

RWE
Aktiengesellschaft
Essen

Statement by the Executive Board in reaction to the counter motions filed in relation to the Annual General Meeting

The counter motions regarding the Agenda of this year's Annual General Meeting relate to the proposed appropriation of distributable profit and the approval of the acts of the Executive Board and the Supervisory Board for fiscal 2019. We would like to briefly respond to these counter motions.

As a result of an intelligent asset swap with E.ON, RWE has become a world leading provider of electricity from renewable energy and thus an even more important driver of the energy transition. We set ourselves ambitious goals with respect to reducing our greenhouse gas emissions. From 2012 to 2019, RWE lowered its annual carbon dioxide emissions by 51%, with its sights set on 75% by 2030. The phaseout of electricity generation from coal will play a central role. We intend to have converted the RWE Group's power production enough to be carbon neutral by 2040. To this end, we are rapidly expanding renewable energy, making increased use of storage technologies, and using carbon-neutral fuels to generate electricity.

The right-based on science study that was cited is based on an approach that we feel is dubious, while counting emissions twice in certain cases. Furthermore, the emissions stated for RWE in particular are inaccurate. In the final analysis, the study presents a theoretical figure of no informational value.

We believe that the Dutch coal phaseout violates our property rights because it does not envisage any compensation being paid. We deem it our duty to consider taking legal recourse if only to safeguard the interests of our shareholders.

We are aware that relocation procedures affect matters relating to the affected people and that opencast mining interferes with landscapes. However, the relocations in the surroundings of the opencast mines must be completed in full and as planned for reasons relating to the energy industry. The coal in these areas will already be needed in the early 2020s in order to continue supplying the power plants with coal. The German Growth, Structural Change and Employment Commission did not call these relocations into question. It issued a recommendation to the state governments to engage in dialogue with

the local residents affected, in order to avoid social and economic hardship. We have already reached agreements with a large portion of the affected residents. Negotiations are underway with many more residents. We will bring the relocations to the fastest possible conclusion, in line with the strong wish expressed by the vast majority of the local residents.

RWE honours and endorses the United Nations' General Declaration of Human Rights and exercises its influence to prevent human rights violations. We enshrined this in our Code of Conduct, which we expect all of our employees and business partners to comply with and fully respect. Although we largely source hard coal on the world market instead of from hard coal mines directly, we pay special attention to the conditions under which the hard coal imported for our power stations is mined and the effects this has on the local population. To support the development of standards throughout the entire sector, RWE and other major hard coal purchasers founded the Bettercoal Initiative as early as 2012 in order to steadily improve the conditions under which hard coal is mined and transported. Regular Bettercoal audits are conducted to reveal successes, progress and identified room for improvement in a transparent manner.

Urenco, in which RWE holds a stake of just one-sixth, is committed to making peaceful use of nuclear energy. This has been established in multinational agreements and is closely monitored by state institutions. Furthermore, at past Annual General Meetings, we pointed out repeatedly that we can only answer questions directly relating to RWE and its role as a minority shareholder of Urenco. Issues relating to Urenco's technology, business and strategy must be clarified directly with Urenco.

As the health of our staff, the employees of partner companies and the residents in the region is our highest priority, as is the safety of plant operations, the scope of the last audit of our site in Lingen was adjusted in view of the corona pandemic. Measures that were not urgent were postponed in order to limit the number of partner companies working on the plant at the same time. Of course we did not cut corners in terms of safety. All work and audits that must be performed to comply with German nuclear law are being carried out in full and without limitation.

Safety is the top priority with regard to our nuclear power station in Gundremmingen as well. Despite the highest quality standards, it is impossible to rule out isolated defects when producing fuel elements. This is not unusual and is taken into account when building power plants. Constant plant monitoring ensures that faulty fuel elements are detected early on at all times and that appropriate reactions can take place. Minor damage does not curtail

plant operations. The radiological impact of such defects is negligible in the surroundings of the plant and cannot even be measured by the perimeter monitoring system. All radiological limits are not just being complied with but are actually being undercut.

The main issue addressed by the countermotions of another shareholder are alleged breaches of duty committed by members of the Executive Board and Supervisory Board in relation to transactions regarding the sale of a property of a former subsidiary which no longer belongs to the RWE Group. Besides dating back more than 10 years, these transactions were reviewed in detail at the time. No irregularities were identified. There is no reason to review the matter any further.

The dividend proposal reflects RWE's earnings. We have stable and robust finances and a very good liquidity position. We are thus satisfied with being able to propose a dividend of 80 cents per share to our shareholders.

We find that the countermotions are unsubstantiated and maintain our proposed resolutions.

Essen, June 2020

RWE Aktiengesellschaft

The Executive Board