



# Centrica plc Notice of Annual General Meeting 2019

QEII Centre  
Broad Sanctuary  
Westminster  
London  
SW1P 3EE

Monday 13 May 2019 at 11.00 am

This document is important and requires your immediate attention.

If you are not sure what action to take, you should consult your duly authorised professional adviser immediately. If you have either sold or transferred your Centrica plc shares, please send this document but not the accompanying proxy form as soon as possible to the purchaser or transferee or to the stockbroker, bank or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

Notice is hereby given that the 2019 Annual General Meeting (AGM) of Centrica plc (the Company) will be held at the QEII Centre, Broad Sanctuary, Westminster, London SW1P 3EE on Monday 13 May 2019 at 11.00 am to consider and, if thought fit, to pass the resolutions set out on the following pages.

Resolutions 1 to 19 will be proposed as ordinary resolutions and 20 to 24 will be proposed as special resolutions.

Explanatory notes to the resolutions are set out on pages 4 to 6.

To be valid, the form of proxy for use at this meeting should be completed, signed and returned in accordance with the instructions printed thereon, as soon as possible and, in any event, so as to reach the Company's Registrar, Equiniti, by no later than 11.00 am on Thursday 9 May 2019. The form of proxy can be delivered by post or by hand to Equiniti, Aspect House, Spencer Road, Lancing BN99 6DA or electronically to [sharevote.co.uk](http://sharevote.co.uk). Completion and return of a form of proxy will not preclude shareholders from attending and voting at the AGM should they choose to do so. Further instructions relating to the form of proxy are set out in the notice of the AGM.

# The Resolutions

## Report and accounts

1. To receive the Accounts and the Reports of the Directors and the Auditors for the year ended 31 December 2018.

## Remuneration

2. To approve the Directors' Annual Remuneration Report for the year ended 31 December 2018 as set out on pages 94 to 103 of the Annual Report and Accounts 2018.

## Dividend

3. That a final cash dividend of 8.4 pence per ordinary share for the year ended 31 December 2018 be paid on 27 June 2019 to shareholders on the Register of Shareholders at the close of business on 10 May 2019.

## Election of Directors

Biographies can be found on pages 9 and 10.

4. That Charles Berry be elected as a Director.
5. That Richard Hookway be elected as a Director.
6. That Pam Kaur be elected as a Director.
7. That Kevin O'Byrne be elected as a Director.
8. That Chris O'Shea be elected as a Director.
9. That Sarwjit Sambhi be elected as a Director.

## Re-election of Directors

10. That Iain Conn be re-elected as a Director.
11. That Joan Gillman be re-elected as a Director.
12. That Stephen Hester be re-elected as a Director.
13. That Carlos Pascual be re-elected as a Director.
14. That Steve Pusey be re-elected as a Director.
15. That Scott Wheway be re-elected as a Director.

## Auditors

16. That Deloitte LLP be re-appointed as Auditors of the Company, to hold office until the conclusion of the next general meeting at which accounts are laid.
17. That the Directors be authorised to determine the Auditors' remuneration.

## Political donations

18. That, in accordance with Part 14 of the Companies Act 2006 (the 'Act'), the Company and all companies that are its subsidiaries at any time during the period for which this resolution is effective are authorised to:
  - a. make political donations to political parties and/or independent election candidates;
  - b. make political donations to political organisations other than political parties; and
  - c. incur political expenditure,in each case such terms are defined in Part 14 of the Act, provided that the aggregate amount of any such donations and expenditure shall not exceed £125,000. This authority shall commence on the date of the passing of this resolution and remain in force until the conclusion of the 2020 AGM (or, if earlier, until the close of business on 31 July 2020).

## Authority to allot shares

19. That, in accordance with section 551 of the Act, the Directors be generally and unconditionally authorised to exercise all powers of the Company to allot shares in the Company and to grant rights to subscribe for or convert any security into shares in the Company:
  - a. up to a nominal amount of £117,225,022 (such amount to be reduced by the nominal amount allotted or granted under paragraph (b) below in excess of £117,225,022); and
  - b. comprising equity securities (as defined in section 560(1) of the Act) up to a nominal amount of £234,450,044 (such amount to be reduced by any allotments or grants made under paragraph (a) above) in connection with any offer by way of a rights issue:
    - (i) to ordinary shareholders in proportion (as nearly as practicable) to their existing holdings; and
    - (ii) to people who are holders of or otherwise have rights to other equity securities if this is required by the rights of those securities or as the Directors otherwise consider necessary,and so that, in both cases, the Directors may impose any limits, restrictions, exclusions or other arrangements as they may deem necessary or expedient in relation to treasury shares, fractional entitlements, record dates or legal, regulatory or practical problems in, or under the laws of, any territory or any other matter,

and provided that the Directors may use this authority until the conclusion of the 2020 AGM (or, if earlier, until the close of business on 31 July 2020) but, in each case, so that the Company may make offers and enter into agreements during this period which would, or might, require shares to be allotted or rights to subscribe for or convert securities into shares to be granted after the authority expires and the Directors may allot shares or grant rights to subscribe for or convert securities into shares under any such offer or agreement as if the authority had not expired.

## Authority to disapply pre-emption rights

20. That, subject to the passing of resolution 19, the Directors be authorised to allot equity securities (as defined in the Act) for cash under the authority given by that resolution and/or to sell ordinary shares held by the Company as treasury shares for cash as if section 561 of the Act did not apply to any such allotment or sale, such authority to be limited:
  - a. to the allotment of equity securities and sale of treasury shares in connection with an offer of, or invitation to apply for, equity securities (but in the case of the authority granted under paragraph (b) of resolution 19, by way of a rights issue only):
    - (i) to ordinary shareholders in proportion (as nearly as may be practicable) to their existing holdings; and
    - (ii) to holders of other equity securities, as required by the rights of those securities, or as the Directors otherwise consider necessary,and so that the Directors may impose any limits or restrictions and make any arrangements which they consider necessary or appropriate to deal with treasury shares, fractional entitlements, record dates, legal, regulatory or practical problems in, or under the laws of, any territory or any other matter; and

- b. in the case of the authority granted under paragraph (a) of resolution 19 and/or in the case of any sale of treasury shares, to the allotment of equity securities or sale of treasury shares (otherwise than under paragraph (a) of this resolution) up to a nominal amount of £17,583,753, such authority to apply until the conclusion of the 2020 AGM (or, if earlier, until the close of business on 31 July 2020), save that, in each case, during this period the Company may make offers, and enter into agreements, which would, or might, require equity securities to be allotted (and treasury shares to be sold) after the authority expires and the Directors may allot equity securities (and sell treasury shares) under any such offer or agreement as if the authority had not expired.
21. That, subject to the passing of resolution 19, the Directors be authorised, in addition to any authority granted under resolution 20, to allot equity securities (as defined in the Act) for cash under the authority given by that resolution and/or to sell ordinary shares held by the Company as treasury shares for cash as if section 561 of the Act did not apply to any such allotment or sale, such authority to be:
- limited to the allotment of equity securities or sale of treasury shares up to a nominal amount of £17,583,753 (being approximately 5% of the issued share capital as at 11 March 2019); and
  - used only for the purposes of financing (or refinancing, if the authority is to be used within six months after the original transaction) a transaction which the Directors determine to be an acquisition or other capital investment of a kind contemplated by the Statement of Principles on Disapplying Pre-Emption Rights most recently published by the Pre-Emption Group prior to the date of this Notice, such authority to apply until the conclusion of the 2020 AGM (or, if earlier, until the close of business on 31 July 2020), save that, in each case, during this period the Company may make offers, and enter into agreements, which would, or might, require equity securities to be allotted (and treasury shares to be sold) after the authority expires and the Directors may allot equity securities (and sell treasury shares) under any such offer or agreement as if the authority had not expired.

### Authority to purchase own shares

- 22 That the Company be generally and unconditionally authorised for the purposes of section 701 of the Act to make market purchases (within the meaning of section 693(4) of the Act) of ordinary shares in the capital of the Company provided that:
- the maximum number of ordinary shares hereby authorised to be purchased is 569,713,608;
  - the minimum price which may be paid for each such ordinary share is 6<sup>14</sup>/<sub>61</sub> pence;
  - the maximum price which may be paid for each such ordinary share is the higher of:
    - an amount equal to 105% of the average of the middle market quotations for an ordinary share in the Company as derived from the London Stock Exchange Daily Official List for the five business days immediately preceding the day on which the ordinary share is contracted to be purchased; or
    - an amount equal to the higher of the price of the last independent trade of an ordinary share and the highest current independent bid for an ordinary share as derived from the London Stock Exchange Trading System, in each case, exclusive of expenses; and

- this authority shall expire at the conclusion of the 2020 AGM (or, if earlier, the close of business on 31 July 2020), except in relation to a purchase of ordinary shares, the contract for which was concluded before such time and which will or may be executed wholly or partly after such time and the Company may purchase ordinary shares pursuant to any such contract as if the authority had not expired.

### Adoption of new Articles of Association

23. That the Articles of Association produced to the Meeting and initialled by the Chairman of the Meeting for purposes of identification be adopted as the Articles of Association of the Company in substitution for, and to the exclusion of, the existing Articles of Association.

### Notice of general meetings

24. That a general meeting of the Company other than an AGM may be called on not less than 14 clear days' notice.

The Directors believe that the proposed resolutions described in this Notice are in the best interests of the Company and its shareholders as a whole. They recommend you give them your support by voting in favour of all the resolutions, as they intend to do in respect of their own beneficial shareholdings.

By order of the Board

### Justine Campbell

Group General Counsel & Company Secretary

5 April 2019

Millstream, Maidenhead Road, Windsor, Berkshire SL4 5GD  
Registered in England and Wales No. 3033654

You can vote online at [sharevote.co.uk](http://sharevote.co.uk) or by returning the Proxy/Voting Form enclosed with this Notice.

# Notes to the Resolutions

## Explanatory notes to the proposed resolutions

**Resolutions 1 to 19 will be proposed as ordinary resolutions which require a simple majority of the votes to be cast in favour.**

**Resolutions 20 to 24 will be proposed as special resolutions which require a 75% majority of the votes to be cast in favour.**

### **Resolution 1: To receive the Accounts and the Reports of the Directors and the Auditors for the year ended 31 December 2018**

Under the Act, the Directors are required to present the Accounts, Directors' Report and Auditors' Report to the meeting. The Board will present the Accounts and Reports of the Directors and the Auditors for the year ended 31 December 2018, as contained in the Annual Report and Accounts 2018 ([centrica.com/ar18](http://centrica.com/ar18)).

### **Resolution 2: To approve the Directors' Annual Remuneration Report for the year ended 31 December 2018**

The Directors' Annual Remuneration Report is set out on pages 94 to 103 of the Annual Report and Accounts 2018. It gives details of Directors' remuneration and other relevant information. A summary can be found in the Annual Review 2018 on page 82. In accordance with the Act, the approval of the Remuneration Report is an advisory vote only and the Directors' entitlement to receive remuneration is not conditional thereon. The resolution and vote are a means of providing shareholder feedback to the Board.

### **Resolution 3: That a final cash dividend of 8.4 pence per ordinary share for the year ended 31 December 2018 be paid on 27 June 2019 to shareholders on the Register of Shareholders at the close of business on 10 May 2019**

This resolution seeks shareholder approval for the final ordinary dividend recommended by the Board. The Board are recommending a final dividend of 8.4 pence per ordinary share. An interim dividend of 3.6 pence per ordinary share was paid on 22 November 2018, making a total dividend for the year of 12 pence per ordinary share. If approved, the final dividend will be paid on 27 June 2019 to shareholders on the register at the close of business on 10 May 2019.

### **Resolutions 4 to 15: Election and re-election of Directors**

Biographical details of our Directors can be found on pages 9 and 10 of this Notice.

In accordance with the provisions of the UK Corporate Governance Code, all members of the Board wishing to continue their appointments seek re-election by the shareholders. All of the Directors, with the exception of the Directors appointed by the Board subsequent to the previous AGM of the Company, are retiring and seek re-election at the meeting. Charles Berry, Richard Hookway, Pam Kaur, Kevin O'Byrne, Chris O'Shea and Sarwit Sambhi will stand for election at the 2019 AGM following their appointments to the Board since the 2018 AGM.

The Board believes that each Non-Executive Director is independent and provides an effective contribution to the Board. Each of the Non-Executive Directors has given an assurance to the Board that they remain committed to their role as a Non-Executive Director and will ensure that they devote sufficient time to their duties, including attendance at Board and Committee meetings. The Directors' and Corporate Governance Report on pages 66 to 112 of the Annual Report and Accounts 2018 contains details of the role of the Board and its Committees. A summary can be found in the 2018 Annual Review on pages 66 to 82.

### **Resolutions 16 and 17: Re-appointment of auditor and the determination of their remuneration**

The Company must appoint or re-appoint the auditor at every AGM at which accounts are presented. Deloitte LLP has confirmed its willingness to continue in office as auditor of the Company. The remuneration of the auditor must also be fixed by the Company in a general meeting or in such manner as the Company may determine in a general meeting. Resolution 17 gives authority to the Directors to determine the remuneration of the Company's auditor. It is normal practice for the Company's Directors, acting through the Audit Committee, to be authorised to determine the auditor's remuneration.

### **Resolution 18: Authority for political donations and political expenditure in the European Union**

The Company has a policy that it does not make donations to, or incur expenditure on behalf of, political parties, other political organisations or independent election candidates and the Directors have no intention of doing so. However, Part 14 of the Act contains restrictions on companies making political donations or incurring political expenditure and it defines these terms very widely, such that activities that form part of the normal relationship between the Company and bodies concerned with policy review, law reform and other business matters affecting the Company may be included. To allow these activities to continue and to avoid the possibility of inadvertently contravening the Act, the Company is seeking authority under this resolution to allow the Company or any of its subsidiaries to fund donations or incur expenditure up to a limit of £125,000 per annum in total.

### **Resolution 19: Authority to allot shares**

Paragraph (a) of this resolution would give the Directors the authority to allot shares up to an aggregate nominal amount equal to £117,225,022 (representing 1,899,045,361 ordinary shares). This amount represents approximately one third of the issued ordinary share capital of the Company as at 11 March 2019, being the last practicable date prior to printing this document, and excludes shares held in treasury. In line with guidance issued by the Investment Association (the 'IA'), paragraph (b) of this resolution would give the Directors authority to allot shares or grant rights to subscribe for or convert any securities into ordinary shares in connection with a rights issue in favour of ordinary shareholders up to an aggregate nominal amount equal to £234,450,044 (representing 3,798,090,723 ordinary shares), as reduced by the nominal amount of any shares issued under paragraph (a) of this resolution. This amount (before any reduction) represents approximately two thirds of the issued ordinary share capital of the Company as at 11 March 2019, being the last practicable date prior to printing this document, excluding shares held in treasury.

The authorities sought under paragraphs (a) and (b) of this resolution will expire at the conclusion of the 2020 AGM (or, if earlier, the close of business on 31 July 2020). The Directors have no present intention of issuing any shares other than pursuant to the existing commitments under employee share schemes. However, the Directors may consider issuing shares if they believe it would be appropriate to do so in respect of business opportunities that may arise consistent with the Company's strategic objectives. In the event that the authority is used, the Directors intend to follow best practice regarding its use as recommended by the IA. As at 11 March 2019, being the last practicable date prior to printing this document, the Company held 30,776,796 ordinary shares in treasury, representing 0.54% of the issued share capital.

### **Resolutions 20 and 21: Authority to disapply pre-emption rights**

Under section 561(1) of the Act, if the Directors wish to allot any equity securities for cash (other than in connection with any employee share scheme) they must offer them to existing shareholders in the first instance in proportion to their holdings (a pre-emptive offer). There may be occasions, however, when the Directors will need the flexibility to finance business opportunities by the issue of ordinary shares without a pre-emptive offer. This resolution would give the Directors that authority.

The Directors consider it desirable to have the maximum flexibility permitted by corporate governance guidelines to respond to market developments and to enable allotments to take place to finance business opportunities without making a pre-emptive offer to existing shareholders. This cannot be done under the Act unless the shareholders have first waived their pre-emption rights. The purpose of resolutions 20 and 21 (together the 'disapplication of pre-emption rights resolutions') is to enable shareholders to waive their pre-emption rights as they did at the 2018 AGM.

Resolution 20 authorises the Directors to allot new shares, pursuant to the authority given by resolution 19 (the allotment resolution), or to sell treasury shares for cash:

- (i) in connection with a rights issue or pre-emptive issue; and/or
- (ii) otherwise up to a nominal value of £17,583,753, equivalent to approximately 5% of the total issued ordinary share capital of the Company as at 11 March 2019, being the last practicable date prior to printing this document, in each case without the shares first being offered to existing shareholders in proportion to their existing holdings.

In line with the guidance issued by the Pre-Emption Group, Resolution 21 additionally authorises the Directors to allot new shares (or sell treasury shares) for cash, without the shares first being offered to existing shareholders in proportion to their existing holdings, in connection with the financing (or refinancing, if the authority is to be used within six months after the original transaction) of an acquisition or specified capital investment which is announced contemporaneously with the allotment or which has taken place in the preceding six-month period and is disclosed in the announcement of the allotment. The authority under resolution 21 is limited to a nominal value of £17,583,753, equivalent to approximately 5% of the nominal value of the ordinary share capital of the Company in issue on 11 March 2019, being the last practicable date prior to printing this document.

Resolutions 20 and 21 have been separated in accordance with the guidance issued by the Pre-Emption Group.

The Directors also confirm their intention that, in line with the guidance issued by the Pre-Emption Group, no more than 7.5% of the issued ordinary share capital of the Company (excluding treasury shares) will be issued for cash on a non pre-emptive basis during any rolling three-year period, other than to existing shareholders, save as permitted in connection with an acquisition or specified capital investment as described previously, without prior consultation with shareholders. Adherence to the guidance would not preclude issuances under the authority sought under resolution 21.

This authority will expire at the conclusion of the 2020 AGM (or, if earlier, the close of business on 31 July 2020). The Directors confirm that they have no present intention of exercising this authority.

The Directors are seeking this authority to ensure that the Company has maximum flexibility permitted by corporate governance guidelines in managing the Company's resources. The Directors would only use this authority if satisfied at the time that to do so would be in the interests of the Company and its shareholders.

As at 11 March 2019, being the last practicable date prior to printing this document, the date of this Notice, the Company held 30,776,796 shares in treasury. The subsequent sale of any treasury shares (or the use of treasury shares to satisfy obligations under the Company's share schemes and plans) would be counted as equivalent to the issue of new shares for the purpose of the limitations on the issue of new shares included in the allotment resolution and disapplication of pre-emption rights resolutions.

### **Resolution 22: Authority to purchase own shares**

In certain circumstances, it may be advantageous for the Company to purchase its own shares. The Directors will only exercise this authority after considering relevant factors, including whether to do so would result in an increase in earnings per share and would benefit shareholders generally. Other investment opportunities, appropriate gearing levels and the overall position of the Company will be taken into account before deciding upon this course of action. Save to the extent that shares are purchased pursuant to the treasury shares provisions of the Act, any shares purchased in this way will be automatically cancelled and the number of shares will be reduced accordingly. Shares purchased by the Company as treasury shares are permitted to be held and dealt with by the Company (including selling the shares or transferring them for the purposes of employee share schemes or cancelling them) subject to certain limitations.

This resolution specifies the maximum number of shares that may be acquired (10% of the Company's issued ordinary share capital as at 11 March 2019, being the last practicable date prior to printing this document) and the maximum and minimum prices at which they may be bought. The total number of options and awards over ordinary shares that were outstanding as at 11 March 2019 was 114,526,659, representing 2.01% of the issued ordinary share capital of the Company excluding treasury shares. If the authority for the Company to purchase shares under this resolution, and under the resolution passed at the 2018 AGM, are used in full, the outstanding options and awards over ordinary shares would represent 2.51% of the issued ordinary share capital, excluding treasury shares, as at 11 March 2019.

This authority will expire at the conclusion of the 2020 AGM (or, if earlier, the close of business on 31 July 2020).

### **Resolution 23: Adoption of new Articles of Association**

It is proposed that the Company adopt new Articles of Association (Articles), the principal changes of which are set out in Appendix 1. Other changes which are of a minor, technical or clarifying nature have not been set out in Appendix 1. A copy of the new Articles (together with a copy of the existing Articles of the Company marked to show the changes being proposed in Resolution 23) is available for inspection as noted on page 8 of this document, and also available on the Investors pages of the Company's website at [centrica.com](http://centrica.com)

### **Resolution 24: Notice of general meetings**

The notice period required by the Act for general meetings (other than AGMs) is 21 days unless the Company:

- (i) has gained shareholder approval for the holding of general meetings on 14 clear days' notice by passing a special resolution at the most recent AGM; and
- (ii) offers the facility for all shareholders to vote by electronic means. Resolution 24 seeks such approval and replaces a similar authority granted at the 2018 AGM.

The shorter notice period would not be used as a matter of routine but only where the Company considers the flexibility is merited by the business of the meeting and is thought to be in the best interests of shareholders as a whole. Should this resolution be approved it will be valid until the conclusion of the 2020 AGM.

## **Appendix 1**

### **Explanatory notes of the principal changes to the Company's Articles**

It is proposed in Resolution 23 to adopt new Articles in order to update the existing Articles primarily to give the Company greater control and flexibility in relation to its treatment of untraced shareholders, the procedure for payment of dividends and the holding of combined physical and electronic general meetings.

The principal changes introduced in the Articles are summarised in this Appendix 1. Other changes, which are of a minor, technical or clarifying nature, have not been noted in this Appendix 1. The new Articles, marked to show all the changes to the existing Articles, are available for inspection as noted on page 8 of this document, and also available on the Investors pages of the Company's website at [centrica.com](http://centrica.com).

### **Untraced Shareholders**

The new Articles amend the provisions of the existing Articles relating to untraced shareholders. The new Articles give the Company greater flexibility and simplify the procedure for selling the shares of untraced shareholders. Under the existing Articles, a shareholder may be considered an untraced shareholder if during a 12-year period at least three cash dividends have become payable and no dividend has been cashed during that period. Presently, in order to sell the shares of untraced shareholders, there are requirements to, amongst other things: place notices in national and local newspapers; pay an amount equal to the sale proceeds less the costs of sale to the untraced shareholder or the person entitled to the shares by law if asked; and wait a period of six years after the sale before the money is forfeited to the Company.

The existing provisions are seen as imposing unduly onerous obligations on the Company. The new Articles replace the newspaper notice requirement with a requirement to send a notice to the last known or registered address of the shareholder, and to use such efforts as it considers reasonable to trace the shareholder. The Company must still provide three months following such notice to allow shareholders to come forward before it sells the shares. The requirements to pay the sale proceeds to the shareholder and wait six years are also removed. The new Articles provide that the sale proceeds will be forfeited to the Company and that it may use the proceeds as the Directors see fit.

To date, the Company has engaged ProSearch Limited, an asset reunification company, to perform asset tracing on the untraced shareholders. The latest asset reunification programme commenced in August 2017. Claims have been received from 22% of the mailed audience totalling 31% of mailed value. On 28 November 2018 the Company sent out notices to the last known or registered addresses of the untraced shareholders. Three months have passed since the notices were sent out and so on adoption of these Articles, the Company will be able to sell and retain the proceeds of the shares in respect of which notified shareholders have not come forward.

### **Electronic General Meetings**

The new Articles allow the Company to hold combined physical and electronic general meetings as well as physical-only general meetings in accordance with the Companies (Shareholders' Rights Regulations) 2009 and the Act. In line with recommendations made by the Investment Association, the amendment does not permit the Company to hold "virtual-only" general meetings, but provides the Company with flexibility to hold an electronic general meeting in parallel with the physical general meeting.

### **Procedure for payment of dividends**

The new Articles amend the dividend payment provisions following guidance published by ICSA. ICSA guidance suggests issuers should ensure their Articles enable them to use different distribution channels for the payment of dividends as and when they are adopted by the market. The new Articles provide the Company with flexibility to decide: which distribution channel to use; which distribution channel is to be the default; and whether shareholders may make an election for a distribution channel other than the default.

# Important Notes

The following notes explain your general rights as a member and your right to attend and vote at the 2019 AGM or to appoint someone else to vote on your behalf.

## What is my entitlement to vote?

The Company, pursuant to Regulation 41 of the Uncertificated Securities Regulations 2001 and section 311 of the Act, specifies that only those shareholders listed on the Register of Shareholders as at 6.30 pm on Thursday 9 May 2019 (or, if the AGM is adjourned, 6.30 pm on the date two working days before the time fixed for the adjourned AGM) shall be entitled to attend and vote at the AGM in respect of the number of shares registered in their name at that time. In each case, changes to entries on the Register after such time shall be disregarded in determining the rights of any person to attend or vote at the AGM.

## I cannot attend the meeting but want to vote – what can I do?

If you are a member and cannot attend, you can appoint the Chairman or any other person to attend, speak and vote on your behalf. This person is called your proxy. Your proxy does not have to be a member but you must arrange to notify the Company's Registrar of your proxy appointment. You can instruct your proxy how to vote. Where no specific instruction is given, your proxy may vote at his or her discretion or refrain from voting, as he or she sees fit. You can appoint more than one proxy in relation to different shares within your holding.

You can appoint a proxy and submit voting instructions:

- at [sharevote.co.uk](http://sharevote.co.uk); or
- via CREST; or
- by completing and returning the paper Proxy/Voting Form if one has been sent to you. Please read the instructions carefully to ensure you have completed and signed the form correctly. Any alterations must be initialled.

If you return more than one proxy appointment, either by paper or electronic communication, that which is received last by the Company's Registrar before the latest time for the receipt of proxies will take priority.

The appointment of a proxy and the original or duly certified copy of the power of attorney or other authority (if any) under which it is signed or authenticated, should be: (a) deposited by post or (during normal business hours only) by hand with the Company's Registrar at the address shown on the Proxy Form or received via [sharevote.co.uk](http://sharevote.co.uk), no later than 11.00 am on Thursday 9 May 2019, or 48 hours (excluding non-working days) before the time for holding any adjourned AGM or (in the case of a poll not taken on the same day as the AGM or adjourned AGM) for the taking of the poll at which it is to be used; or (b) lodged using the CREST proxy voting service. Please note that if you are returning a Voting Form in respect of shares held in FlexiShare or the Share Incentive Plan this must be received by the Company's Registrar by no later than 11.00 am on Wednesday 8 May 2019.

You will also need to give the admission card to your proxy to bring to the AGM, along with photographic proof of his/her identity. Proxies not properly notified to the Company's Registrar may be denied access to the meeting. Giving your admission card to your proxy is not sufficient – they must also be appointed in advance using one of the above methods.

If you own shares jointly, any one shareholder may sign the Proxy/Voting Form. If more than one joint holder submits a card, the instruction given by the first listed on the shareholder register will prevail. The return of a completed Proxy Form will not prevent you as a shareholder from attending the AGM and voting in person.

## I am a CREST member – can I use the CREST system to vote?

CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so by using the procedures described in the CREST manual available via [euroclear.com](http://euroclear.com). CREST personal members or other CREST sponsored members, and those CREST members who have appointed a service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.

In order for a proxy appointment or instruction made using the CREST service to be valid, the appropriate CREST message (a CREST Proxy Instruction) must be properly authenticated in accordance with Euroclear UK & Ireland Limited's specification, and must contain the information required for such instruction, as described in the CREST Manual.

The message, regardless of whether it constitutes the appointment of a proxy or is an amendment to the instruction given to a previously appointed proxy must, in order to be valid for the AGM to be held on Monday 13 May 2019 and any adjournment(s) thereof, be transmitted so as to be received by the Company's Registrar, Equiniti (ID RA19), no later than 11.00 am on Thursday 9 May 2019 or, if the AGM is adjourned, 48 hours (excluding non-working days) before the time fixed for the adjourned AGM. For this purpose, the time of receipt will be taken to be the time (as determined by the time stamp applied to the message by the CREST Application Host) from which Equiniti is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time, any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.

CREST members and, where applicable, their CREST sponsors, or voting service providers, should note that Euroclear UK & Ireland Limited does not make available special procedures in CREST for any particular message. Normal system timings and limitations will, therefore, apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member, or sponsored member, or has appointed a voting service provider, to procure that his CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. CREST members and, where applicable, their CREST sponsors or voting system providers are referred, in particular, to those sections of the CREST manual concerning practical limitations of the CREST system and timings.

The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001. The creation of any CREST proxy instruction will not prevent you as a shareholder from attending the AGM and voting in person.

## I'm a nominated person – how can I vote?

Any person to whom this Notice is sent who is a person nominated under section 146 of the Act to enjoy information rights (a Nominated Person) may, under an agreement between him or her and the shareholder by whom he or she was nominated, have a right to be appointed (or to have someone else appointed) as a proxy for the AGM. If a Nominated Person has no such proxy appointment right or does not wish to exercise it, he or she may, under any such agreement, have a right to give instructions to the shareholder as to the exercise of voting rights.

The statement of the rights of shareholders in relation to the appointment of proxies set out on page 7 does not apply to Nominated Persons. The rights described in these notes can only be exercised by a member of the Company.

### **How do I appoint a Corporate Representative?**

Any corporation which is a member can appoint one or more corporate representatives who may exercise on its behalf powers as a member provided that, in the case of multiple corporate representatives for the same corporate member, such corporate representatives do not do so in relation to the same shares. Where a single corporate member appoints multiple corporate representatives to exercise powers over different shares, those same corporate representatives may vote differently from one another in relation to any particular resolution.

### **What documents do you have available for inspection?**

The following documents are available for inspection during normal business hours at the Company's registered office on any business day and may also be inspected at the QEII Centre, from 10.00 am on the day of the AGM until the conclusion of the meeting:

- (a) copies of Directors' service contracts with the Company;
- (b) copies of Non-Executive Directors' letters of appointment;
- (c) copies of deeds of indemnities granted to each Director; and
- (d) a copy of the proposed new Articles of Association of the Company, and a copy of the existing Articles of Association of the Company marked to show the changes being proposed in Resolution 23.

The documents itemised in (d) above will also be available for inspection (i) during normal business hours at the offices of Slaughter and May at One Bunhill Row, London EC1Y 8YY on any business day from the date of this Notice until the conclusion of the Meeting and (ii) on the Investors pages of the Company's website at [centrica.com](http://centrica.com)

### **Can I ask a question at the AGM?**

Shareholders attending the AGM have the right to ask questions on the business of the meeting. The Chairman need not answer if, for example, it would involve disclosing confidential information, would not be in the Company's interest or would disrupt the good order of the AGM.

### **How can I vote at the meeting?**

Shareholders, registered American Depositary Receipt (the 'ADR') holders and their proxies or corporate representatives will be given a poll card at registration. After opening the meeting, the Chairman will put all the resolutions to the meeting and poll boxes will be available for you to deposit your completed card. Please remember to sign it.

The poll will close 15 minutes after the AGM ends.

### **When will the AGM voting results be published?**

It is expected that the total of the votes cast by shareholders For or Against or Withheld on each resolution will be published on [centrica.com](http://centrica.com) on Tuesday 14 May 2019.

### **What is the Company's number of issued shares and total voting rights?**

As at 11 March 2019, being the last practicable date prior to printing this document, the Company's issued ordinary share capital consists of 5,727,912,880 ordinary shares, carrying one vote each. The total voting rights in the Company as at 11 March 2019 are 5,697,136,084 ordinary shares. This figure excludes

30,776,796 shares held in treasury.

### **Can a member request the Company to publish statements related to the audit?**

Under section 527 of the Act, shareholders meeting the threshold requirements set out in that section have the right to require the Company to publish on a website a statement setting out any matter relating to:

- the audit of the Company's accounts (including the Auditors' Report and the conduct of the audit) that are to be laid before the AGM; or
- any circumstance connected with an auditor of the Company ceasing to hold office since the previous meeting at which annual accounts and reports were laid in accordance with section 437 of the Act. The Company may not require the shareholders requesting any such website publication to pay its expenses in complying with section 537 or 528 of the Act. Where the Company is required to place a statement on a website under section 527 of the Act, it must forward the statement of the Company's Auditors not later than the time when it makes the statement available on the website. The business which may be dealt with at the AGM includes any statement that the Company has been required under section 527 of the Act to publish on a website.

### **Can shareholders require circulation of a resolution to be proposed at the AGM or request to have a matter of business dealt with at the AGM?**

Sections 338 and 338A of the Act can require the Company:

- to give to shareholders notice of a resolution which may properly be moved and is intended to be moved at that meeting; and
- to include in the business to be dealt with at the AGM a matter (other than a proposed resolution) which may be properly included in the business at the meeting. A resolution may be properly moved or a matter may properly be included in the business (a matter of business) unless:
  - (in the case of a resolution only) it would, if passed, be ineffective (whether by reason of inconsistency with any enactment or the Company's constitution or otherwise);
  - it is defamatory of any person; or
  - it is frivolous or vexatious.

Such a request may be in hard copy form or in electronic form, must identify the resolution of which notice is to be given or the matter to be included in the business, must be authenticated by the person or persons making it, must be received by the Company not later than Thursday 28 March 2019, being the date six clear weeks before the AGM, and (in the case of the matter to be included in the business only) must be accompanied by a statement setting out the grounds for the request.

In order for shareholders to avail themselves of this right, the requesting shareholder(s) must represent at least 5% of the total voting rights or comprise 100 shareholders entitled to vote with an average of at least £100 of paid-up share capital per member.

# Biographies

Full biographies can be found at [centrica.com/board](http://centrica.com/board)

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## **Charles Berry** **Chairman**

Charles joined the Board as a Non-Executive Director on 31 October 2018 and was appointed as Chairman of the Board and the Nominations Committee on 21 February 2019.

### **Skills and experience**

Charles brings a wealth of international energy and engineering knowledge and a track record of successful leadership of businesses across the industrial, minerals, telecommunications and retail sectors. He also has extensive experience, in both the UK and US, of the regulatory framework of the energy and service markets. Charles is chairman of The Weir Group PLC. He previously held chairman roles at Senior plc, Drax Group plc, EAGA plc and Thus Group plc. Charles was an executive director of Scottish Power plc from 1999-2005 and chief executive of its UK operations between 2000 and 2005.

### **External appointments**

Chairman of The Weir Group PLC and member of the steering group of the Hampton-Alexander Review.

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## **Iain Conn** **Group Chief Executive**

Iain was appointed Group Chief Executive on 1 January 2015 and is Chairman of the Disclosure Committee.

### **Skills and experience**

Iain possesses a deep understanding of the energy sector built up over a lifetime in the industry and has demonstrated strong commitment to customers, safety and technology. Iain was previously BP's chief executive, downstream (BP's refining and marketing division), a position he held for seven years. Iain was a board member of BP for 10 years from 2004 and had previously held a number of senior roles throughout the organisation in trading, exploration and production and the management of corporate functions such as safety, marketing, technology and human resources.

### **External appointments**

Non-executive director of BT Group plc.

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## **Joan Gillman** **Non-Executive Director**

Joan joined the Board on 11 October 2016.

### **Skills and experience**

Joan is a former executive vice president of Time Warner Cable, as well as chief operating officer Time Warner Cable Media and president, Time Warner Cable Media LLC. Prior to its acquisition by Charter Communications, Time Warner Cable was the second largest cable company in the United States, operating in 29 states and generating over \$23 billion in annual revenue. Joan led one of the company's three operating divisions, doubling revenues and overseeing the company's big data strategy.

### **External appointments**

Director of Airgain, Inc., InterDigital, Inc. and Cumulus Media, Inc.

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## **Stephen Hester** **Senior Independent Director**

Stephen joined the Board on 1 June 2016 and is the Senior Independent Director.

### **Skills and experience**

Stephen has wide-ranging experience, particularly in customer-facing businesses, together with recognised expertise in transforming business performance. He has a deep knowledge of operating within highly regulated businesses and over 30 years' experience in financial services and FTSE 100 companies. Stephen was previously chief executive officer of Royal Bank of Scotland Group plc where he led their largest-ever corporate restructuring and recovery programme.

### **External appointments**

Group chief executive of RSA Insurance Group plc.

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## **Richard Hookway** **Chief Executive, Centrica Business**

Richard was appointed Chief Executive, Centrica Business on 1 December 2018.

### **Skills and experience**

Richard worked in the energy sector for 35 years at BP plc. His last role was serving as group chief operating officer for Global Business Services and IT. Prior to this Richard spent seven years as chief financial officer for BP's Downstream division which includes customer-facing businesses, refining and marketing and the P&L for BP's oil trading activities. He previously held a number of senior commercial roles both in the UK and in North America including head of the Natural Gas Liquids business based in Houston and the Commercial and Industrial Marketing business for Europe. He also held positions in trading, exploration and production, petrochemicals and in group functions.

### **External appointments**

Non-executive director of EDF Energy Nuclear Generation Group Limited (representing Centrica).

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## **Pam Kaur** **Non-Executive Director**

Pam joined the Board on 1 February 2019.

### **Skills and experience**

Pam has extensive experience in audit, business, compliance, finance and risk management, having previously held various senior roles at global financial institutions, including Citigroup, Lloyds TSB, the Royal Bank of Scotland and Deutsche Bank, and has worked with regulators and supervisory boards across the world. Pam has an MBA in finance and a BCom (Hons) from Panjab University in India and is a qualified chartered accountant.

### **External appointments**

Group managing director and group head of internal audit at HSBC Holdings plc, a council member of The Institute of Chartered Accountants in England and Wales and chair of the Financial Services Faculty Board.

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### **Kevin O'Byrne**

#### **Non-Executive Director**

Kevin will join the Board on 13 May 2019 and will become Chairman of the Audit Committee.

#### **Skills and experience**

Kevin brings extensive retail and finance experience to the Board, having occupied senior roles in leading retailers, including chief executive officer of Poundland Group plc, executive roles at Kingfisher plc including divisional director UK, China and Turkey, chief executive officer of B&Q UK & Ireland and group finance director of Dixons Retail plc. He was previously a non-executive director and chairman of the audit committee of Land Securities Group PLC from 2008 to 2017 where he was also senior independent director from 2012 to 2016.

#### **External appointments**

Group chief financial officer for J Sainsbury plc.

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### **Chris O'Shea**

#### **Group Chief Financial Officer**

Chris was appointed Group Chief Financial Officer and joined the Board on 1 November 2018.

#### **Skills and experience**

Chris is an experienced listed company chief financial officer with considerable experience of complex, multi-national organisations in both the energy sector and a number of technology led engineering and services industries. Prior to joining Centrica, Chris was group chief financial officer of both Smiths Group plc and Vesuvius plc, and a non-executive director of Foseco India Ltd, an Indian-listed supplier to the foundry industry. From 2006 to 2012, Chris held various senior finance roles with BG Group plc, including chief financial officer of Europe and Central Asia, prior to which he held a number of senior roles with Royal Dutch Shell plc in the UK, the US and Nigeria, and with Ernst & Young.

#### **External appointments**

Chairman of the Tax Committee of the 100 Group of UK Finance Directors.

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### **Carlos Pascual**

#### **Non-Executive Director**

Carlos joined the Board on 1 January 2015.

#### **Skills and experience**

Carlos has held a number of senior positions in the energy industry as well as being a prominent public figure in energy geopolitics and economic and commercial development. Between 2011 and 2014 Carlos established and directed the US State Department's Energy Resource Bureau. Until August 2014 Carlos was special envoy and coordinator for international energy affairs, acting as senior adviser to the US Secretary of State on energy issues. He has also served as US ambassador in Mexico and Ukraine.

#### **External appointments**

Non-resident senior fellow at the Centre on Global Energy Policy, Columbia University and senior vice president for global energy at IHS Markit.

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### **Steve Pusey**

#### **Non-Executive Director**

Steve joined the Board on 1 April 2015 and is Chairman of the Safety, Health, Environment, Security & Ethics Committee.

#### **Skills and experience**

Steve has a wealth of international experience as a senior customer-facing business technology leader. He has a long track record in the telecommunications industry, in both the wireline and wireless sectors, and in business applications and solutions. Steve has worked for Vodafone, Nortel and British Telecom and is a graduate of the Advanced Management Program at Harvard University.

#### **External appointments**

Non-executive director of FireEye, Inc.

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### **Sarwjit Sambhi**

#### **Chief Executive, Centrica Consumer**

Sarwjit was appointed Chief Executive, Centrica Consumer on 1 March 2019.

#### **Skills and experience**

Sarwjit joined Centrica in 2001 and has held senior leadership positions in retail, strategy, finance, trading, power generation, exploration and production. Most recently, he was Managing Director, UK Home. Prior to joining Centrica, he worked for the management and technology consulting company, Booz Allen & Hamilton.

#### **External appointments**

Director of Energy UK (representing Centrica).

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### **Scott Wheway**

#### **Non-Executive Director**

Scott joined the Board on 1 May 2016 and is Chairman of the Remuneration Committee.

#### **Skills and experience**

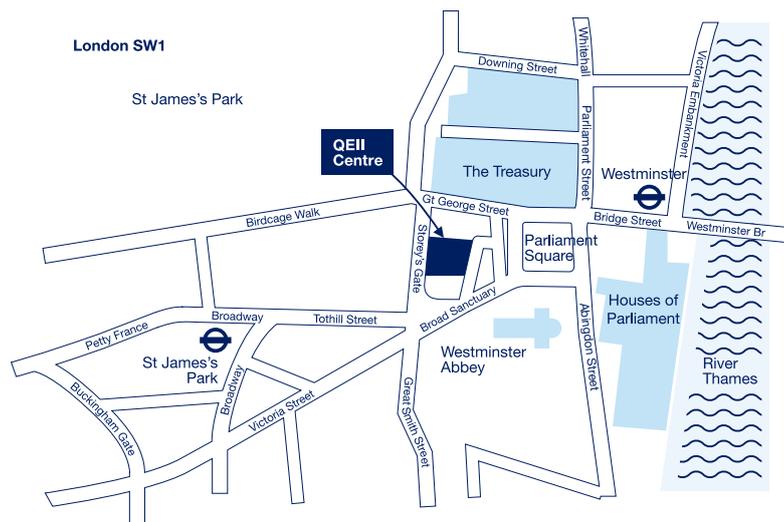
Scott is a senior business leader with a mix of deep retail and consumer expertise. He has considerable knowledge gained in both the retail and insurance sectors, together with a strong understanding of operating within highly regulated businesses. Scott worked in retail for almost 30 years both in the UK and internationally and has over 10 years' experience as a non-executive director within the financial services industry.

#### **External appointments**

Chairman of AXA UK plc and senior independent director of Santander UK plc.

# AGM Programme

<b>Date</b>	Monday 13 May 2019
<b>Location</b>	QEII Centre, Broad Sanctuary, Westminster, London SW1P 3EE
<b>Key timings</b>	10.00 am – Doors open and registration will commence 11.00 am – AGM will commence
<b>Refreshments</b>	Tea and coffee will be available at registration 12.30 noon (approx) lunch will be served following the conclusion of the meeting



## Transport options



### Underground

The nearest underground stations are St James's Park, Westminster and London Victoria.



### Mainline

The nearest mainline stations are London Victoria, Charing Cross and Waterloo, which are all located within a mile of the AGM venue.

For further travel details please visit [qeicentre.london/getting-here/](http://qeicentre.london/getting-here/)

## What security can I expect at the AGM?

You will be asked to pass through our security systems before entering the meeting. As in previous years this will involve security arches and all bags are subject to search. Due to the high volume of people attending the meeting, there may be a short wait. We do not permit behaviour that may interfere with anyone's security or safety or the good order of the meeting. Anyone who does not comply may be removed from the meeting. Anyone attempting to take photos, film or record the proceedings may be asked to leave. Please switch off any mobile phones or other electronic communication equipment before the meeting begins.

Arrangements have been made to help shareholders with disabilities. Individual induction loops will be available at the registration desk for people with hearing difficulties. Anyone accompanying a shareholder who is in a wheelchair or otherwise in need of assistance will be admitted to the AGM.

## Financial calendar

9 May 2019	Ex-dividend date for 2018 final dividend
10 May 2019	Record date for 2018 final dividend
13 May 2019	Annual General Meeting
15 May 2019	Scrip reference share price set for the 2018 final dividend
6 June 2019	Final day to elect to participate in scrip dividend programme
27 June 2019	Final dividend payment

Copies of the Annual Report and Accounts 2018, the Annual Review 2018 and other information required by Section 311A of the Act are available at [centrica.com/ar18](http://centrica.com/ar18). A copy of this Notice is available at [centrica.com/agm19](http://centrica.com/agm19)



**CENTRICA PLC**

**[centrica.com](http://centrica.com)**

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