

Shareholder Information

General enquiries

Centrica's share register is administered and maintained by Equiniti, our Registrar, whom you can contact directly if you have any questions about your shareholding which are not answered here or on our website. You can contact Equiniti using the following details:

Address: Equiniti, Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA United Kingdom

Telephone: 0371 384 2985*

Outside the UK: +44 (0)121 415 7061

Textphone: 0371 384 2255*

Outside the UK: +44 (0)121 415 7028

Contact: help.shareview.co.uk

Website: equiniti.com

* Calls to an 03 number cost no more than a national rate call to an 01 or 02 number. Lines open 8.30 am to 5.30 pm, Monday to Friday (UK time), excluding public holidays in England and Wales.

When contacting Equiniti or registering via shareview.co.uk, you should have your shareholder reference number to hand. This can be found on your share certificate, dividend confirmation or any other correspondence you have received from Equiniti.

If you hold less than 2,500 shares you will be able to change your registered address or set up a dividend mandate instruction over the phone; however, for security reasons, if you hold more than 2,500 shares, you will need to put this in writing to Equiniti.

Together with Equiniti, we have introduced an electronic queries service to enable our Shareholders to manage their investment at a convenient time. Details of this service can be found at shareview.co.uk

American Depositary Receipt (ADR)

We have an ADR programme, trading under the symbol CPYYY. Centrica's ratio is one ADR being equivalent to four ordinary shares. Further information is available on our website or please contact:

Address: BNY Mellon Shareowner Services, PO Box 505000, Louisville, KY 40233-5000, USA

Email: shrrelations@cpshareownerservices.com

Website: mybnyndr.com

Telephone: +1 888 269 2377 (toll-free in the US)

Outside the US: +1 201 680 6825

Manage your shares online

We actively encourage our shareholders to receive communications via email and view documents electronically via our website, centrica.com. Receiving communications and Company documents electronically saves your Company money and reduces our environmental impact. If you sign up for electronic communications, you will receive an email to notify you that new shareholder documents are available to view online, including the Annual Report and Accounts and the Annual Review, on the day they are published. You will also receive alerts to let you know that you can cast your AGM vote online. You can manage your shareholding online by registering at shareview.co.uk, a free online platform provided by Equiniti, which allows you to:

- view information about your shareholding;
- have your dividend paid into your bank account;
- update your personal details; and
- appoint a proxy for the AGM.

Centrica FlexiShare

FlexiShare is an easy way to hold Centrica shares without a share certificate. Your shares are held by a nominee company, Equiniti Financial Services Limited. However, you are able to attend and vote at general meetings as if the shares were held in your own name. Holding your shares in this way is free and gives you:

- low cost share dealing rates (full details of which are available on centrica.com, together with dealing charges);
- quicker settlement periods for buying and selling shares; and
- no paper share certificates to lose.

Centrica.com

The Shareholder Centre on our website contains a wide range of information including a dedicated investors section where you can find further information about shareholder services including:

- share price information;
- dividend history;
- ownership profile;
- the Scrip Dividend Programme;
- telephone and internet share dealing;
- downloadable shareholder forms; and
- taxation.

This Annual Report and Accounts can also be viewed online by visiting centrica.com/ar19

Dividends

Centrica dividends can be paid directly into your bank or building society account instead of being dispatched to you by cheque. More information about the benefits of having dividends paid directly into your bank or building society account, and the mandate form to set this up, can be found in the Investors section of our website.

If you do not have a UK bank or building society account, Equiniti is able to pay dividends in local currencies in over 90 countries. For a small fee, you could have your dividends converted from sterling and paid into your designated bank account, usually within five days of the dividend being paid.

ShareGift

If you have a small number of shares and the dealing costs or the minimum fee make it uneconomical to sell them, it is possible to donate them to ShareGift, a registered charity, who provide a free service to enable you to dispose charitably of such shares. More information on this service can be found at sharegift.org or by calling +44 (0)20 7930 3737.

2020 calendar

7 May 2020	Ex-dividend date for 2019 final dividend
11 May 2020	Record date for 2019 final dividend
11 May 2020	Trading Update AGM
22 June 2020	Payment date for 2019 final dividend
24 July 2020	Half-year results announcement

Additional Information – Explanatory Notes (Unaudited)

Definitions and reconciliation of adjusted performance measures

Centrica's 2019 consolidated Financial Statements include a number of non-GAAP measures. These measures are chosen as they provide additional useful information on business performance and underlying trends. They are also used to measure the Group's performance against its strategic financial framework. They are not, however, defined terms under IFRS and may not be comparable with similarly titled measures reported by other companies. Where possible they have been reconciled to the statutory equivalents from the primary statements (Group Income Statement (I/S), Group Balance Sheet (B/S), Group Cash Flow Statement (C/F)) or the notes to the Financial Statements.

Adjusted operating profit, adjusted earnings and adjusted operating cash flow have been defined and reconciled separately in notes 2, 4 and 10 to the consolidated Group Financial Statements where further explanation of the measures is given. Additional performance measures are used within this announcement to help explain the performance of the Group and these are defined and reconciled below.

EBITDA

EBITDA is a business performance measure of operating profit, after adjusting for depreciation and amortisation. It provides a performance measure in its own right, and provides a bridge between the Income Statement and the Group's key cash metrics.

Year ended 31 December		2019 £m	2018 (restated) (i) £m	Change
Group operating profit	I/S	(849)	987	
Exceptional items included within Group Operating profit and certain re-measurements before taxation	I/S	1,750	405	
Share of profits of joint ventures and associates, net of interest and taxation	I/S	12	(3)	
Depreciation and impairments of property, plant and equipment	4(d)	880	736	
Amortisation, write-downs and impairments of intangibles	4(d)	326	322	
EBITDA		2,119	2,447	13%

(i) Comparatives have been restated on transition to IFRS 15: 'Revenue from contracts with customers'. See note 1 for further details.

The table below shows how EBITDA reconciles to AOCF.

		2019 £m	2018 (restated) (i) £m
EBITDA		2,119	2,447
Profit on disposals ⁽ⁱⁱ⁾		(2)	(12)
Decrease in provisions ⁽ⁱⁱ⁾		(191)	(154)
Cash contributions to defined benefit pension schemes, net of service cost income statement charge ⁽ⁱⁱ⁾		(233)	(75)
UK pension deficit payments	4(f)	235	98
Employee share scheme costs	C/F	41	43
Re-measurement of energy contracts ⁽ⁱⁱ⁾		(213)	41
Net movement in working capital ⁽ⁱⁱ⁾		119	(47)
Taxes paid	C/F	(92)	(61)
Dividends received from joint ventures and associates	C/F	1	22
Margin cash movements	4(f), 24(c)	46	(57)
Adjusted operating cash flow		1,830	2,245

(i) Comparatives have been restated on transition to IFRS 15: 'Revenue from contracts with customers'. See note 1 for further details.

(ii) These line items relate to business performance only and therefore differ from amounts quoted in the IFRS Financial Statements.

Definitions and reconciliation of adjusted performance measures**E&P free cash flow**

Free cash flow is used as an additional cash flow metric for the E&P business due to its asset-intensive nature. This metric provides a measure of the cash generating performance of the E&P business, taking account of its investment activity.

Year ended 31 December		2019 £m	2018 £m	Change
Upstream adjusted operating cash flow	4	635	1,012	
Non E&P adjusted operating cash flow		(48)	(49)	
E&P adjusted operating cash flow		587	963	
Capital expenditure (including small acquisitions)		(480)	(497)	
Net disposals		34	17	
Free cash flow		141	483	71%

E&P free cash flow is E&P's adjusted operating cash flow, as defined in note 2 and reconciled in note 4(f), less the business's capital expenditure and net disposals as defined above.

Return on average capital employed (ROACE)

Post-tax ROACE is one of the key performance metrics in the financial framework of the Group and represents the return the Group makes from capital employed in its wholly owned assets and its investments in joint ventures and associates.

Year ended 31 December		2019 £m	2018 £m
Adjusted operating profit	4	901	1,392
Taxation on profit – business performance	I/S	(218)	(461)
Exclude taxation on interest – business performance		(61)	(65)
Return attributable to non-controlling interests		(18)	(29)
Return		604	837
Net assets	B/S	1,795	3,948
Less: non-controlling interests		(583)	(803)
Less: net retirement benefit obligations	22	163	79
Less: net cash and cash equivalents, bank overdrafts, loans and other borrowings, securities and cash posted/(received) as collateral	24	3,415	2,889
Less: derivative financial instruments	19	332	(112)
Less: deferred tax liabilities associated with retirement benefit obligations and derivative financial instruments		(8)	130
Effect of averaging and other adjustments		1,350	215
Average capital employed		6,456	6,346
ROACE		9%	13%

Average capital employed takes the Group's net assets excluding net debt and deducts the net retirement benefit obligation and other derivative financial instruments (together with their associated deferred tax balances) because these represent unrealised positions and therefore do not reflect true capital employed. They are also subject to market driven volatility which could materially distort the ROACE calculation.