in our people's capability		In 2013, we refreshed our learning and development pages to create simpler and quicker access to learning for all UK colleagues. We also now provide our people managers and colleagues with a far greater choice of versatile development opportunities.
Find out what our colleagues think of E.ON's new strategy		Our Pride survey in 2013 told us that 81% of colleagues support E.ON UK's strategy and direction. 89% of colleagues said they understand the need for change within the company, and 72% agree that the senior leadership team in the UK communicates a clear vision of where the organisation is going.

Status key:



Commitment	Status	Progress update
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## Environment

Continue to contribute to the E.ON Group carbon dioxide reduction target		In the UK, our total carbon dioxide emissions were down from 21.3 million tonnes in 2012 to 15.4 million tonnes in 2013. Carbon intensity was also down by 12.4% over 2012 levels.
Close another fossil fuel power station which will reduce our emissions		Our coal-fuelled Kingsnorth power station was decommissioned in 2013, contributing significantly to a reduction in our total carbon dioxide emissions.
Start to use biomass instead of coal		In 2013, we made some major changes at our Ironbridge power station. Under EU rules, the plant will close in 2015, but for the final two years of its operational life, we have converted it from coal to biomass.
Generate clean energy through wind farms		Full capacity has now been reached on the first phase of the world's largest offshore wind farm, London Array, in which E.ON has a 30% stake. Currently our generation portfolio includes 20 onshore and 3 wholly owned offshore wind farms.
Launch a new renewable energy plant		Blackburn Meadows, our £120 million biomass power station in Sheffield, has capacity to produce up to 30MW of electricity using recycled waste wood. That's enough energy to power around 40,000 homes. A district heating network will capture an additional 25MW of heat energy and supply low carbon heat through an 8km pipe network to a mix of local businesses and an ice rink. We expect to create 30 full-time jobs once the plant is fully operational.

## Community

Launch more community programmes		In 2013, over 13,000 pupils from 139 primary and secondary schools took part in E.ON's Energy Experience education programme. Our live education events provided pupils of all ages with an engaging learning experience.
Continue to support the NSPCC		We continued to support the NSPCC in 2013 and created the Big E.ON Run in November, at which our colleagues raised more than £30,000 for the charity.
Support community energy projects		We're now operating community energy schemes all over the country, delivering low carbon heat and hot water to 10,000 customers. In June 2013, we launched the E.ON Energy Action Fund to support communities in managing their energy consumption.
Bring energy to our communities		In 2013, our energy saving advice teams went on the road to tell even more people about the various ways we can help them save energy.

## Finance and governance

Unpack our energy bills		In March 2013, we started publishing a breakdown of our different costs, and we continue to update this as results are published. We also recognise that customers often don't understand why prices have increased, so we've trained all of our frontline staff on the breakdown of a customer's bill.
Maintain our high standards		<p>We are sorry that we made a mistake in the reporting and administration of the distribution of free energy saving light bulbs in 2010. We agreed with Ofgem a £500,000 penalty and an additional payment of £2.5 million to those persons in fuel poverty or in risk of being in fuel poverty.</p> <p>We're also sorry that we didn't do the right things for our customers before Ofgem's investigation into E.ON's sales. As a result, we agreed to pay a £1 penalty and a fuel poverty package amounting to £12 million across a group of about 333,000 vulnerable customers. In addition, about 465,000 customers have received notification that they may have received incorrect information when choosing their energy tariff.</p>

# Data summary

Trend key: ● IMPROVED ○ MAINTAINED ○ DECLINED — N/A

Key performance indicator	2011	2012	2013	Notes
<b>Customers</b>				
<b>Making things simple and fair</b>				
Net Promoter Score (NPS) (top down) – residential customers	-25(v)	-21(v)	-20(a)	● This figure represents the Top Down Net Promoter Score and is a rolling average for the last three months of 2013. To get a top down score customers and non-customers are asked if they would recommend E.ON based on their overall perceptions and any experiences.  We ended 2013 on an NPS score of -20 for residential customers. This is a slight improvement on 2012 but by year end, NPS across the energy market continued to fall following price-rise announcements.
Net Promoter Score (NPS) (top down) – small and medium business customers (6 month rolling) <sup>1</sup>	-27	-24	-30(a)	○ This figure represents the Top Down Net Promoter Score and is a rolling average for the last six months of 2013. We have changed the way we calculate SME NPS in 2013 so the 2011 and 2012 figures have been restated to reflect the new methodology. To get a top down score customers and non-customers are asked if they would recommend E.ON based on their overall perceptions and any experiences.  The NPS score for SME business customers at year end 2013 was -30. This is down six points compared to 2012, however it is four points above the competitor average. A significant part of the decline is due to the negative publicity that affected all suppliers in 2013.
Net Promoter Score (NPS) (top down) – corporates (6 month rolling)	–	–	-8	— The consolidated 2013 NPS score for corporate customers was -8. This is the same as the market average.
Average speed of answer (seconds)	104	109(v)	164	○ How quickly we answer calls remains one of our key challenges, and increased again in 2013. To address this, we've recruited more call centre staff and made our website easier to access through smart phones and tablets. We also have a team of 'Twelpers', who answer questions through Twitter.
% of customers using online self-serve (based on customer accounts numbers)	–	–	29%	—
First call resolution – contact centres (%)	64.0	61.0	60.5	○ First call resolution was a new KPI that was developed in the first quarter of 2011 to track our performance around customer service. Therefore, this figure covers the period from April to December 2011.  In 2013, there was a small decrease in the number of queries we resolved on the first call. This remains a key area of focus for us and we've been working hard to ensure that when our customers contact us, they're directed to the correct business area and to an advisor who can resolve their query quickly and effectively.
Bill to actual read – home customers (%)	60.5	59.9(v)	59.7(a)	○ We recognise that the number of bills from actual readings decreased slightly in 2013, which is why we're looking to improve bill accuracy and review the way that bills to actual readings are measured.
Bill to actual read – small and medium business customers (%)	60.6	53.3(v)	53.0(a)	○
% of bills sent out on time – home customers	97.32	96.74	95.95	○
% of bills sent out on time – small and medium business customers	94.97	94.58	93.84	○

Trend key: ● IMPROVED ● MAINTAINED ○ DECLINED — N/A

Key performance indicator	2011	2012	2013	Notes
Total number of customers disconnected for debt (gas and electricity)	30	197	292	○ We only disconnect home customers where the customer has demonstrated they are unwilling to work with us to resolve their debt and we have exhausted all other solutions. 2012 was the first full year we resumed residential disconnections following an extensive two-year review of our disconnection policy and processes.
Average length of disconnection – electricity customers (days)	–	3	4	● There were no residential disconnections during this review period (2009–most of 2011) hence the increase in figures for the last two years. Our review ensured we have stringent controls to protect customers who are most vulnerable. We have also stopped all residential disconnections during the winter period. As a result, the number of disconnections in 2014 will be considerably lower than 2013. We continue to regularly review our residential disconnection policy and processes to ensure disconnection remains the last resort.
Average length of disconnection – gas customers (days)	–	10	7	●
Number of complaints per 100,000 customers (home contact centres and field operations)	11,103	11,946	12,267	○ The number of complaints we received increased slightly in 2013. This is partly due to the change in methodology used by Ofgem to calculate complaint figures across the industry. The figure now includes complaints which have been reopened.
% complaints resolved before the end of the next working day	93.0	94.0	87.4	○ The number of complaints we resolved before the end of the next working day reduced in 2013. Our 'Handle with Care' system ensures that when we fix something for a customer it is fixed for good. It means fewer customers have to make a second complaint. We also introduced Resolution Teams to support our frontline staff by providing complete resolutions to our customers.
% complaints resolved within 8 weeks	99.0	96.0	97.7	●

### Giving you control

Potential lifetime carbon saved by our customers through energy efficiency schemes (tonnes CO <sub>2</sub> )	5.6m	6.4m	3.1m	○ In 2013 the Government introduced the Energy Companies Obligation to replace the previous nationwide energy savings schemes Carbon Emission Reduction Target (CERT) and the Community Energy Savings Programme (CESP). The different scales of these energy schemes, as well as changes to the measures involved and the eligibility of customers, explain in part why the figures are different each year.
Number of customers supported through energy efficiency schemes	–	191,590	93,441	○
Number of customers using our Saving Energy Toolkit	–	–	354,413	– This figure represents the number of unique residential users by end of 2013.
Number of smart meters installed by the end of 2013	–	–	282,860	– We support the Government's aim to have a smart meter fitted in every home and business by 2020.

### Communities

#### Supporting those most vulnerable

Total spend through Warm Home Discount obligations (£)	41.7m	59.3m	46.8m	○ The 2011 and 2012 figures cover our Warm Home Discount (WHD) contributions and social spend for the period from 1 April 2011 to 31 March 2012 and 1 April 2012 to 31 March 2013 respectively as per Ofgem's reporting period.  These figures are different to what has been reported to Ofgem. This is due to the fact that we made the decision to keep our broader group scheme open for as long as possible in order to help as many of our vulnerable customers as we could, resulting in an overspend on our obligations.  The 2013 figure is for WHD Scheme Year 3 covering the period of 1 April 2013 to 31 March 2014 and is subject to Ofgem verification. This is in line with our obligated spend.
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Trend key: ● IMPROVED ● MAINTAINED ○ DECLINED — N/A

Key performance indicator	2011	2012	2013	Notes
Number of customers supported through social spend	0.49m	0.28m	0.33m	● These figures represent our contributions through the WHD Scheme Year 3 covering the period of 1 April 2013 to 31 March 2014 and are subject to Ofgem verification.
Number of customers supported through industry initiatives	37,791	55,513	8,696	○ We've supported more customers through rebates in 2013/2014 than through industry initiatives.
Community investment (£)	13.3m	11.1m	8.2m	○ We broadly define community investment in line with the London Benchmarking Group (LBG) model. Some of our programmes now fall within our WHD obligations and therefore are excluded from our community investment figures.  These figures do not include any employee time or management costs of running our community programmes. The figures include some of our voluntary social spend for 2010/2011/2012 prior to the introduction of the WHD Scheme.

## Our people

### Creating a happy place to work

Headcount (number) – this includes all inpats into the UK and expats currently on international assignment	12,173	11,628	10,973	○ The 2012 and 2013 figures include our UK Exploration and Production business for the first time.
Employee attendance (%)	96.7(v)	96.0(v)	96.3	○
Employee turnover (%)	14.2	16.7	13.4	● Employee turnover figures include redundancies and colleagues leaving due to changes in the business.
Lost Time Injury Frequency (LTIF) <sup>2</sup>	2.44(v)	2.87(v)	1.96(a)	● LTIF is calculated using the total number of lost time injuries divided by the number of working hours in a 12 month period x 1,000,000. TRIF is calculated using the total number of injuries divided by the number of working hours in a 12 month period x 1,000,000.
Total Recordable Injury Frequency (TRIF) <sup>2</sup>	5.27(v)	4.95(v)	3.81(a)	●
Ethnic minority employees as a proportion of whole employee base (%)	11.2	11.3	11.9	○ We aim to reflect the ethnic composition of the communities where we operate.
Female employees as a proportion of whole employee base (%)	36(v)	37(v)	38	●
% of women in leadership roles	11	14	16	● This is now in line with our E.ON Group target of 16%.

## Environment

### Managing our own carbon emissions

Electricity generated by renewable sources (TWh) – consolidated renewables	1.3	1.4	2.8	● This data excludes generation from jointly owned renewable plants to remain consistent with the reporting in E.ON UK's financial statements.
% of electricity generated by renewable sources	4.6	4.7	11.1	● The opening of London Array and Camster wind farms in 2013 have significantly increased our capacity to produce electricity through renewable sources.
Carbon dioxide (CO <sub>2</sub> ) intensity from generating electricity (ktCO <sub>2</sub> /TWh)	571(v)	631(v)	563(a)	● CO <sub>2</sub> intensity decreased in 2013. This is mainly due to the closure of Kingsnorth power station.

Trend key: ● IMPROVED ● MAINTAINED ○ DECLINED — N/A

Key performance indicator	2011	2012	2013	Notes
Scope 1 GHG emissions (tonnes CO <sub>2</sub> e)	19.3m(v)	21.3m(v)	15.5m(a)	● In 2013, we decommissioned our coal-fired Kingsnorth power station which had accounted for a third of our emissions in 2012.
Carbon dioxide (CO <sub>2</sub> ) emissions from generating electricity (tonnes CO <sub>2</sub> )	19.0m(v)	21.2m(v)	15.4m(a)	● The CO <sub>2</sub> emissions figures are the verified figures reported as part of the EU Emission Trading System (EU ETS). The CO <sub>2</sub> figure reported in the E.ON Group CR Report was an estimate, as the figure was published before the end of the EU ETS verification process.
Methane (CH <sub>4</sub> ) emissions from generating electricity (tonnes CO <sub>2</sub> e)	12,414	9,443	8,392	●
Nitrous oxide (N <sub>2</sub> O) emissions from generating electricity (tonnes CO <sub>2</sub> e)	71,526	75,000	56,928	●
CO <sub>2</sub> e emissions from gas consumption in buildings (tonnes CO <sub>2</sub> e)	1,292	1,492	1,787(a)	○
CO <sub>2</sub> e emissions from company cars (tonnes CO <sub>2</sub> e)	6,123	4,913(v)	4,056(a)	● We reduced the number of company car drivers from 2,144 in 2012 to 2,070 in 2013. We also lowered the CO <sub>2</sub> limit to 130g CO <sub>2</sub> per km in February 2013.
CO <sub>2</sub> e emissions from commercial vehicles (tonnes CO <sub>2</sub> e)	11,407	9,946(v)	8,494(a)	●
CO <sub>2</sub> e emissions from refrigerant losses (tonnes CO <sub>2</sub> e)	512	678	510	●

### Managing our indirect carbon emissions<sup>3</sup>

Scope 2 GHG emissions (tonnes CO <sub>2</sub> e)	244k(v)	244k(v)	196k(a)	●
CO <sub>2</sub> e emissions from electricity consumption in buildings (tonnes CO <sub>2</sub> e)	13,444	26,396(v)	25,631(a)	●
CO <sub>2</sub> e emissions from electricity consumption in power stations (tonnes CO <sub>2</sub> e)	231,333	218,366(v)	171,101(a)	●
Scope 3 GHG emissions (tonnes CO <sub>2</sub> e)	46,728m	45,207m	53,826m	○ The increase in Scope 3 GHG emissions is partly due to the fact that we've sold almost 3m MWhs more of electricity increasing the emissions related to fuel and energy activities.

### Managing resources, pollution and waste

Total weight of gypsum sold to customer (tonnes)	248,043(v)	383,309(v)	338,776	○ Less gypsum was produced by our Ratcliffe power station in 2013 compared to 2012.
Proportion of Furnace Bottom Ash (FBA) sold (%) as opposed to being sent to landfill	97(v)	98(v)	98	●
Proportion of Pulverised Fuel Ash (PFA) sold (%) as opposed to being sent to landfill	75(v)	68(v)	98	● More PFA has been sold in 2013 compared to 2012, as more PFA has been recovered than disposed of during 2013. The 2013 figure now contains sales of ash by-products from E.ON sites which were not included in previous years.
Nitrogen oxide (NO <sub>x</sub> ) emissions (kt)	24.1(v)	29.2(v)	21.2	● Our NO <sub>x</sub> emissions have reduced in 2013 due to the closure of Kingsnorth power station, which accounted for just over a third of these emissions in 2012.

Trend key: ● IMPROVED ● MAINTAINED ○ DECLINED — N/A

Key performance indicator	2011	2012	2013	Notes
Nitrogen oxide (NO <sub>x</sub> ) intensity (ktNO <sub>x</sub> /TWh) (generation only)	0.7(v)	0.9(v)	0.8 ●	
Sulphur dioxide (SO <sub>2</sub> ) emissions (kt)	21.0(v)	38.9(v)	11.4 ●	The reduction in SO <sub>2</sub> emissions is due to the closure of Kingsnorth power station, which didn't have abatement facilities to remove pollutants.
Sulphur dioxide (SO <sub>2</sub> ) intensity (ktSO <sub>2</sub> /TWh) (generation only)	0.63(v)	1.16(v)	0.40 ●	
Reportable environmental incidents (number)	8(v)	10(v)	12(a) ○	In 2013, we recorded 12 environmental incidents. These were all classified as minor, or having no potential to have an environmental impact, by the Environment Agency and Scottish Environment Protection Agency.
Water use (cubic metre) (generation only)	907m	1,751m	467m ●	The significant reduction in water use in 2013 is due to the closure of Kingsnorth power station which had previously run at full capacity in 2012.
Total hazardous waste (kt)	14.0	3.0	2.7 ●	
% hazardous waste recovered/recycled (kt)	-	56	73 ●	In 2013 more hazardous waste was recycled rather than disposed of, therefore less hazardous waste ended up in landfill.
Total non-hazardous waste (kt)	701	51	33 ●	We reduced total non-hazardous waste in 2013. Ratcliffe power station's waste was reduced and CDC disposed of 1,200 fewer tonnes of waste in 2013 compared to 2012. This result was also due to improvements in data accuracy.
% non-hazardous waste recovered/recycled (kt)	-	82.6	75.9 ○	
Non-operational office waste (tonnes)	-	982	993.10 ○	These figures are also included in the total non-hazardous waste figures.
% non-operational office waste recovered/recycled	-	59.0	79.90 ●	In 2013 more office waste was recycled rather than disposed of. This is in line with our internal target of zero office waste to landfill for normal business activities by 2015.

## Governance

Number of cases reported through our whistle-blowing channels	30	17	19 ○	
Number of breaches of our code of conduct	0	1	1 ●	
Number of fines for non-compliance	1	1	1 ●	<p>The reporting for 2013 does not cover the Ofgem fine imposed for mis-selling; this will appear in 2014 reporting as this was when the fine was imposed.</p> <p>An error in the reporting of the free light bulb programme and shortcomings in processes under the completed CERT scheme in 2010 resulted in an Ofgem penalty and payments being made to customers through additional Warm Home Discount monies. E.ON agreed with Ofgem in July 2013 a £500,000 penalty and to make an additional payment of £2.5 million for the benefit of persons in fuel poverty or in a fuel poverty 'at risk' group. The extra customer payments were made through an initial round of Warm Home Discount group payments in October 2013.</p>

Trend key: ● IMPROVED ● MAINTAINED ○ DECLINED — N/A

Key performance indicator	2011	2012	2013	Notes
<b>Finance<sup>4</sup></b>				
Revenues (£m)	9,733	9,963	9,893	○
Operating profit (EBITDA) (£m)	1,301	826	684	○
Supply business profit margin (%)	3.28	3.14	4.23	● This measure has been calculated from the supply business aggregated domestic electricity and gas EBITDA published in the Consolidated Segmental Statement.
Investments (£m)	1,118	1,258	748	○
Payment to Government (£m)	458	299	479	● These figures include Corporation Tax, Value Added Tax, Climate Change Levy, Wage Tax and National Insurance and Business Rates for the E.ON UK Holding and E.ON Exploration and Production tax groups.
Payment to employees (£m)	553	487	431	○
Customer accounts (m)	8.2	8.2	8.0	○
Electricity sold (billion kWh)	50.8	49.4	49.8	● Figures represent volumes sold by Regional Unit UK to residential, SME and corporate customers.
Gas sold (billion kWh)	60.0	67.6	66.3	○ Figures represent volumes sold by Regional Unit UK to residential, SME and corporate customers.
Electricity generated (billion kWh)	28.9	30.1	25.2	○

(a) Assured by Deloitte LLP for 2013 reporting. See <http://www.eonenergy.com/About-eon/corporate-responsibility/performance-summary/data-summary-and-assurance> to view Deloitte's 2013 assurance statement.

(v) This data has been independently verified by PwC LLP. The full assurance statement can be found here. [http://www.eonenergy.com/About-eon/corporate-responsibility/downloads-and-videos/~/\\_media/PDFs/About-Us/CR-Report/2012%20Signed%20assurance%20report.pdf](http://www.eonenergy.com/About-eon/corporate-responsibility/downloads-and-videos/~/_media/PDFs/About-Us/CR-Report/2012%20Signed%20assurance%20report.pdf)

- 1 The 2011 and 2012 figures have been restated to reflect the changes in methodology for calculating the top down SME NPS figure.
- 2 These figures exclude contractors' hours.
- 3 The 2011 and 2012 figures have been restated to reflect the changes in methodology for Defra emission factors.
- 4 Financial figures include Regional Unit UK, E.ON Climate and Renewables, Generation, Gas Storage and Exploration and Production, unless otherwise stated, to align with our reporting approach for public information e.g. our press releases.

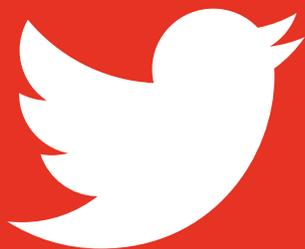
## Assurance

We've commissioned Deloitte LLP to provide independent assurance under ISAE3000 on selected E.ON UK 2013 corporate responsibility data as shown by the (a) and (v) symbols. Where data for the previous year has a (v) symbol next to the figure, this means the data was assured by PricewaterhouseCoopers LLP in the prior years. Data with an (a) has been assured by Deloitte LLP for 2013 reporting. The Assurance Statement, data table and the full Reporting Guidance, including the assessment criteria, can be found online at [www.eonenergy.com/assurance](http://www.eonenergy.com/assurance) The Directors are responsible for the content of this report and the preparation of the selected information in accordance with the criteria set out in the Reporting Guidance. E.ON UK management is also responsible for the maintenance and integrity of the online report.

## Find more online

Check out our corporate responsibility hub to find out more about we're responding to the issues that matter most to our customers.

 [eonenergy.com/responsibility](http://eonenergy.com/responsibility)



## Join in the discussion

So, how are we doing? We'd love to hear your feedback – good or bad. Join in the discussion on Facebook or Twitter.

Get involved in our customer feedback sessions or YourSay panel by joining up at [YourSay.eonenergy.com](http://YourSay.eonenergy.com)

## 2013 awards

Here are a selection of awards we picked up in 2013:



Voted Britain's favourite major energy supplier for the second year at **uSwitch Customer Satisfaction Awards**.



**investor in excellence**

Our field staff – who collectively visit up to 70,000 homes each day – were awarded **Investors in Excellence** accreditation.



Our Ironbridge Power Station retained its **Biodiversity Benchmark**, an award that acknowledges we have continued to increase biodiversity at the Shropshire site.