

Queen Elizabeth II Conference Centre London SW1

Monday 10 May 2010 at 2.00 pm

This document is important and requires your immediate attention. If you are in any doubt as to the action you should take, you should consult your professional adviser immediately.

If you have sold or otherwise transferred all your shares, this Notice and the accompanying proxy form should be passed to the person through whom the sale or transfer was made for transmission to the purchaser or transferee.

Notice is hereby given that the fourteenth Annual General Meeting of Centrica plc (the Company) will be held at the Queen Elizabeth II Conference Centre, Broad Sanctuary, Westminster, London SW1P 3EE on 10 May 2010 at 2.00 pm for the transaction of the following business:

To consider and, if thought fit, pass Resolutions 1 to 12 as Ordinary Resolutions and Resolutions 13 to 16 as Special Resolutions.

Please complete and submit a proxy form in accordance with the instructions printed thereon, whether or not you propose to attend the Annual General Meeting (AGM). The proxy form must be received no later than 2.00 pm on 6 May 2010.

Explanatory notes in respect of the Resolutions and in respect of your rights to attend and vote at this Meeting are provided on pages 3 to 8.

Report and Accounts

1. To receive the Accounts and the Reports of the Directors and the Auditors for the year ended 31 December 2009.

Remuneration Report

2. To approve the Remuneration Report for the year ended 31 December 2009.

Dividend

3. That a final dividend of 9.14 pence per ordinary share be paid on 16 June 2010 to shareholders on the register of members at the close of business on 30 April 2010.

Directors

4. That Roger Carr be reappointed as a Director of the Company.
5. That Helen Alexander be reappointed as a Director of the Company.
6. That Phil Bentley be reappointed as a Director of the Company.
7. That Nick Luff be reappointed as a Director of the Company.
8. That Chris Weston be reappointed as a Director of the Company.

Auditors

9. That PricewaterhouseCoopers LLP be reappointed as Auditors of the Company, to hold office until the conclusion of the next general meeting at which accounts are laid.
10. That the Directors be authorised to determine the Auditors' remuneration.

Political donations

11. That, in accordance with section 366 of the Companies Act 2006, the Company and any company which is, or becomes, a subsidiary of the Company during the period to which this resolution relates are authorised:
 - (a) to make donations to political parties or independent election candidates, as defined in sections 363 and 364 of the Companies Act 2006, not exceeding £80,000 in total;
 - (b) to make donations to political organisations other than political parties, as defined in sections 363 and 364 of the Companies Act 2006, not exceeding £80,000 in total; and

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(c) to incur political expenditure, as defined in section 365 of the Companies Act 2006, not exceeding £80,000 in total,

during the period commencing on the date of the passing of this Resolution and ending at the close of business on 30 June 2011 or, if earlier, the date of the Company's AGM to be held in 2011.

Authority to allot shares

12. That the Directors be generally and unconditionally authorised to exercise all powers of the Company to allot shares in the Company or to grant rights to subscribe for or convert any security into shares in the Company:

(a) up to a nominal amount of £105,614,626; and

(b) comprising equity securities (as defined in section 560(1) of the Companies Act 2006) up to a further nominal amount of £211,229,252 (after deducting from such limit any relevant securities allotted under paragraph (a) above) in connection with an offer by way of a rights issue to ordinary shareholders in proportion (as nearly as may be practicable) to their existing holdings; and 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,

such authorities to apply until the conclusion of the 2011 AGM (or, if earlier, until the close of business on 30 June 2011) 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 ends 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 ended.

Authority to disapply pre-emption rights

13. That, subject to the passing of Resolution 12 set out above, the Directors be given power to allot equity securities (as defined in the Companies Act 2006) 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 Companies Act 2006 did not apply to any such allotment or sale, such power to be limited:

(a) to the allotment of equity securities and sale of treasury shares for cash 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 12 set out above, by way of rights issue only) to ordinary shareholders in proportion (as nearly as may be practicable) to their existing holdings; and 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 12 set out above, and/or in the case of any sale of treasury shares for cash, to the allotment (otherwise than under paragraph (a) of this Resolution) of equity securities or sale of treasury shares up to a nominal amount of £15,842,193,

such power to apply until the conclusion of the 2011 AGM (or, if earlier, until the close of business on 30 June 2011), save that 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 power ends and the Directors may allot equity securities under any such offer or agreement as if the power had not ended.

Authority to purchase own shares

14. That the Company be generally and unconditionally authorised for the purposes of section 701 of the Companies Act 2006 to make market purchases (within the meaning of section 693(4) of the Companies Act 2006) of ordinary shares of 6¹⁴/₆₁ pence each in the Company (ordinary shares) provided that:

(a) the maximum number of ordinary shares hereby authorised to be purchased is 513,287,084;

(b) the minimum price which may be paid for each such ordinary share is 6¹⁴/₆₁ pence;

(c) the maximum price which may be paid for each such ordinary share is the higher of: (i) 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 share is contracted to be purchased; and (ii) 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

(d) this authority shall expire at the conclusion of the 2011 AGM or at close of business on 30 June 2011, whichever is the earlier (except in relation to a purchase of such 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 power had not ended).

Adoption of new Articles of Association

15. That

(a) the Articles of Association of the Company be amended by deleting all the provisions of the Company's Memorandum of Association which, by virtue of section 28 of the Companies Act 2006, are to be treated as provisions of the Company's Articles of Association; and

(b) 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.

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Notice of general meetings

16. That a general meeting other than an annual general meeting may be called on not less than 14 clear days' notice.

By order of the Board



Grant Dawson

General Counsel & Company Secretary

2 March 2010

Registered office: Millstream, Maidenhead Road, Windsor,
Berkshire SL4 5GD

Registered in England and Wales No. 3033654

A proxy form is enclosed with this Notice and instructions for its completion and return by post are shown on the form. You can also vote online at www.sharevote.co.uk.

Explanatory notes to the proposed resolutions

Resolutions 1 to 12 will be proposed as Ordinary Resolutions which require a simple majority of the votes to be cast in favour.

Resolution 2: To approve the Remuneration Report for the year ended 31 December 2009

The Remuneration Report forms pages 45 to 59 of the Annual Report 2009. It sets out the Company's policy for, and gives details of, Directors' remuneration and other relevant information. There is a summary of the Remuneration Report on pages 25 to 27 of the Annual Review 2009.

Resolutions 4-8: Reappointment of Directors

Roger Carr (63) joined the Board as a Non-Executive Director in 2001. He was appointed Chairman of the Board in May 2004. He is a member of the Remuneration Committee and Chairman of the Nominations Committee. He is chairman of Cadbury plc and is due to stand down from this position at a date to be determined. He is a non-executive director of the Bank of England and until June 2008 was chairman of Mitchells & Butlers plc.

Helen Alexander (53) joined the Board in January 2003 as a Non-Executive Director. She is a member of the Audit and Nominations Committees and is Chairman of the Remuneration Committee. She is president of the CBI, chairman of Incisive Media and the Port of London Authority, a senior adviser of Bain Capital and a non-executive director of Rolls-Royce plc. She is senior trustee of the Tate Gallery and an honorary fellow of Hertford College, Oxford. Until July 2008, she was chief executive of the Economist Group.

Phil Bentley (51) joined Centrica as Group Finance Director in 2000, a position he held until the end of February 2007 when he was appointed Managing Director, British Gas. He was also Managing Director, Europe between July 2004 and September 2006. He is a member of the Executive and Corporate Responsibility Committees. Formerly, he was finance director of UDV Guinness from 1999 and group treasurer and director of risk management of Diageo plc from 1997. Previously, he spent 15 years with BP plc in various international oil and gas exploration roles. He is also a non-executive director and the chairman of the audit committee of Kingfisher plc and he will retire from these positions in March 2010.

Nick Luff (42) joined Centrica as Group Finance Director in March 2007 and was appointed as a non-executive director of Lake Acquisitions Limited (the parent company of British Energy) in November 2009. He is a member of the Executive and Disclosure Committees. He was previously chief financial officer of The Peninsular & Oriental Steam Navigation Company (P&O) and has held a number of other senior financial roles at P&O, having qualified as a chartered accountant at KPMG. He is a non-executive director of QinetiQ Group plc.

Chris Weston (46) was appointed to the Board in July 2009 as Managing Director, North America. He is a member of the Executive and Corporate Responsibility Committees. He was previously Managing Director, British Gas Services from June 2005. Prior to this, he was Managing Director, British Gas Business from January 2002, having joined Centrica in November 2001 following the acquisition of One Tel where he was the managing director of Europe. Previously, he spent seven years in the army with the Royal Artillery.

The Company's Articles of Association require Directors to retire and submit themselves for reappointment by shareholders at

the first AGM following their appointment and for reappointment at least every three years. Non-Executive Directors are initially appointed for a three-year term and, subject to review and reappointment by shareholders, can serve up to a maximum of three such terms. Upon the recommendation of the Nominations Committee, Roger Carr, Phil Bentley, Nick Luff and Chris Weston are proposed for reappointment, each to serve a three-year term. The Combined Code on Corporate Governance states that any length of service beyond six years for a Non-Executive Director should be subject to particularly rigorous review and should take into account the need for progressive refreshing of the Board. In view of this, Helen Alexander is, and will in future, seek reappointment to the Board on an annual basis. The Board believes that each of the Directors standing for reappointment has considerable and wide ranging experience, which will be invaluable as the Company continues to grow its business both in the UK and overseas. Each of the Non-Executive Directors has given an assurance to the Board that they remain committed to their role as Non-Executive Directors and will ensure that they devote sufficient time to it, including attendance at Board and Committee meetings. The Board has determined that, other than the Chairman, each of the Non-Executive Directors (including Helen Alexander) is independent.

Resolution 9: That PricewaterhouseCoopers LLP be reappointed as Auditors

The Company is required to appoint Auditors at each general meeting at which accounts are laid, to hold office until the conclusion of the next such meeting. The Company's Audit Committee has recommended to the Board the reappointment of PricewaterhouseCoopers LLP and the Board has endorsed this recommendation.

Resolution 10: That the Directors be authorised to determine the Auditors' remuneration

This Resolution authorises the Directors, in accordance with standard practice, to determine the remuneration of the Auditors. The Audit Committee will approve the audit fees, in principle, for recommendation to the Board.

Resolution 11: 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. However, the Companies Act 2006 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. Such activities, which are in the shareholders' interests for the Company to conduct, are not designed to support, or implement support for, a particular political party, other political organisation or independent election candidate. The Company believes that the authority proposed under this Resolution is necessary to ensure that it does not commit any technical breach that could arise from the uncertainty generated by the wide definitions contained within the Companies Act 2006 when carrying out activities in the furtherance of its legitimate business interests. The Company neither made political donations nor incurred political expenditure in 2009.

Resolution 12: 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 £105,614,626 (representing 1,710,956,941 ordinary shares of 6¹⁴/₈₁ pence each excluding treasury shares). This amount represents approximately one-third of the issued ordinary share capital of the Company as at 26 February 2010, the latest practicable date prior to publication of this Notice. In line with recent guidance issued by the Association of British Insurers, 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 £211,229,252 (representing 3,421,913,882 ordinary shares excluding treasury 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 26 February 2010, the latest practicable date prior to publication of this Notice. The authorities sought under paragraphs (a) and (b) of this Resolution will expire at the earlier of 30 June 2011 (the last date by which the Company must hold an AGM in 2011) or the conclusion of the 2011 AGM. The Directors have no present intention of issuing any shares other than pursuant to existing rights 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. As at 26 February 2010 and as at the date of this Notice, the Company did not hold any treasury shares.

Resolutions 13, 14, 15 and 16 will be proposed as Special Resolutions which require a 75% majority of the votes to be cast in favour.

Resolution 13: Authority to disapply pre-emption rights

Under section 561(1) of the Companies Act 2006, if the Directors wish to allot any equity securities for cash (other than in connection with any employee share scheme) they must in the first instance offer them to existing shareholders 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 to existing shareholders. The Articles of Association provide that the Board must take account of the provisions of the legislation relating to pre-emption rights. This Resolution would give the Directors the authority to allot ordinary shares (or sell any ordinary shares which the Company elects to hold in treasury) for cash without first offering them to existing shareholders in proportion to their existing holdings.

This authority would be limited to allotments or sales in connection with pre-emptive offers and offers to holders of other equity securities if required by the rights of those shares or as the Directors otherwise consider necessary, or otherwise up to an aggregate nominal amount of £15,842,193 (representing 256,643,526 ordinary shares). This aggregate nominal amount represents approximately 5% of the issued ordinary share capital of the Company as at 26 February 2010, the latest practicable date prior to publication of this Notice. In respect of this aggregate nominal amount, the Board does not intend to issue more than 7.5% of the issued share capital of the Company in any rolling three-year period. For the purposes of this Resolution,

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allotments and issues of shares include sales of treasury shares – see the note to Resolution 12 for further details. This authority will expire at the conclusion of the 2011 AGM or on 30 June 2011, whichever is the earlier.

Resolution 14: 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 if 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 purchased pursuant to the treasury shares provisions of the Companies Act 2006, 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.

It is the Company's current intention to satisfy the requirements of its share schemes, in a method best suited to the interests of the Company, either by acquiring shares in the market or, subject to institutional guidelines, issuing new shares or using shares held in treasury. No shares were repurchased and cancelled during the period 1 January 2009 to 26 February 2010.

This Resolution specifies the maximum number of shares that may be acquired (10% of the Company's issued ordinary share capital as at 26 February 2010) 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 26 February 2010 was approximately 94 million representing approximately 1.8% of the issued share capital of the Company at that date (approximately 2.0% if the authority to purchase shares under this Resolution is used in full).

This authority will expire at the conclusion of the 2011 AGM or on 30 June 2011, whichever is the earlier.

Resolution 15: Adoption of new Articles of Association

As a result of implementation of the Companies (Shareholders' Rights) Regulations 2009 and the remaining provisions of the Companies Act 2006, it is proposed to adopt new Articles of Association. An explanation of the principal changes between the proposed and the existing Articles of Association 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 of Association (together with a copy of the existing Memorandum and Articles of Association of the Company marked to show the changes being proposed in Resolution 15) is available for inspection as noted on page 7 of this document, and also available on the Investors pages of the Company's website at www.centrica.com.

Resolution 16: Notice of general meetings

Changes made to the Companies Act 2006 by the Companies (Shareholders' Rights) Regulations 2009 increase the notice period required for general meetings of the Company to 21 days unless shareholders approve a shorter notice period, which cannot however be less than 14 clear days (AGMs will continue to be held on at least 21 clear days' notice).

Before the coming into force of the Companies (Shareholders' Rights) Regulations 2009, the Company was able to call general meetings other than an AGM on 14 clear days' notice without obtaining such shareholder approval. In order to preserve this ability, Resolution 16 seeks such approval. The approval will be effective until the Company's next annual general meeting, when it is intended that a similar resolution will be proposed.

The changes to the Companies Act 2006 mean that, in order to be able to call a general meeting on less than 21 clear days' notice, the Company must make a means of electronic voting available to all shareholders for that meeting.

The shorter notice period would not be used as a matter of routine for such meetings, but only where the flexibility is merited by the business of the meeting and is thought to be in the interests of shareholders as a whole.

Appendix 1 – Explanatory notes of the principal changes to the Company's Articles of Association

It is proposed in Resolution 15 to adopt new Articles of Association (the "New Articles") in order to update the Company's existing Articles of Association (the "Existing Articles") primarily to take account of the coming into force of the Companies (Shareholders' Rights) Regulations 2009 (the "Shareholders' Rights Regulations") and the implementation of the last parts of the Companies Act 2006.

The principal changes introduced in the New Articles are summarised in this Appendix 1. Other changes, which are of a minor, technical or clarifying nature and also some more minor changes which merely reflect changes made by the Companies Act 2006 or the Shareholders' Rights Regulations, or conform the language of the New Articles with that used in the model articles for public companies produced by the Department for Business, Innovation & Skills have not been noted in this Appendix 1. The New Articles marked to show all the changes to the Memorandum and Existing Articles are available for inspection as noted on page 7 of this document, and are also available on the Investors pages of the Company's website at www.centrica.com.

The Company's objects

The provisions regulating the operations of the Company are currently set out in the Company's Memorandum and Articles of Association. The Company's Memorandum contains, among other things, the objects clause which sets out the scope of the activities the Company is authorised to undertake. This is drafted to give a wide scope.

The Companies Act 2006 significantly reduces the constitutional significance of a company's memorandum. It provides that a memorandum will record only the names of subscribers and the number of shares each subscriber has agreed to take in the company. In addition, the objects clause and all other provisions which are contained in a company's memorandum, for existing companies at 1 October 2009, are deemed to be contained in the company's articles of association but the company can remove these provisions by special resolution.

Further, the Companies Act 2006 states that unless a company's articles provide otherwise, a company's objects are unrestricted. This abolishes the need for companies to have objects clauses. For this reason, the Company is proposing to remove its objects

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clause together with all other provisions of its Memorandum which are treated as forming part of the Company's Articles of Association as of 1 October 2009. Resolution 15 confirms the removal of these provisions for the Company. As the effect of this resolution will be to remove the statement currently in the Company's Memorandum of Association regarding limited liability, the New Articles also contain an express statement regarding the limited liability of shareholders.

Articles which duplicate statutory provisions

Provisions in the Existing Articles which replicate provisions contained in the Companies Act 2006 are in the main to be removed in the New Articles. This is in line with the approach advocated by the Government that statutory provisions should not be duplicated in a company's constitution.

Authorised share capital and unissued shares

The Companies Act 2006 abolishes the requirement for a company to have an authorised share capital and the New Articles reflect this. Directors will still be limited as to the number of shares they can at any time allot because allotment authority continues to be required, save in respect of employee share schemes.

Preference Shares

The references to Preference Shares in the Existing Articles have been removed in the New Articles as no such class of share capital is in issue. The Company currently has no plans to issue preference shares but if it did so the directors would need shareholders' authority to issue new shares in the usual way.

Redeemable Shares

Under the Companies Act 1985, if a company wished to issue redeemable shares, it had to include in its articles the terms and manner of redemption. The Companies Act 2006 enables directors to determine such matters instead provided they are so authorised by the articles. The New Articles contain such an authorisation. The Company currently has no plans to issue redeemable shares but if it did so the directors would need shareholders' authority to issue new shares in the usual way.

Authority to purchase own shares, consolidate and subdivide shares, and reduce share capital

Under the Companies Act 1985, a company required specific enabling provisions in its articles to purchase its own shares, to consolidate or sub-divide its shares and to reduce its share capital or other undistributable reserves as well as shareholder authority to undertake the relevant action. The Existing Articles include these enabling provisions. Under the Companies Act 2006 a company will only require shareholder authority to do any of these things and it will no longer be necessary for articles to contain enabling provisions. Accordingly, the relevant enabling provisions have been removed in the New Articles.

Change of Name

Under the Companies Act 1985, a company could only change its name by special resolution. Under the Companies Act 2006 a company will be able to change its name by other means provided for by its articles. To take advantage of this provision, the New Articles enable the directors to pass a resolution to change the Company's name.

Vacation of office by Directors

The Existing Articles specify the circumstances in which a director

must vacate office. The New Articles update these provisions to reflect the approach taken in the model articles for public companies produced by the Department for Business, Innovation & Skills to treat physical illness in the same manner as mental illness.

Use of Seals

Under the Companies Act 1985, a company required authority in its articles to have an official seal for use abroad but such authority is no longer required. Accordingly, the relevant authorisation has been removed in the New Articles.

The New Articles provide an alternative option for execution of documents (other than share certificates). Under the New Articles, when the seal is affixed to a document, it may be signed by one director in the presence of a witness, whereas previously the requirement was for signature by either a director and the secretary or two directors or such other person or persons as the directors may approve.

Voting by proxies on a show of hands

The Shareholders' Rights Regulations have amended the Companies Act 2006 so that it now provides that each proxy appointed by a member has one vote on a show of hands unless the proxy is appointed by more than one member, in which case the proxy has one vote for the resolution (if the proxy has been instructed by one or more members to vote for the resolution) and one vote against the resolution (if the proxy has been instructed by one or more members to vote against the resolution). The New Articles remove provisions in the Existing Articles dealing with proxy voting on the basis that these are dealt with in the Companies Act 2006 and contain a provision clarifying how giving a proxy a second vote on a show of hands should apply to discretionary authorities.

Chairman's casting vote

The New Articles remove the provision giving the Chairman a casting vote in the event of an equality of votes as this is no longer permitted under the Companies Act 2006.

Adjournments for lack of quorum

Under the Companies Act 2006 as amended by the Shareholders' Rights Regulations, general meetings adjourned for lack of quorum must be held at least ten clear days after the original meeting. The Existing Articles have been changed to reflect this requirement.

General

Generally the opportunity has been taken to bring clearer language to the New Articles and, in some areas, to conform the language of the New Articles with that used in the model articles for public companies produced by the Department for Business, Innovation & Skills.

Important Notes

The following notes explain your general rights as a shareholder and your right to attend and vote at this Meeting or to appoint someone else to vote on your behalf.

1. A shareholder entitled to attend and vote at the Meeting is entitled to appoint one or more proxies to attend, speak and vote instead of him or her provided that each proxy is appointed to attend, speak and vote in respect of a different share or shares. A proxy need not be a shareholder. If a share is held by joint shareholders and more than one of the joint shareholders votes (including by way of proxy), the only vote that will count is the vote of the person whose name is listed before the other voters on the Register for the share.

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2. You may register your proxy appointment or voting directions electronically by visiting www.sharevote.co.uk, where full details of the procedure are given (see note 3 below for deadlines). If you return more than one proxy appointment, either by paper or electronic communication, that which is received last by the Registrar before the latest time for the receipt of proxies will take precedence. You are advised to read the terms and conditions of use carefully. Electronic communication facilities are open to all shareholders and those who use them will not be advantaged or disadvantaged.

3. 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 the sharevote website, no later than 2.00 pm on 6 May 2010, or 48 hours before the time for holding any adjourned Meeting or (in the case of a poll not taken on the same day as the Meeting or adjourned Meeting) for the taking of the poll at which it is to be used; or, (b) lodged using the CREST proxy voting service – see note 12.

4. The return of a completed proxy form, other such instrument or any CREST Proxy Instruction (as described in notes 12–15 below) will not prevent a shareholder attending the AGM and voting in person if he/she wishes to do so.

5. Any person to whom this Notice is sent who is a person nominated under section 146 of the Companies Act 2006 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.

6. The statement of the rights of shareholders in relation to the appointment of proxies in notes 1, 2 and 3 above does not apply to Nominated Persons. The rights described in these notes can only be exercised by shareholders of the Company.

7. The following documents are available for inspection during normal business hours at the registered office of the Company on any business day and may also be inspected at the Queen Elizabeth II Conference Centre from 1.00 pm on the day of the Meeting until the conclusion of the Meeting:

- (a) copies of Directors' service contracts with the Company;
- (b) copies of the Non-Executive Directors' letters of appointment;
- (c) copies of the Directors' deeds of indemnity entered into in connection with the indemnification of Directors' provisions of the Company's Articles of Association; and
- (d) a copy of the proposed new Articles of Association of the Company, and a copy of the existing Memorandum and Articles of Association of the Company marked to show the changes being proposed in Resolution 15.

The documents itemised in paragraph (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 until the conclusion of the Meeting and (ii) on the Investors pages of the Company's website at www.centrica.com.

8. The Company, pursuant to Regulation 41 of the Uncertificated

Securities Regulations 2001, specifies that only those shareholders listed on the Register as at 6.00 pm on 6 May 2010 (or, if the Meeting is adjourned, 48 hours before the time fixed for the adjourned Meeting) 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 Meeting.

9. As soon as practicable following the AGM, the results of the voting at the Meeting and the numbers of proxy votes cast for and against and the number of votes actively withheld in respect of each of the Resolutions will be announced via a Regulatory Information Service and also placed on the Company's website at www.centrica.com. Also, a summary of the business transacted will be available, on written request, from the General Counsel & Company Secretary at the Company's registered office.

10. As at 26 February 2010 (being the latest practicable date prior to the publication of this Notice) the Company's issued share capital consists of 5,132,870,844 ordinary shares, carrying one vote each. Therefore, the total voting rights in the Company as at 26 February 2010 are 5,132,870,844.

11. Copies of this Notice of Meeting, the Annual Report 2009, Annual Review 2009 and other information required by section 311A of the Companies Act 2006 are available on the Centrica website at www.centrica.com.

12. 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. 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.

13. 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 specifications, and must contain the information required for such instruction, as described in the CREST Manual (available via www.euroclear.com/CREST). 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 10 May 2010 and any adjournment(s) thereof, be transmitted so as to be received by our Registrars, Equiniti, (ID RA19) no later than 2.00 pm on 6 May 2010, or, if the Meeting is adjourned, 48 hours before the time fixed for the adjourned Meeting. 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.

14. 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,

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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. In this connection, 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.

15. 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.

16. Any corporation which is a member can appoint one or more corporate representatives who may exercise on its behalf all of its powers as a member provided that they do not do so in relation to the same shares.

17. Under section 527 of the Companies Act 2006, members 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: (i) the audit of the Company's accounts (including the auditor's report and the conduct of the audit) that are to be laid before the AGM; or (ii) any circumstances 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 Companies Act 2006. The Company may not require the shareholders requesting any such website publication to pay its expenses in complying with section 527 or 528 of the Companies Act 2006. Where the Company is required to place a statement on a website under section 527 of the Companies Act 2006, it must forward the statement to the Company's auditor not later than the time when it makes the statement available on the website. The business which may be dealt with at the Annual General Meeting includes any statement that the Company has been required under section 527 of the Companies Act 2006 to publish on a website.

18. Any member or appointed proxy/proxies attending the Meeting has the right to ask questions. The Company must cause to be answered any such question relating to the business being dealt with at the Meeting but no such answer need be given if (a) to do so would interfere unduly with the preparation for the Meeting or involve the disclosure of confidential information, (b) the answer has already been given on a website in the form of an answer to a question, or (c) it is undesirable in the interests of the Company or the good order of the Meeting that the question be answered.

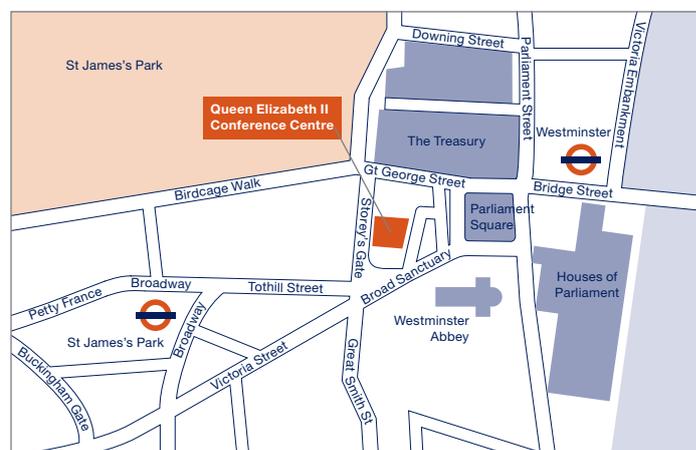
19. Under section 338 and section 338A of the Companies Act 2006, members meeting the threshold requirements in those sections have the right to require the company (i) to give, to members of the Company entitled to receive notice of the Meeting, notice of a resolution which may properly be moved and is intended to be moved at the Meeting and/or (ii) to include in the business to be dealt with at the Meeting any matter (other than a proposed resolution) which may be properly included in the business. A resolution may be properly moved or a matter may properly be included in the business unless (a) (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), (b) it is defamatory of any person or (c) 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 authorised by the person or persons making it, must be received by the Company not later than 28 March 2010, being the date six clear weeks before the Meeting, and (in the case of a matter to be included in the business only) must be accompanied by a statement setting out the grounds for the request.

20. You may not use any electronic address provided in either this Notice of General Meeting or any related documents (including the Proxy Form) to communicate with the Company for any purposes other than those expressly stated.

Directions to the Annual General Meeting

**Queen Elizabeth II Conference Centre, London SW1
Monday 10 May 2010 at 2.00 pm**



The doors will open at 1.00 pm and you may wish to arrive by 1.30 pm to enable you to take your seat in good time. Tea, coffee and biscuits will be available before and after the Meeting. Arrangements have been made to help shareholders with disabilities. Individual induction loops will be available at the registration desk for people with hearing difficulties and sign language interpretation will be provided in the auditorium. Anyone accompanying a shareholder who is in a wheelchair or otherwise in need of assistance will be admitted to the Meeting.

Alternative formats

If you would like this Notice in an appropriate alternative format, such as large print, Braille or CD, you can request these in the following ways:

**Telephone 0800 111 4371
Textphone 18001 0800 111 4371**

Please note that these numbers should be used to order copies of alternative formats only. For general shareholder enquiries, please use the shareholder helpline:

0871 384 2985 (Calls to this number are charged at 8 pence per minute from a BT landline. Other telephony providers' costs may vary.)