



# Centrica plc

## Notice of Annual General Meeting 2018

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QEI Centre  
Broad Sanctuary  
Westminster  
London  
SW1P 3EE

Monday 14 May 2018 at 2.00 pm

This document is important and requires your immediate attention.

If you are not sure what action to take, you should consult your professional adviser immediately. If you have either sold or transferred your Centrica plc shares, please send this document and any documents that came with it as soon as possible to the purchaser or transferee.

Notice is hereby given that the 2018 Annual General Meeting (AGM) of Centrica plc (the Company) will be held at the QEI Centre, Broad Sanctuary, Westminster, London SW1P 3EE on Monday 14 May 2018 at 2.00 pm to consider and, if thought fit, to pass the resolutions set out on the following pages.

Resolutions 1 to 20 will be proposed as ordinary resolutions and 21 to 24 will be proposed as special resolutions.

# 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 2017.

## Remuneration

2. To approve the Directors' Annual Remuneration Report for the year ended 31 December 2017 as set out on pages 82 to 89 of the Annual Report and Accounts 2017.
3. To approve the Directors' Remuneration Policy as set out on pages 90 to 97 of the Annual Report and Accounts 2017.

## Dividend

4. That a final dividend of 8.4 pence per ordinary share be paid on 28 June 2018 to shareholders on the Register of Shareholders at the close of business on 11 May 2018.

## Re-election of Directors

Biographies can be found on pages 9 and 10.

5. That Rick Haythornthwaite be re-elected as a Director.
6. That Iain Conn be re-elected as a Director.
7. That Jeff Bell be re-elected as a Director.
8. That Margherita Della Valle be re-elected as a Director.
9. That Joan Gillman be re-elected as a Director.
10. That Mark Hanafin be re-elected as a Director.
11. That Mark Hodges 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, not exceeding £125,000 in total;
  - b. make political donations to political organisations other than political parties, not exceeding £125,000 in total; and
  - c. incur political expenditure, not exceeding £125,000 in total, 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 until the conclusion of the 2019 AGM (or, if earlier, until the close of business on 31 July 2019).

## Authority to renew the Scrip Dividend Programme

19. That the Directors be generally and unconditionally authorised to exercise the power contained in article 122 of the Company's Articles of Association so that, to the extent and on such terms and conditions as may be determined by the Directors, the holders of ordinary shares be permitted to elect to receive new ordinary shares credited as fully paid instead of cash in respect of all or part of any future dividend (including any interim dividend), declared or paid by the Directors or declared by the Company at a general meeting (as the case may be). This authority shall commence on the date of the passing of this resolution and until the conclusion of the 2021 AGM or on 31 July 2021, whichever is the earlier, to the extent that the Directors decide, at their discretion, to offer a scrip dividend alternative in respect of such dividend.

## Authority to allot shares

20. 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 £115,249,927 (such amount to be reduced by the nominal amount allotted or granted under paragraph (b) below in excess of £115,249,927); and
  - b. comprising equity securities (as defined in section 560(1) of the Act) up to a nominal amount of £230,499,854 only for the purposes of a rights issue:
    - to ordinary shareholders in proportion (as nearly as practicable) to their existing holdings; and
    - to people who are holders of or otherwise have rights to other equity securities if this is required by the rights of those securities,

subject, in both cases, to such exclusions or other arrangements as the Directors 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.

The Directors may use this power until the conclusion of the 2019 AGM (or, if earlier, until the close of business on 31 July 2019) 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

21. That, subject to the passing of resolution 20, the Directors be given power 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 20, 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 20 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 £17,287,489.

such power to apply until the conclusion of the 2019 AGM (or, if earlier, until the close of business on 31 July 2019), 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 (and sell treasury shares) under any such offer or agreement as if the power had not ended.

22. That, subject to the passing of resolution 20, the Directors be given power, in addition to any authority granted under resolution 21, 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:

- a. limited to the allotment of equity securities or sale of treasury shares up to a nominal amount of £17,287,489 (being approximately 5% of the issued share capital as at 15 March 2018),
- b. 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 power to apply until the conclusion of the 2019 AGM (or, if earlier, until the close of business on 31 July 2019), 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 (and sell treasury shares) under any such offer or agreement as if the power had not ended.

### Authority to purchase own shares

23. 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 provided that:

- a. the maximum number of ordinary shares hereby authorised to be purchased is 560,114,648;
- b. the minimum price which may be paid for each such ordinary share is 6<sup>14</sup>/<sub>61</sub> 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 ordinary 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 2019 AGM (or, if earlier, the close of business on 31 July 2019), 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 power had not ended.

### Notice of general meetings

24. That a general meeting of the Company other than an AGM may be called 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

### Grant Dawson

#### Group General Counsel & Company Secretary

5 April 2018

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

**Resolutions 21 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 2017**

The Board will present the Accounts and Reports of the Directors and the Auditors for the year ended 31 December 2017, as contained in the Annual Report and Accounts 2017 ([centrica.com/ar17](http://centrica.com/ar17)).

### **Resolution 2: To approve the Directors' Annual Remuneration Report for the year ended 31 December 2017**

The Directors' Annual Remuneration Report is set out on pages 82 to 89 of the Annual Report and Accounts 2017. It gives details of Directors' remuneration and other relevant information. A summary can be found in the Annual Review 2017 on page 74.

### **Resolution 3: To approve the Directors' Remuneration Policy**

Under Section 439A of the Act, the Company is required to ask shareholders to vote on the Remuneration Policy. The Policy must be put to shareholder vote and approved at least once every three financial years, unless during that time the Policy needs to be amended. The Remuneration Policy is set out on pages 90 to 97 of the Annual Report and Accounts 2017. Once approved, the Company will only be able to make a remuneration payment to a current or prospective Director or a payment for loss of office to a current or past Director if that payment is either consistent with the Remuneration Policy or, if it is not consistent with the Remuneration Policy, approved by a separate shareholder resolution. The vote is binding, meaning payments under the Policy cannot be made until it has been approved by shareholders and, as a result, the Policy will take effect from the passing of the Resolution.

### **Resolution 4: That a final dividend of 8.4 pence per ordinary share be paid on 28 June 2018 to shareholders on the Register of Shareholders at the close of business on 11 May 2018**

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 30 November 2017, making a total dividend for the year of 12 pence per ordinary share. If approved, the final dividend will be paid on 28 June 2018 to shareholders on the register on 11 May 2018.

### **Resolutions 5 to 15: Re-election of Directors**

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

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 67 to 77 and pages 98 to 100 of the Annual Report and Accounts 2017 contains details of the role of the Board and its Committees. A summary can be found in the 2017 Annual Review on pages 67 to 69.

### **Resolutions 16 and 17: Reappointment 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 and it is normal practice for the Company's Directors, acting through the Audit Committee, to be authorised to determine the auditor's remuneration. Deloitte LLP has advised its willingness to continue in office as auditor of the Company.

### **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 renew the Scrip Dividend Programme**

The Company's Scrip Dividend Programme (the 'Programme') was last approved by shareholders at the AGM in 2015 and the 31 December 2017 final dividend will be the last dividend to which the 2015 approved Programme could apply (as the authority given in 2015 was stated to expire at the conclusion of the AGM to be held in 2018). The renewal of the Programme will allow the Directors to provide ordinary shareholders with the option to receive new fully paid ordinary shares in place of their cash dividend. Shareholders who use the Programme will be able to increase their shareholding in the Company without incurring dealing costs or stamp duty. The Programme will also allow the Company greater flexibility in managing its capital resources by retaining cash within the business. The Directors will retain discretion to decide whether to offer a scrip dividend alternative in respect of each future dividend. It is the Directors' current intention to offer the Programme for the final and interim dividends paid following renewal of the Programme. The Directors will also retain discretion to withdraw the offer of a scrip dividend alternative should they feel it is in the best interests of shareholders to do so.

Further details of the Programme are set out on pages 11 to 14. In line with investor protection guidelines, and as permitted by the Company's Articles of Association, the authority contained in this resolution is sought for three years. Unless circumstances change, the Company intends to seek an extension of this authority before it expires. The Directors intend to offer a similar programme for American Depositary Receipt (the 'ADR') holders. If this is not possible, the ADR dividend reinvestment alternative will remain in place in order to ensure ADR holders continue to have the opportunity to reinvest their dividends in ordinary shares. The conversion of ordinary shares into ADRs under a scrip dividend programme may be subject to Stamp Duty Reserve Tax and issuance fees.

### **Resolution 20: 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 £115,249,927 (representing 1,867,048,825 ordinary shares). This amount represents approximately one-third of the issued ordinary share capital of the Company as at 15 March 2018, 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 £230,499,854 (representing 3,734,097,651 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 15 March 2018, 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 2019 AGM (or, if earlier, the close of business on 31 July 2019). 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 15 March 2018, being the last practicable date prior to printing this document, the Company held 41,197,689 shares in treasury, representing 0.74% of the issued share capital.

### **Resolutions 21 and 22: 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 21 and 22 (together the 'disapplication of pre-emption rights resolutions') is to enable shareholders to waive their pre-emption rights.

Resolution 21 authorises the Directors to allot new shares, pursuant to the authority given by resolution 20 (the allotment resolution), or to sell treasury shares for cash:

- a. in connection with a rights issue or pre-emptive issue; and/or
- b. otherwise up to a nominal value of £17,287,489, equivalent to approximately 5% of the total issued ordinary share capital of the Company as at 15 March 2018, 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.

Resolution 22 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 22 is limited to a nominal value of £17,287,489, equivalent to approximately 5% of the nominal value of the ordinary share capital of the Company in issue on 15 March 2018, being the last practicable date prior to printing this document.

Resolutions 21 and 22 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 22.

This authority will expire at the conclusion of the 2019 AGM (or, if earlier, the close of business on 31 July 2019). 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 15 March 2018, being the last practicable date prior to printing this document, the date of this Notice, the Company held 41,197,689 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.

# Notes to the Resolutions

## continued

### **Resolution 23: 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 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 15 March 2018, 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 15 March 2018 was 96,893,067 representing 1.73% of the issued ordinary share capital of the Company excluding treasury shares, at that date (2.16% if the authority to purchase shares under this resolution and that given at the 2017 AGM are used in full).

This authority will expire at the conclusion of the 2019 AGM (or, if earlier, the close of business on 31 July 2019).

### **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 days' clear 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 2017 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 2019 AGM.

# Important Notes

The following notes explain your general rights as a member and your right to attend and vote at the 2018 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 10 May 2018 (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 2.00 pm on Thursday 10 May 2018, 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 2.00 pm on Wednesday 9 May 2018.

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 14 May 2018 and any adjournment(s) thereof, be transmitted so as to be received by the Company's Registrar, Equiniti (ID RA19), no later than 2.00 pm on Thursday 10 May 2018 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.

# Important Notes

## continued

### **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 1.00 pm on the day of the AGM until the conclusion of the meeting:

- copies of Directors' service contracts with the Company;
- copies of Non-Executive Directors' letters of appointment; and
- copies of deeds of indemnities granted to each Director.

### **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 15 May 2018.

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

As at 15 March 2018, being the last practicable date prior to printing this document, the Company's issued ordinary share capital consists of 5,642,344,165 ordinary shares, carrying one vote each. The total voting rights in the Company as at 15 March 2018 are 5,601,146,476 ordinary shares. This figure excludes 41,355,560 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 29 March 2018, 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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## **RICK HAYTHORNTHWAITE, Chairman**

Appointed to the Board: 14 October 2013

Nationality: British

Committees: Chairman of the Board and the Nominations Committee

### **Skills and experience**

Rick has a wealth of knowledge in the energy industry and has significant board experience, both as an executive and non-executive. He led the rescue of Invensys from 2001 to 2005 and the defence, turnaround and subsequent sale of Blue Circle Industries from 1997 to 2001. He has served on the boards of Network Rail as chairman and Cookson, Lafarge, ICI and Land Securities as a non-executive director.

### **External appointments**

Chairman of the board of MasterCard International, QIO Technologies and Arc International.

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## **IAIN CONN, Group Chief Executive**

Appointed to the Board: 1 January 2015

Nationality: British

Committees: 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. Iain is a fellow of the Royal Academy of Engineering, the Royal Society of Edinburgh, the Institution of Chemical Engineers and the City and Guilds of London Institute.

### **External appointments**

Non-executive director of BT Group plc.

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## **JEFF BELL, Group Chief Financial Officer**

Appointed to the Board: 1 August 2015

Nationality: Canadian

Committees: Member of the Disclosure Committee

### **Skills and experience**

Jeff has a broad range of finance experience. He joined the Group's Direct Energy business in Toronto in 2002 where he held various senior finance positions before moving to Centrica's head office in 2008 to support the Group Chief Executive and to lead the Group Strategy team. In 2011 he was appointed Director of Corporate Finance. Prior to Centrica, Jeff worked in Toronto for both KPMG, where he qualified as a chartered accountant, and the Boston Consulting Group.

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## **MARGHERITA DELLA VALLE, Non-Executive Director**

Appointed to the Board: 1 January 2011

Nationality: Italian

Committees: Chairman of the Audit Committee, member of the Nominations Committee, Remuneration Committee and Safety, Health, Environment, Security & Ethics Committee

Margherita brings considerable corporate finance and accounting experience and she has a sound background in marketing. She was chief financial officer of Vodafone's European region from April 2007 to October 2010 and chief financial officer of Vodafone Italy from 2004 to 2007. Previously she worked for Omnitel Pronto Italia and held various consumer marketing positions in business analytics and customer base management before moving into finance.

### **External appointments**

Deputy Group CFO of Vodafone Group Plc and a trustee of the Vodafone Foundation.

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## **JOAN GILLMAN, Non-Executive Director**

Appointed to the Board: 11 October 2016

Nationality: American

Committees: Member of the Nominations Committee and the Safety, Health, Environment, Security & Ethics Committee

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**

Airgain, Inc, InterDigital, Inc and Transit Wireless LLC.

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## **MARK HANAFIN, Chief Executive Centrica Business**

Appointed to the Board: 14 July 2008

Nationality: British

Mark has senior management experience across the energy value chain from exploration and production through to product sales. He has excellent midstream and trading credentials, as well as a strong track record in developing supply and marketing businesses. Before joining Centrica, Mark spent 21 years with Royal Dutch Shell.

### **External appointments**

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

# Biographies

## continued

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### **STEPHEN HESTER, Senior Independent Director**

Appointed to the Board: 11 October 2016

Nationality: British

Committees: Member of the Audit Committee and Nominations Committee

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 the 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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### **MARK HODGES, Chief Executive Centrica Consumer**

Appointed to the Board: 1 June 2015

Nationality: British

Mark brings a strong understanding of the UK consumer market and a track record in improving business performance. He is experienced in working in a regulated environment, driving significant improvements in customer service and managing efficiency, 'offer innovation', major IT and change projects. Mark was group chief executive officer of Towergate Partnership. Prior to this he spent over 20 years with Norwich Union and Aviva plc in a variety of finance, planning and strategy roles. He was a member of Aviva's board and executive committee.

#### **External appointments**

Director of Association of Energy UK (representing Centrica).

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### **CARLOS PASCUAL, Non-Executive Director**

Appointed to the Board: 1 January 2015

Nationality: American

Committees: Member of the Nominations Committee, Remuneration Committee and Safety, Health, Environment, Security & Ethics Committee

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 co-ordinator 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 at IHS Markit.

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### **STEVE PUSEY, Non-Executive Director**

Appointed to the Board: 1 April 2015

Nationality: British

Committees: Chairman of the Safety, Health, Environment, Security & Ethics Committee, member of the Audit Committee and Nominations Committee

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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### **SCOTT WHEWAY, Non-Executive Director**

Appointed to the Board: 1 May 2016

Nationality: British

Committees: Chairman of the Remuneration Committee, member of the Nominations Committee and the Safety, Health, Environment, Security & Ethics 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.

# Scrip Dividend Programme Summary

**IMPORTANT:** No action relating to participation in the Scrip Dividend Programme (the 'Programme') needs to be taken at this time. The purpose of this summary is to provide shareholders with information so that they may consider how they wish to vote in respect of Resolution 19.

## What is the Programme?

The Programme offers shareholders the opportunity to receive new fully paid ordinary shares in the Company ('New Shares') instead of cash dividends.

## What are shareholders being asked to do?

The Board is recommending to shareholders that they authorise the renewal of the Programme in respect of all or part of any future dividend (including any interim dividend). The Programme will commence with the final dividend for the year ended 31 December 2017 subject to shareholders' separate approval (Resolution 4). If shareholders approve the Programme, this authority is due to expire in three years. Unless circumstances change, the Directors expect to seek an extension to this authority before it expires.

## Why not just pay cash to everyone?

The Programme will allow those shareholders who wish to participate the opportunity to increase their shareholding without incurring dealing charges and stamp duty. This is often an attractive option for shareholders who might otherwise receive a cash dividend of relatively small economic value. The Programme will also give the Company greater flexibility in managing its capital resources as it will be able to retain in the business the cash which would otherwise have been paid to participating shareholders who have elected to receive shares.

## Who will be eligible to join the Programme?

The Programme will be made available to all shareholders entered on the Register of Shareholders, including CREST members and those holders of shares in the Company, subject to certain restrictions for shareholders resident outside the UK as set out below. The right to elect to join the Programme will not be transferable. Shareholders whose shares are held indirectly, such as through a nominee account, should contact the registered shareholder at the time the Programme is launched to determine if they can participate in the Programme.

## Shareholders resident outside the UK

Shareholders who are resident outside the UK will be able to participate in the Programme provided that they do not live in nor are subject to the jurisdiction of any country where their participation in the Programme would require the Company to comply with local legal, governmental or regulatory requirements or procedures, or any similar formalities. Shareholders resident outside the UK will be responsible for ensuring that they may validly participate in the Programme and for observing all relevant formalities.

## ADR holders

It is intended that a similar Programme will be offered for American Depositary Receipt ('ADR') holders.

## What are the key dates should I wish to join the Programme in June 2018?

If renewed by shareholders, the Programme will operate for the final dividend of 8.4 pence per share for the year ended 31 December 2017, payable on 28 June 2018, and for future dividends (including interim dividends) during the period when the Programme is in effect. An expected timetable of events in relation to the final dividend for the year ended 31 December 2017 is set out below. Information in respect to future Scrip Dividends will be announced on the London Stock Exchange and made available in the 'Investors' ('Shareholder Centre') section online at [centrica.com](http://centrica.com).

10 May 2018	Ex-dividend date
11 May 2018	Record date
14 May 2018	Annual General Meeting Approval of 2017 final dividend and Scrip Dividend Programme by shareholders
16 May 2018	Scrip reference share price set
17 May 2018	Scrip price announced
7 June 2018	Last day for Scrip Elections
28 June 2018	Dividend payment date/first day of dealing in New Shares

## How can shareholders join or leave the Programme?

The Company will set out instructions for eligible shareholders on how to elect to participate. This will include forms of election and full terms and conditions, which will also explain how shareholders can leave the Programme. The full terms and conditions will also be made available in the 'Investors' ('Shareholder Centre') section online at [centrica.com](http://centrica.com).

## What will be the deadline for joining the Programme?

The Company will set out the full timetable for participation but key dates are set out above. In order to be eligible to receive New Shares in respect of a particular dividend under the Programme, shareholders' elections to participate must be received by the Company's Registrar, Equiniti (or, where applicable, input through CREST) no later than 4.30 pm (London time) on the election date. The election date will not be more than 20 working days before the payment date for that dividend. Elections to participate in the Programme which are received after the election date deadline for any dividend will only apply to subsequent dividends. In that scenario the shareholder would receive a cash dividend in respect of the immediate dividend.

# Scrip Dividend Programme Summary

## continued

### **What will be the deadline for leaving the Programme?**

Shareholders may opt out of the Programme at any time following its renewal. For each dividend where the Programme is to apply, the Company will set out a timetable for participation. This will include the latest date and time that shareholders may elect to opt out of the Programme and hence receive cash instead of New Shares. To opt out of the Programme in respect of a particular dividend, notice of the withdrawal must be received by Equiniti (or, where applicable, input through CREST) no later than 4.30 pm (London time) on the election date for that dividend. The election date will not be more than 20 working days before the payment date for that dividend. Elections to opt out of the Programme that are received after the election date deadline for any dividend will only apply to subsequent dividends. Shareholders would receive New Shares in respect of the immediate dividend.

### **Where can shareholders find details of the Programme?**

All necessary information pertaining to the Programme and all future information including the dividend record date, ex-dividend date, scrip reference share price, election date and any further information announced will be made available in the 'Investors' ('Shareholder Centre') section online at [centrica.com](http://centrica.com).

### **How many New Shares will shareholders receive under the Programme?**

The number of New Shares that shareholders will acquire for each dividend will depend on the amount of the cash dividend to which they are entitled to and the scrip reference share price. Only whole shares may be issued and the number of shares that can be acquired will be rounded down to the nearest whole number of New Shares. Once the calculation has been made and shares allocated, any cash left over that is insufficient to acquire one New Share will be held as a residual cash balance ('residual cash'). Residual cash will be held until the next scrip dividend and added to the amount of cash available from that dividend. Shares will be acquired according to the cash available and using the scrip reference share price to determine the value per share allocated. This will be the average of the middle market quotations for ordinary shares on the Daily Official List of the London Stock Exchange on the five consecutive dealing days beginning on, and including, the date on which the ordinary shares are first quoted ex-dividend. The maximum number of New Shares to be received for each dividend will be calculated as per the worked example on page 14.

### **What will happen to any residual cash?**

Any residual cash remaining after the issue of New Shares, or which was insufficient to acquire a whole share, will be carried forward by the Company and included in the calculation for the next dividend entitlement under the terms and conditions of the Programme. No interest will accrue. Further details of the treatment of residual cash balances is provided in the terms and conditions available in the 'Investors' ('Shareholder Centre') section online at [centrica.com](http://centrica.com).

### **How will shareholders be notified of how many New Shares they have received?**

Once the New Shares have been issued, a scrip dividend statement will be sent to the shareholder along with a new share certificate or, if shares are held in FlexiShare, an account statement. The scrip dividend statement will show the number of New Shares issued, the scrip reference share price and the total cash equivalent of the New Shares for tax purposes. If the cash dividend entitlement, together with any residual cash entitlement brought forward, is insufficient to acquire at least one New Share, the statement will explain that no New Shares have been issued and will show how much cash will be carried forward. CREST members will have their accounts credited directly with New Shares on the dividend payment date or as soon as practicable thereafter and will receive a scrip dividend statement as described above.

### **Will New Shares issued under the Programme be included in the next scrip dividend?**

Yes. All New Shares issued under the Programme will automatically increase the shareholding on which the next entitlement to a scrip dividend will be calculated.

### **What happens if a shareholder buys or sells shares?**

The entitlement will be calculated based on the number of shares registered in the shareholder's name at the relevant record date. A shareholder's election will be deemed to be cancelled in relation to any shares that are sold or transferred to another person, but only with effect from the registration of the relevant transfer.

### **Are there other circumstances in which an election will be deemed cancelled?**

Yes. A shareholder's election to participate will be deemed to be cancelled on receipt by Equiniti of proper notice of the shareholder's death, bankruptcy or mental incapacity or, in the case of a corporate shareholder, of such body being placed in liquidation. However, where the shares are held jointly with others, participation in the Programme will continue for that shareholding.

### **Can shareholders participate in the Programme in respect of part of their holdings?**

No, an election will only be accepted in relation to the whole of a shareholding. The Directors may, at their discretion, allow shareholders to elect in respect of part of their shareholding where they are acting on behalf of more than one beneficial holder. Shareholders acting on behalf of more than one beneficial holder should contact Equiniti.

### **What happens if a shareholder has more than one holding?**

If shares are registered in more than one holding, each holding will require a separate election.

### **What is the maximum number of shares that can be awarded under the Programme?**

If every shareholder elects to participate in the Programme for their entire shareholding, based on the proposed final dividend of 8.4 pence per share and an indicative share price of £1.39 (closing price as at 15 March 2017), the maximum number of shares that could be awarded would be 339,209,115 representing 6.01% of the issued share capital of the Company as at 15 March 2018.

### **Can the Company change or cancel the Programme?**

Yes. The operation of the Programme is subject to the Directors' decision to offer the Programme in respect of any particular dividend. The Directors may also, after such an offer is made, withdraw the offer generally at any time prior to the issue of New Shares under the Programme. The Programme may be modified, suspended or terminated at any time at the discretion of the Directors without notice to shareholders individually. It is the Directors' current intention to offer the Programme for the final and interim dividends paid following the approval by shareholders of the Programme.

### **What are the tax consequences of taking part in the Programme?**

The precise tax consequences of electing to receive New Shares instead of a cash dividend will depend on shareholders' individual circumstances. A summary of the tax treatment, based on UK legislation and HM Revenue & Customs practice in place at the date that the Programme is introduced, will be provided in the full terms and conditions to be sent to shareholders and made available in the 'Investors' ('Shareholder Centre') section online at [centrica.com](http://centrica.com).



#### **Contact Equiniti**

Contact details for our Registrar:

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

Telephone: +44 (0)371 384 2985\* and outside the UK +44 (0)121 415 7061\*

Textphone: +44 (0)371 384 2255\* and outside the UK +44 (0)121 415 7028\*

Online: [help.shareview.co.uk](http://help.shareview.co.uk)

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

[help.shareview.co.uk](http://help.shareview.co.uk)



#### **Manage more online**

You can view and manage your shareholding online. Go to the electronic communications section of the Shareholder Centre on our website at [centrica.com/shareholdercentre](http://centrica.com/shareholdercentre).

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

# Illustrative examples of New Share Entitlements under the Programme

## Notes

- 1) The rates shown in these examples are for illustrative purposes only and should not be taken as a forecast of future share prices or dividend payment rates.
- 2) For illustrative purposes only, these examples assume that a residual cash balance is held.

### Example 1

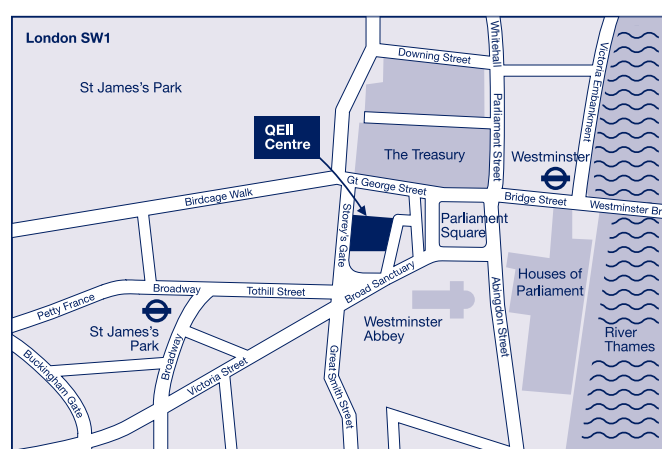
		Notes
Number of ordinary shares held:	500	
Dividend paid per ordinary share	1p (£0.01)	
Scrip Reference share price	£0.80	Calculated according to Programme terms and conditions
Residual cash balance carried forward	£0.47	
<b>Step 1 – calculate maximum cash available</b>		
Cash dividend payable plus residual cash balance: (500 x £0.01) + £0.47	£5.47	
<b>Step 2 – calculate number of New Shares to be issued</b>		
Maximum cash available (Step 1) divided by the Scrip Reference share price: £5.47 ÷ £0.80	6.8375 shares	Only whole shares can be issued; this must be rounded down to the nearest whole number of shares
Number of whole New Shares acquired	6	
Value of New Shares acquired (number of shares multiplied by the Scrip Reference share price): 6 x £0.80	£4.80	
<b>Step 3 – calculate residual cash balance carried forward</b>		
Maximum cash available (Step 1) less value of New Shares (Step 2) £5.47 – £4.80	£0.67	This is carried forward as residual cash to the next scrip dividend

### Example 2

		Notes
Number of ordinary shares held:	1,500	
Dividend paid per ordinary share	1p (£0.01)	
Scrip Reference share price	£0.80	Calculated according to Programme terms and conditions
Residual cash balance carried forward	£0.78	
<b>Step 1 – calculate maximum cash available</b>		
Cash dividend payable plus residual cash balance: (1,500 x £0.01) + £0.78	£15.78	
<b>Step 2 – calculate number of New Shares to be issued</b>		
Maximum cash available (Step 1) divided by the Scrip Reference share price: £15.78 ÷ £0.80	19.725 shares	Only whole shares can be issued; this must be rounded down to the nearest whole number of shares
Number of whole New Shares acquired	19	
Value of New Shares acquired (number of shares multiplied by the Scrip Reference share price): 19 x £0.80	£15.20	
<b>Step 3 – calculate residual cash balance carried forward</b>		
Maximum cash available (Step 1) less value of New Shares (Step 2) £15.78 – £15.20	£0.58	This is carried forward as residual cash to the next scrip dividend

# AGM Programme

<b>Date</b>	14 May 2018
<b>Location</b>	QEII Centre, Broad Sanctuary, Westminster, London SW1P 3EE
<b>Key timings</b>	1.00 pm – Doors open and registration will commence 2.00 pm – AGM will commence
<b>Refreshments</b>	Tea and coffee will be available at registration 3.30 pm (approx) light afternoon tea 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 [qeiicentre.london/getting-here/](http://qeiicentre.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

10 May 2018	Ex-dividend date for 2017 final dividend
11 May 2018	Record date for 2017 final dividend
14 May 2018	Annual General Meeting
16 May 2018	Scrip reference share price set for the 2017 final dividend
7 June 2018	Final day to elect to participate in scrip dividend programme
28 June 2018	Final dividend payment

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**CENTRICA PLC****centrica.com**

Registered office:  
Millstream  
Maidenhead Road  
Windsor  
Berkshire  
SL4 5GD

Company registered  
in England and Wales  
No. 3033654

Copies of the Annual Report and Accounts 2017, the Annual Review 2017 and other information required by Section 311A of the Act are available at [centrica.com/ar17](http://centrica.com/ar17). A copy of this Notice is available at [centrica.com/agm18](http://centrica.com/agm18)