


Key Performance Indicators


Our Key Performance Indicators (KPIs) help the Board and executive management assess performance against our Group Priorities.

Our Group Priorities

-  Safety, compliance and conduct
-  Customer satisfaction and operational excellence
-  Cash flow growth and strategic momentum
-  Cost efficiency and simplification
-  People and building capability

 [Read more about Our Strategy](#)
Pages 14 to 15

 [Read more about Remuneration](#)
Pages 90 to 109

 [Read more about adjusted performance measures](#)
Pages 235 to 237

Adjusted operating cash flow

Adjusted operating cash flow is our key measure of financial performance and is one of the financial metric for the short-term incentive plan for our Executive Directors.

Adjusted operating cash flow was up 9% reflecting higher operating profit offset by working capital movements in the Energy, Marketing & Trading business.

Link to Remuneration:

Short and long-term incentive

Link to Group Priorities:



Adjusted operating profit

Adjusted operating profit is one of our fundamental financial measures.

Adjusted operating profit was up 12% reflecting increased profit in our Exploration & Production segment.

Link to Remuneration:

Short-term incentive⁽²⁾

Link to Group Priorities:



Adjusted basic earnings per share (EPS)

EPS is a standard measure of corporate profitability. EPS is adjusted to better reflect the underlying performance of the business.

Adjusted basic EPS was down 10%, reflecting the higher effective tax rate as a result of a greater proportion of the higher profit being in the Exploration & Production segment.

Link to Remuneration:

Long-term incentive

Link to Group Priorities:



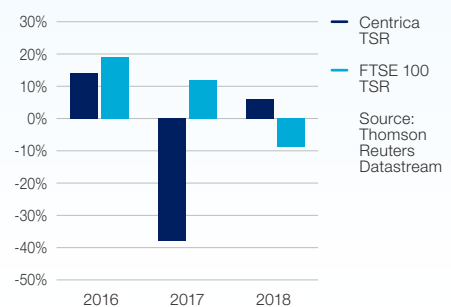
Total shareholder return (TSR) by year

The Board believes that TSR is a valuable KPI to assess the Company's performance in the delivery of shareholder value.

Link to Remuneration:

Long-term incentive

Link to Group Priorities:



(1) restated for the adoption of IFRS15: revenue from contracts with customers.
 (2) Adjusted operating profit is further adjusted to a post-tax basis and a charge on capital is then applied to set the economic profit performance targets: see performance conditions relating to the long-term incentive plans vesting in 2018 on page 97 of the Remuneration Report.

 [Read more in our Other Statutory Information on Pages 110 to 112](#)

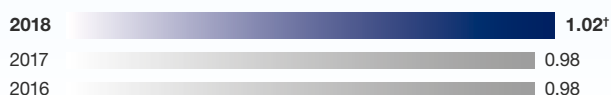
Total recordable injury frequency rate (TRIFR)

Safety is a top priority. Our TRIFR increased 4% per 200,000 hours worked, so we remain committed to securing an environment where an incident-free workplace is possible.

Link to Remuneration:

Long-term incentive

Link to Group Priorities:



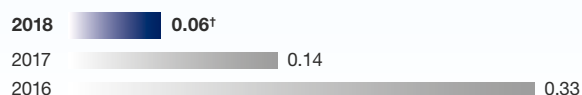
Process safety incident frequency rate (Tier 1 and 2)

Our focus on process safety helps prevent major incidents where we source, generate and store energy. This has led to a 57% improvement per 200,000 hours worked.

Link to Remuneration:

Long-term incentive

Link to Group Priorities:



Brand Net Promoter Score (NPS)⁽¹⁾⁽²⁾

Everything we do is focused on satisfying the changing needs of our customers. Following improvements in customer service, our aggregated NPS score increased 0.6 points.

Link to Remuneration:

Long-term incentive

Link to Group Priorities:



Complaints⁽²⁾⁽³⁾

We strive to deliver an excellent service which is key to satisfying customers and reducing complaints. Our aggregated complaints per 100,000 customers reduced 8%.

Link to Remuneration:

Long-term incentive

Link to Group Priorities:



Employee engagement⁽⁴⁾

To ensure we have an engaged workforce, we seek feedback on what we are doing well and where we can improve. As a result, employee engagement increased 3%.

Link to Remuneration:

Long-term incentive

Link to Group Priorities:



The KPI performance outcome associated with Executive Director remuneration is set out on page 97.

- (1) Aggregated scores across UK Home, North America Home, Ireland, Connected Home, UK Business and North America Business weighted by customer numbers.
- (2) Aggregated performance was not calculated in 2016.
- (3) Aggregated scores across UK Home, North America Home, Ireland, UK Business and North America Business weighted by customer accounts.
- (4) Due to changes in methodology, 2016 comparisons are not available.

Assurance

We engaged PricewaterhouseCoopers (PwC) to undertake a limited assurance engagement over 19 metrics highlighted with the symbol '†' throughout the Annual Report and Accounts 2018.



Read more about our responsible business performance and reporting guidelines on
Pages 56 to 65 and 238 to 240



Further details are available online at
centrica.com/assurance