



Independent Limited Assurance Report to the Directors of Centrica plc

The Board of Directors of Centrica plc (“Centrica”) engaged us to provide limited assurance on the information described below and set out in Centrica’s Annual Report 2017, (the “Annual Report 2017”) for the year ended 31 December 2017.

Our conclusion

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the Selected Information for the year ended 31 December 2017 has not been prepared, in all material respects, in accordance with the Reporting Criteria.

This conclusion is to be read in the context of what we say in the remainder of our report.

Selected Information

The scope of our work was limited to assurance over the information marked with the symbol † in Centrica’s Annual Report 2017 (the “Selected Information”). The Selected Information and the Reported Criteria against which it was assessed are summarised below.

Selected Information	Reporting Criteria
Lost time injury frequency rate	We assessed the selected information using the Centrica 2017 Basis of Reporting document as set out in the Responsibility section of Centrica’s website (https://www.centrica.com/responsibility/our-performance/reports-downloads).
Total recordable injury frequency rate	
Significant process safety events (Tier 1)	
Process safety frequency rate (Tier 1 and 2)	
Fatalities	
Consumer Net Promotor Score NPS: <ul style="list-style-type: none"> UK Home North America Home Ireland NPS Connected Home NPS 	
Business NPS <ul style="list-style-type: none"> UK Business North America Business 	
British Gas NPS	
Direct Energy NPS	
Total carbon emissions	
Scope 1 emissions	
Scope 2 emissions	
Internal carbon footprint (core property, fleet and travel)	
Employee engagement	
Diversity <ul style="list-style-type: none"> Female and male employees Female senior management 	
Retention	
Absence	
The performance zones from the long term incentive plans’ non financial KPIs for: <ul style="list-style-type: none"> Lost time injury frequency rate Significant process safety event (Tier 1) British Gas NPS Direct Energy NPS Employee engagement 	

Our assurance does not extend to information in respect of earlier periods or to any other information included in the Annual Report 2017.

Professional standards applied and level of assurance

We performed a limited assurance engagement in accordance with International Standard on Assurance Engagements 3000 (Revised) ‘Assurance Engagements other than Audits and Reviews of Historical Financial Information’ and, in respect of the greenhouse gas emissions, in accordance with International Standard on Assurance Engagements 3410 ‘Assurance engagements on greenhouse gas statements’, issued by the International Auditing and Assurance Standards Board. A limited assurance engagement is substantially less in scope than a reasonable assurance engagement in relation to both the risk assessment procedures, including an understanding of internal control, and the procedures performed in response to the assessed risks.

Our Independence and Quality Control

We applied the Institute of Chartered Accountants in England and Wales (ICAEW) Code of Ethics, which includes independence and other requirements founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

We apply International Standard on Quality Control (UK & Ireland) 1 and accordingly maintain a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Our work was carried out by an independent and multi-disciplinary team with experience in sustainability reporting and assurance.

Understanding reporting and measurement methodologies

The Selected Information needs to be read and understood together with the Reporting Criteria, which Centrica is solely responsible for selecting and applying. The absence of a significant body of established practice on which to draw to evaluate and measure non-financial information allows for different, but acceptable, measurement techniques and can affect comparability between entities and over time. The Reporting Criteria used for the reporting of the Selected Information are as at 31 December 2017.

Work done

We are required to plan and perform our work in order to consider the risk of material misstatement of the Selected Information. In doing so, we:

- made enquiries of Centrica’s management, including the Corporate Citizenship (CC) team and those with responsibility for CC management and group CC reporting;
- evaluated the design of the key structures, systems, processes and controls for managing, recording and reporting the Selected Information. This included analysing and testing over a selection of Business Areas selected on the basis of their inherent risk and materiality to the group, to understand the key processes and controls for reporting site performance data to the group CC team;
- performed limited substantive testing on a selective basis of the Selected Information in relation to a selection of business areas, both remotely and at corporate head office, to check that data had been appropriately measured, recorded, collated and reported; and
- considered the disclosure and presentation of the Selected Information.

Centrica’s responsibilities

The Directors of Centrica are responsible for:

- designing, implementing and maintaining internal controls over information relevant to the preparation of the Selected Information that is free from material misstatement, whether due to fraud or error;
- establishing objective Reporting Criteria for preparing the Selected Information;
- measuring and reporting the Selected Information based on the Reporting Criteria; and
- the content of the Annual Report 2017.

Our responsibilities

We are responsible for:

- planning and performing the engagement to obtain limited assurance about whether the Selected Information is free from material misstatement, whether due to fraud or error;
- forming an independent conclusion, based on the procedures we have performed and the evidence we have obtained; and
- reporting our conclusion to the Directors of Centrica.

This report, including our conclusions, has been prepared solely for the Board of Directors of Centrica in accordance with the agreement between us, to assist the Directors in reporting Centrica’s corporate responsibility performance and activities. We permit this report to be disclosed in the Annual Report 2017 for the year ended 31 December 2017 and online at

<https://www.centrica.com/responsibility>, to assist the Directors in responding to their governance responsibilities by obtaining an independent assurance report in connection with the Selected Information. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Board of Directors and Centrica for our work or this report except where terms are expressly agreed between us in writing.

PricewaterhouseCoopers LLP
Chartered Accountants
London

22 February 2018

[†] The maintenance and integrity of Centrica’s website is the responsibility of the Directors; the work carried out by us does not involve consideration of these matters and, accordingly, we accept no responsibility for any

changes that may have occurred to the reported Selected Information or Reporting Criteria when presented on Centrica’s website.