

Report of the Executive Board on Item 10 of the Agenda of the Annual General Meeting on 4 May 2023 (Renewal of authorised capital and corresponding amendment to the Articles of Incorporation)

In Item 10 on the Agenda, it is proposed that the Executive Board be authorised to increase the Company's capital stock, subject to the approval of the Supervisory Board, by up to EUR 380,846,702.08 once or in partial amounts until 3 May 2028 through the issuance of up to 148,768,243 bearer shares in return for contributions in cash and/or in kind (Authorised Capital). In addition, the Authorised Capital resolved by the Annual General Meeting on 28 April 2021 is to be cancelled. The Authorised Capital approved by the Annual General Meeting on 28 April 2021 has not been used. However, the option provided by the authorization of issuing shares waiving subscription rights due to the mandatory convertible bond issued in October 2022 has nearly completely been exercised.

The objective of renewing the Authorised Capital is to ensure that the Company is able at all times to quickly react to future developments and to raise additional equity both rapidly and flexibly if needed, without having to conduct a capital increase through the passage of a resolution by the Annual General Meeting, which may be impossible given the time constraints. The proposed amount of new Authorised Capital of up to 148,768,243 new bearer shares would correspond to approximately 20% of the current capital stock if it were fully exercised.

In principle, the shareholders shall be entitled to a subscription right if the Authorised Capital is exercised. In addition to the direct issuance of new shares to shareholders, it shall also be possible for the new shares to be transferred to banks or companies as defined by Section 186, Paragraph 5, Sentence 1 of the German Stock Corporation Act chosen by the Executive Board with the obligation to offer them for subscription by the shareholders. Using banks or companies as defined by Section 186, Paragraph 5, Sentence 1 of the German Stock Corporation Act as intermediaries facilitates the technical implementation of the share issuance.

This general authorisation also authorises the Executive Board, subject to the approval of the Supervisory Board, to waive shareholder subscription rights in certain cases and within certain limits:

Waiving subscription rights for fractional amounts enables the requested authorisation to be exercised based on round sums. This waiver is sensible and customary on the market, as it facilitates the technical implementation of the subscription right.

Moreover, the Executive Board is to be authorised to waive shareholder subscription rights, subject to the approval of the Supervisory Board, when conducting capital increases in exchange for contributions in kind. In suitable individual cases, in particular within the scope of mergers or acquisitions of companies, parts of companies, operations, or of stakes in companies or other economic assets, this allows for shares in the Company to be used and offered as consideration in such transactions. As acquisition currency, shares are an important tool and are often requested by sellers as consideration. They can represent an affordable financing option for the Company. With the corresponding authorisation, the objective is to ensure that the Company is able to rapidly and flexibly make acquisitions with consideration fully or partially consisting of shares, in particular without requiring the passage of a resolution by the Annual General Meeting, which is often impossible given the time constraints. There are no current acquisition projects for which it is planned to use Authorised Capital as consideration. Therefore, no statement regarding issue amounts can be made at present.

The Executive Board is also to be authorised, subject to the approval of the Supervisory Board, to waive subscription rights in order to grant to those who are entitled to conversion or option rights or on whom conversion or option obligations have been imposed subscription rights of a scope to which they would be entitled as shareholders after exercising the conversion or option right or fulfilling the conversion or option obligation. The objective is to provide the holders of such instruments protection from dilution. They are given the status they would have if they were already shareholders. The advantage is that the conversion or option price for conversion or option rights or obligations that have already been issued does not need to be reduced. Shareholder subscription rights to these shares must be waived in order to provide the bonds with such protection from dilution.

The Executive Board is also to be authorised, subject to the approval of the Supervisory Board, to waive shareholder subscription rights under the conditions set out in Section 186, Paragraph 3, Sentence 4 of the German Stock Corporation Act when conducting capital increases in exchange for cash contributions if the issue price of the new shares is not significantly below the exchange price of the shares vested with equal rights that are already listed and the prorated share of the capital stock attributable to the new shares for which subscription rights are being waived does not exceed 10% of the capital stock

when the resolution is passed or - if this figure is lower - when this authorisation is exercised. The objective of the proposed authorisation is to enable the Company in particular to issue shares in the Company at short notice. It thus serves the purpose of ensuring that the Company has a permanent and appropriate equity base. Shares, which (i) are issued or sold waiving subscription rights during the term of the Authorised Capital in direct or analogous application of Section 186, Paragraph 3, Sentence 4 of the German Stock Corporation Act or (ii) are or must be issued to fulfil rights granted waiving subscription rights in accordance with Section 186, Paragraph 3, Sentence 4 of the German Stock Corporation Act during the term of the authorised capital that confer the entitlement or impose the obligation to subscribe shares, shall count towards the upper limit of 10%. This relates to the issuance of shares to settle convertible or option bonds issued during the term of the Authorised Capital without subscription rights, the sale of treasury stock and capital increases under exclusion waiving subscription rights in accordance or in line with Section 186, Paragraph 3, Sentence 4 of the German Stock Corporation Act. The Executive Board shall keep any discount on the exchange price as low as possible, in accordance with the market conditions prevailing at the time of issuance. The limit on the number of shares issued and the obligation to set the issue price of the new shares close to the exchange price protects the shareholders from a dilution of the value of their shareholdings. In addition, this ensures that the cash inflow achieved by the Company is appropriate. Furthermore, in principle every shareholder can purchase shares at similar conditions on the stock exchange in order to maintain their percentage shareholding.

In sum, shares issued without subscription rights to conduct capital increases on the basis of the preceding authorisations may not exceed a prorated share of 10% of the capital stock when the resolution is passed or - if this figure is lower - when these authorisations are exercised. Shares, which (i) are issued without subscription rights during the term of the Authorised Capital on the basis of other authorisations or (ii) are or must be issued to fulfil rights granted without subscription rights during the term of the Authorised Capital on the basis of other authorisations that confer the entitlement or impose the obligation to subscribe shares, shall count towards the upper limit of 10 %. This limit of the overall scope of an issuance of shares from Authorised Capital without subscription rights factoring in other issuances of shares without subscription rights or of convertible or option bonds on the basis of other authorisations further limits the potential dilution of the shareholders' shareholdings.

It is envisaged that, subject to the approval of the Supervisory Board, the Executive Board be able to determine the further details of the share rights and the conditions of the share issuance in due time.

The Executive Board shall report on the exercise of Authorised Capital waiving subscription rights at the Annual General Meeting following such exercise.

Essen, March 2023

RWE Aktiengesellschaft

The Executive Board

(Dr. Markus Krebber)

(Dr. Michael Müller)

(Zvezdana Seeger)