

2022

SUPPLEMENT

**to the Agenda of the
Ordinary Annual General Meeting
on 28 April 2022**

RWE

RWE Aktiengesellschaft Essen

International Securities Identification Number (ISIN):

DE 0007037129

Supplement to the Agenda of the Ordinary Annual General Meeting on 28 April 2022 (at the request of ENKRAFT IMPACTIVE GmbH & Co. KG)

Dear Shareholders,

In the notification in the German Federal Gazette on 15 March 2022, we published the invitation to our Ordinary Annual General Meeting, which will take place at 10:00 a.m. (CEST) on Thursday, 28 April 2022. The Annual General Meeting will be held at the Company's corporate headquarters at RWE Platz 1, 45141 Essen, Germany as a virtual Annual General Meeting without the shareholders or their proxies being physically present.

After the convocation of the Annual General Meeting, ENKRAFT IMPACTIVE GmbH & Co. KG, which holds a stake in the Company that amounts to a prorated share of the Company's capital stock of at least EUR 500,000, requested pursuant to Section 122, Paragraph 2 of the German Stock Corporation Act that the following item be placed on the Agenda of this Annual General Meeting and published as such.

The Agenda shall thus be supplemented by the following Item 8 while maintaining the existing Items 1 through 7 on the Agenda:

At the request of ENKRAFT IMPACTIVE GmbH & Co. KG

8 Resolution on the accelerated implementation of the sustainability strategy of RWE Aktiengesellschaft by preparing a spin-off pursuant to Sec. 83 (1) of the German Stock Corporation Act (AktG)

It is proposed to resolve as follows:

Pursuant to Sec. 83 (1) of the German Stock Corporation Act (AktG), the Executive Board is instructed to prepare draft agreements or plans and corresponding reports for the lawful spin-off pursuant to Sec. 123 (2) of the German Transformation Act (UmwG) of RWE Aktiengesellschaft's share-holding in RWE Power AG for absorption into an existing legal entity or for incorporation into a new legal entity established as a result, at the discretion of the Executive Board in accordance with its duty, and to submit them to the Annual General Meeting for adoption of a resolution as soon as possible, at the latest by the next Ordinary Annual General Meeting of RWE Aktiengesellschaft. The Executive Board is instructed to fulfill all requirements necessary for the implementation of the aforementioned spin-off in exercising its dutiful discretion in accordance with this resolution.

Justification

"RWE is Germany's largest electricity producer and aims to be a leading international energy supplier. The company's core business is currently divided into four business segments: (1) Offshore Wind, (2) Onshore Wind/Solar, (3) Water/Biomass/Gas and (4) Supply&Energy Trading. In addition to these activities, which have been referred to as "core" businesses for some time, RWE also reports on the Coal/Nuclear segment, which the company itself defines as a "non-core" business and which, according to information in the Annual Report 2021, will increasingly lose importance.

In order to transform RWE into a leading renewable energy company, the future handling of its lignite activities is therefore one of the company's most urgent strategic concerns. Slowing down climate change and reducing CO₂ emissions as quickly as possible are among the most important issues in the social and political debate which RWE must face. The fundamental change in Germany's geopolitical, security and energy policy since Russia's militant invasion of Ukraine does not alter this. On the contrary, the current situation and Russia's war against Ukraine highlight the urgent need not only to reduce Germany's dependence on Russian energy imports, but also generally reduce dependence on energy imports by producing its own energy. Local production of electricity at favorable costs in Germany, which is necessary to this end, can only be achieved through the expansion of renewable energy.

In the extremely dynamic and competitive energy supply environment, only those companies that place a clear focus on renewable energy while at the same time positioning themselves as responsible and energetic pioneers in the implementation of the energy transition will be able to assert themselves in the long term. The prerequisite for such a pioneering position, however, is an unequivocal commitment to sustainable energy generation from renewables, for which the existing product portfolio in the core business of RWE and the pipeline of projects for renewable energy generation qualify the company perfectly.

Against this backdrop, it is incomprehensible why the Executive Board and Supervisory Board of RWE have not yet developed and communicated a plausible plan for a rapid separation from its lignite activities. The Coal/Nuclear segment is not only economically negligible or ecologically questionable for RWE in the long term, but its continued existence within the RWE Group also leads to the undervaluation of the company on the capital market. It further hinders the Executive Board's ability to focus on the expansion of the core business with renewable energies – and thus also the focus on a rapid reduction of dependence on energy imports to Germany.

RWE is currently valued by the capital market at a significant discount to peer companies, especially in comparison to pure renewable energy producers – this has not changed much since the beginning of the war in Ukraine. The valuation multiples customary in the industry, such as the ratio between enterprise value and projected EBITDA, suggest a valuation upside of significantly above 16 bn euros or more than 20 euros per RWE share. Such an undervaluation of RWE is not been denied by the Executive Board of the Company, either. The reasons for the company's low valuation are obvious and have not changed despite the geopolitical events:

The greenhouse gas emissions, primarily in the form of CO₂, of which, according to the company's publications, over 60% are attributable to its lignite activities, have resulted in RWE being one of the largest CO₂ emitters, both in Germany and in Europe. This circumstance prevents many institutional investors from investing in the company due to sustainability-focused investment guidelines and the increasingly binding legal investment regulations for these investors. In some cases, it makes it necessary for investors to reduce their holdings in RWE.

Furthermore, the continuation of the lignite activities in the RWE Group makes the Group's financials complex and thus non-transparent, which hinders the presentation of a convincing and comprehensible capital market story. The very fact that the lignite activities are combined with the nuclear activities (which are also being phased out) in a reporting segment makes a thorough evaluation of the business activities impossible. In addition, the lack of transparency regarding the type and extent of CO₂ emission allowance acquired in the past,

the manner in which they are accounted for, and the creation of hidden reserves means that key financial figures of the RWE Group are distorted by the lignite activities, which are of little economic relevance, and influenced by the Executive Board in a non-transparent manner. The changes to the significant renaturation provisions and the offsetting assets lead to non-negligible volatility in key income statement and balance sheet items. These effects obscure the view of the actual value drivers and key figures of the company.

In addition, a separation from the lignite activities should also be considered in order to address, at an early stage, the concerns expressed by the Federal Cartel Office in February 2022 about a possible dominance of the market.

In addition to these compelling economic arguments, there are also further compelling ecological and social reasons for shedding or discontinuing electricity generation from lignite. These reasons may conflict with certain economic and security policy objectives, such as the reliable supply of electricity at competitive prices to end consumers in Germany. However, resolving these contradictions is not the task of the Executive Board of RWE, but of the responsible political decision-makers. Accordingly, the Executive Board of RWE should focus on the successful management of the company's core business.

The interests of the Company and its shareholders therefore urgently require a groundbreaking plan for the swift separation of the future core business from the non-core business, which is geared towards discontinuation and phase-out.

The expected recovery of RWE's valuation to a level in line with operators of pure renewable energy portfolios, as well as a possible realization of hidden reserves relating to CO₂ certificates and other provisions, will create significant financial flexibility and resources. This will enable a successful and faster transformation of the company into a leading energy provider focused exclusively on renewable energy. On several occasions ENKRAFT has tried to persuade the company's Executive Board to immediately leverage this potential. The persistent inactivity of the board is no longer justifiable and is unacceptable.

This proposed resolution therefore aims to transfer the shares in RWE Power AG held by RWE to a new legal entity in which the shareholders of RWE will participate in proportion to their shareholding in RWE. Within the scope of the preparation of the spin-off, it is incumbent upon the Executive Board of RWE to sufficiently equip the receiving legal entity with assets and adequate capitalization in such a way that the continuation of business operations by the new legal entity is possible without restrictions.

This proposed resolution is intended to instruct the Executive Board of RWE to make up for the previous failings of the management and to encourage it to act in a value-oriented and

environmentally responsible manner. The adoption of the proposed resolution will have no direct impact on the company's business model. However, it will give shareholders the opportunity to decide for themselves, at the latest next year, on the accelerated separation of lignite activities from the core business of RWE. Furthermore, it will allow shareholders to make an independent decision on whether to continue or abandon their investment in lignite activities through their separate participation in a new legal entity – an alternative that the Executive and Supervisory Boards have so far withheld from shareholders.

The approval of the proposed resolution will continue to provide the management with sufficient flexibility to present to the shareholders, in addition to the spin-off solution, other options for the company's swift exit from its lignite activities that may be more promising from their point of view. The proposed resolution is not intended to restrict or relieve the Executive Board from analyzing alternative transaction structures. The spin-off of the shares in RWE Power AG which is sought to be achieved through the proposed resolution is not intended to stand in the way of a faster and economically more advantageous structure for the separation or discontinuation of RWE's lignite operations. Alternative structures, which, however, can only be developed by the Executive Board of the Company on its own initiative, could be, for example, the transfer of assets and liabilities related to the lignite activities into a foundation structure.

Lastly, the approval of the proposed resolution does not conflict with any applicable approval requirements imposed by the German Government and other government agencies. As is the case in other transactions, the Executive Board must meet the conditions for obtaining approval in constructive dialog with the relevant authorities and political decision-makers as part of the preparation of the transaction. Security of supply in Germany will not be affected by such a dialog."

The Executive Board and the Supervisory Board of RWE Aktiengesellschaft will soon publish their statement in response to the request filed by ENKRAFT IMPACTIVE GmbH & Co. KG.

Website on which the information pursuant to Section 124a of the German Stock Corporation Act is available

All of the information pursuant to Section 124a of the German Stock Corporation Act is available on www.rwe.com/en/agm. This website also contains all of the additional information that must be communicated or made accessible to the shareholders prior to the Annual General Meeting.

Essen, March 2022

**Sincerely yours,
RWE Aktiengesellschaft
The Executive Board**

RWE Aktiengesellschaft

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