

Group human rights policy

1. Introduction

As an international Company we have a responsibility to uphold and protect the rights of individuals in all aspects of our operations across the world; we also recognise the opportunity we have to contribute positively to global efforts to ensure that human rights are understood and observed.

2. Purpose

The purpose of this policy is to set out the responsibilities of Group functions and business units in observing the Universal Declaration of Human Rights (UDHR). It includes our obligation to honour the rights of our employees' health and safety, security arrangements and working conditions. It also acknowledges the rights of external stakeholders, particularly local communities in the regions where we operate.

3. Scope

This policy applies to Centrica employees (staff, contract and temporary) and extends to all our majority owned business dealings and transactions in all countries in which we or our subsidiaries and associates operate.

Where we have a minority interest we will encourage the application of this policy amongst our business partners including contractors, suppliers and joint venture partners.

This policy should be implemented in conjunction with the guidance on giving and accepting gifts and hospitality within the Group Guide to Sound Business Practice. Employees should also read the Group policy on bribery and corruption.

4. Policy

Our business principles describe our commitment to operate responsibly wherever we work in the world and to engage with our stakeholders to manage the social, economic and environmental impact of our activities.

As a signatory of the United Nations Global Compact, observance of the basic principles of the UDHR, the Core Conventions of the International Labour Organisation and the Voluntary Principles on Security and Human Rights is a prerequisite for our Company. Centrica will be guided by these international standards in the way we do business and, within our remit, encourage others to do the same.

Centrica recognises the special relationship that exists between regional natural areas and the indigenous communities that live and work there. As a Company operating in some of these areas, we must consider the impacts of our operations on affected communities and respect the rights of indigenous peoples including historical links to their land.

To implement this policy, Centrica will enter into dialogue, and undertake a programme of engagement with different stakeholders to develop a greater understanding of their concerns about the impact of our activities.

5. Responsibilities

The Group Chief Executive is the main board director with primary responsibility for implementing this policy within our wider framework for managing corporate responsibility and for reporting annually to the Centrica Board of Directors.

The Managing Director of each business unit will establish appropriate responsibilities and procedures within their operations and will ensure that the Group Director, Human Resources is

informed of material human rights issues. If we find we are inadvertently implicated in abuses of human rights, we will take immediate steps to rectify such a situation.

6. Training and communications

We will communicate this policy and relevant guidance to employees across the Group, through our established internal communication channels. We will also communicate this policy to our suppliers, contractors and business partners and wider stakeholders. Managers, employees and agents will receive relevant training on how to implement this policy in the scope of their employment with the Group.

7. Raising concerns and seeking guidance

Employees are encouraged to raise concerns about any instance of malpractice at the earliest possible stage through our confidential 'speak up' helpline. Please refer to the Group Speak Up Policy for further information.

8. Monitoring and review

The Centrica Executive Committee will review the implementation of this policy in respect of its suitability, adequacy and effectiveness and make improvements as appropriate. It will periodically report the results of this process to the Group Audit Committee, which will make an independent assessment of the adequacy of the policy and disclose any material non-compliance in the Annual Report to shareholders.

9. Internal controls and audit

Centrica will establish feedback mechanisms in order to maintain accurate records - available for inspection - which properly and fairly document all financial transactions. Internal control systems will be subject to regular audits to provide assurance that they are effective in countering bribery and corruption.