

RWE

Aktiengesellschaft

Essen

Position of the Executive Board with respect to the counter motions

The counter motions relating to the agenda of our Annual General Meeting this year deal with climate and environmental protection – issues that are known from earlier years – the compensation of the Executive Board and the Supervisory Board, and one topic regarding residential customers in the Retail division, which concerns our listed financial investment, innogy SE. We would like to take this opportunity to address them briefly:

RWE stands for the reliability of energy supply in Germany and its other key markets. To this end, RWE will use technologies that secure capacity – in particular its diversified power plant portfolio – as well as other technologies such as storage facilities and continue to develop them expediently. In this context, generating electricity from domestic lignite remains an important economic element of security of supply and acts as a partner to the continued expansion of renewable energy. The need for lignite was also confirmed in the landmark decision made by the government of the State of North Rhine-Westphalia in 2016. Our power stations and opencast mines are being operated based on valid approvals.

For the purchase of hard coal, the cooperation with other energy companies is indispensable in order to make more emphatic demands for sustainable production and transport conditions in view of the fact that we often have no direct relationships with suppliers. Therefore, we joined forces with other major hard coal purchasers to establish the Bettercoal initiative in 2012. Bettercoal aims to initiate improvements in all important producing countries and to raise coal production to acceptable environmental and social standards the world over. Additional details on Bettercoal can be found on page 31 of our 2016 Corporate Responsibility Report.

Freedom of speech and demonstration are considered precious rights by RWE. However, property, general welfare in terms of guaranteeing secured energy supplies, and the rule of law are also rights that may not be damaged or curtailed. Illegal protests, occupations and assaults on our employees are something we cannot tolerate and against which we will continue to take legal recourse.

Existing legally mandated threshold values for emissions, for example of fine particulate matter or nitrous oxides, are definitely complied with by all our facilities. The emissions are directly and continuously measured in the power stations, and the results are sent to the relevant authorities. Fine particulate emissions from opencast mines are monitored by measuring stations of the State of North Rhine Westphalia's Environmental Agency (LANUV). They also easily stay within the legally prescribed limits. Nevertheless, we continue to develop

measures to reduce emissions from these mines. Thanks to a comprehensive concept of measures, fine particulate emissions from the opencast mines in the Rhenish lignite mining region have already been reduced significantly. Details can be found in our 2016 Corporate Responsibility Report.

Amprion GmbH is an independent transmission system operator, and RWE does not exert entrepreneurial influence on the company's business policy via its minority stake. By expanding the HVDC networks, Amprion is making an important contribution to the energy transition, as this technology enables the transmission of very high capacity over long distances with minimal losses and the targeted adjustment of electricity flows to actual demand for electricity. The facilities are built on the basis of applicable law and the permits required under public law.

The current system for compensating the members of the Executive Board includes variable components, which are comprehensively oriented towards the company's success, and thus provides the right incentives for making RWE an attractive investment for its shareholders. If the company achieves a poor economic result, this is reflected not only in the dividend, but also in the compensation of the Executive Board. Members of the Supervisory Board only receive fixed compensation, which has been determined by the Annual General Meeting and does the best justice to the Supervisory Board's role as monitor, by being independent of the company's short-term success and the payment of a dividend. At the same time, the Supervisory Board members have made a strong commitment to the company and its development by undertaking to invest 25% of their total emoluments not being subject to any obligation to relinquish any portion of their payment in RWE shares and holding them for the duration of their tenure on the Supervisory Board.

The satisfaction of our customers has always been very important to us. The residential customer business, including retail, network connections and customer service, is now being overseen by our listed and entrepreneurially independent financial investment, innogy SE. Prices in these segments are formed in a functioning competitive landscape or are subject to state regulation.

We are of the opinion that none of the countermotions are substantiated and will supplement our position at the Annual General Meeting if necessary.

Essen, April 2017

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The Executive Board