

RWE

2026

Explanatory Report of the Executive Board of RWE Aktiengesellschaft

**on takeover-related disclosure pursuant
to Sections 289a and 315a
of the German Commercial Code**

The management report for RWE Aktiengesellschaft and the group contains information on matters that may be relevant in the event of a takeover in accordance with Sections 289a and 315a of the Commercial Code. To this end, an explanatory report by the Executive Board shall be made available to the Annual General Meeting.

On 31 December 2025, RWE AG's capital stock amounted to €1,904,233,515.52, divided among 743,841,217 no-par-value bearer shares (including shares bought back).

One share grants one vote at the Annual General Meeting and determines the proportion of the company's profit to which the shareholder is entitled. This does not apply to RWE AG's treasury stock, which, pursuant to Section 71b of the German Stock Corporation Act, does not confer any rights to the company. Treasury stock consisted of 30,276,506 shares as of 31 December 2025. Further limitations are imposed by Section 136 of the German Stock Corporation Act, which sets out situations disallowing voting rights.

As of 31 December 2025, no holding in RWE AG exceeded 10% of the voting rights.

There are no RWE shares with special rights that confer control powers. Just like other shareholders, owners of employee shares exercise their control powers in accordance with statutory regulations.

Shares that the company issues within the scope of an employee share plan are usually subject to a restriction on disposal, i.e. they may only be sold after a set period. The same holds true for RWE shares that are acquired by Executive Board members as part of their contractual investment obligation.

Members of the Executive Board are appointed and dismissed in accordance with Sections 84 et seq. of the German Stock Corporation Act in conjunction with Section

31 of the German Co-Determination Act. Amendments to the Articles of Incorporation are made pursuant to Sections 179 et seqq. of the German Stock Corporation Act in conjunction with Article 16, Paragraph 5 of the Articles of Incorporation of RWE AG. According to the aforementioned provision in the Articles of Incorporation, unless otherwise required by law or the Articles of Incorporation, the Annual General Meeting shall adopt all resolutions by a simple majority of the votes cast or – if a capital majority is required – by the simple majority of the capital stock represented when the resolution is passed. Pursuant to Article 10, Paragraph 9 of the Articles of Incorporation, the Supervisory Board is authorised to pass resolutions in favour of amendments to the Articles of Incorporation that only concern formal matters, without having a material impact on the content.

The Annual General Meeting on 4 May 2023 authorised the Executive Board until 3 May 2028, subject to Supervisory Board approval, to issue bearer or registered convertible and/or option bonds in a total nominal amount of up to €5.5 billion with or without a limited tenor and to grant the holders of such bonds convertible or option rights to shares in the company. The Annual General Meeting conditionally increased the capital stock by up to €190,423,349.76 (conditional capital), divided into up to 74,384,121 bearer shares, enabling the company to issue shares to the holders of the convertible or option rights.

The Executive Board was also authorised by the Annual General Meeting of 4 May 2023 to increase the company's capital stock, subject to the approval of the Supervisory Board, by up to €380,846,702.08 through the issuance of up to 148,768,243 shares (authorised capital). The authorisation is effective until 3 May 2028.

New shares from authorised capital and the aforementioned bonds may be issued in exchange for contributions in cash or in kind. These shares or bonds must generally be tendered to the shareholders for subscription. However, the Executive Board is

authorised, subject to Supervisory Board approval, to exclude subscription rights in the following cases:

- to avoid fractions of shares resulting from the subscription rate;
- if the issuance of shares is conducted in exchange for contributions in kind;
- to provide protection from dilution in connection with convertible and/or option bonds that have already been issued;
- if the issue price of the new shares or bonds is not significantly below their quotation or their theoretical fair value calculated by generally accepted methods of quantitative finance and if excluded subscription rights are limited to no more than 10% of the capital stock.

In sum, shares issued with a waiver of subscription rights from authorised capital or in connection with convertible or option bonds may not exceed 10% of the capital stock. The aforementioned upper limit is defined by the amount of capital stock at the time the resolution providing the authorisation was adopted or when the authorisation is exercised, if the capital stock is lower at that time. Other measures taken excluding subscription rights count towards the upper limit.

The Annual General Meeting of 30 April 2025 authorised the Executive Board of RWE AG, subject to Supervisory Board approval, to purchase shares in the company accounting for up to 10% of the capital stock when the resolution was passed or when the authorisation is exercised, if the latter is lower. At the Executive Board's discretion, the purchase can be made on the stock exchange or via a public offer. Shares acquired in this manner may be used for all purposes described in the authorisation. Shareholder subscription rights may be waived by the Executive Board depending on the purpose for which the shares are used. The authorisation expires on 29 April 2027.

Our debt financing instruments often contain clauses that take effect in the event of a change of control. Such provisions are in place, for example for our €10 billion in

syndicated credit lines, requiring drawings to be suspended until further notice in the event of a change of control or majority shareholding in RWE AG. The lenders shall enter into negotiations with us on a continuation of the respective credit line. The time limit for doing this is 30 days from the notification of the change of control. On expiry of the time limit, lenders who are not satisfied with the outcome of the negotiations may revoke their loan commitment or cancel the loan if it has already been paid out, and request immediate repayment.

The RWE bonds that we have placed publicly since 2021 are also subject to change-of-control clauses. In the event that a change of control is announced or implemented, investors may request that their bonds be redeemed by a certain deadline, if RWE's long-term credit rating falls below investment grade due to the change of control or if the rating agencies stop issuing us a credit rating. A similar rule applies to a senior bond which could not be fully transferred to our subsidiary innogy in 2016. innogy was subsequently acquired by E.ON, so a small portion of the bond therefore remains on our books. This bond matures in 2037.

In the event of a change of control, we can redeem our two subordinated hybrid bonds, which we issued in June 2025 and both have a volume of €500 million, within the determined change-of-control period. If they are not redeemed and our long-term credit rating falls below investment grade or credit ratings are no longer issued, the annual yield rises by 500 basis points.

The current version of the German Corporate Governance Code dated 28 April 2022 suggests that no commitments to additional benefits be made in the event that Executive Board members terminate their employment contract early due to a change of control. We fully adhere to this principle, meaning that we have not included clauses envisaging a special right of termination or rights to severance subject to a change of control in any of the current employment contracts of the members of the Executive Board of RWE AG.

Share-based compensation for Executive Board members and executives according to the company's Long Term Incentive Plan is subject to the following provisions: in the event of a change of control, RWE will pay out all the performance shares that have been finally granted, but have not been paid out yet on expiry of the holding period. Performance shares that have been granted on a preliminary basis at the time of a change of control are valued based on the degree to which the targets have been achieved up to that point in time. Performance shares granted on a preliminary basis in the year of the change of control lapse. They are replaced by a new plan of equal value for the Executive Board members and executives for the fiscal year in which the change of control occurs and the following years.

Essen, March 2026

RWE Aktiengesellschaft

The Executive Board

(Dr. Markus Krebber)

(Dr. Michael Müller)

(Katja van Doren)

This version of the report prepared for the convenience of English-speaking readers is a translation of the German original. For purposes of interpretation, the German text shall be authoritative and final.

RWE

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