

RWE
Aktiengesellschaft
Essen

Counter motions by Dachverband der Kritischen Aktionärinnen und Aktionäre e.V.,
Cologne, in respect of the Annual General Meeting of RWE AG on 20 April 2016

**“Counter motion in respect of item 3 on the Agenda,
Approval of the acts of the members of the Executive Board for fiscal 2015”**

The acts of the members of the Executive Board of RWE AG shall not be approved.

Rationale:

Split into an old and new RWE – no change in business model

RWE's Executive Board is giving the impression of doing justice to the mounting significance of renewable energy by splitting RWE into two companies. In practice, however, RWE is a far cry from bidding farewell to its outdated energy model focussing on electricity generated from coal and nuclear fuel. Both the old RWE business in the field of conventional electricity generation and energy trading as well as the new company, "RWE International SE," encompassing the renewables, grids and retail business, will remain under the umbrella of RWE AG. The "old" RWE will thus retain control of the new company.

In fact, the split-up primarily serves the purpose of procuring money, as following the first capital increase of RWE International SE of 10%, RWE envisages selling further shares in the new company, in order to strengthen the conventional group of companies financially. However, it is intended that RWE AG retain at least 51 percent – and thus control.

The only indication that RWE has recognised the sign of the times is that the Executive Board is aware that one can no longer raise funds on the capital market in the conventional business, which consists of coal and nuclear. Therefore, RWE International SE is the sole hope of injecting fresh money into the company. The split-up is less of a strategic realignment than a conventional bet on the future, as the group expects prices on the electricity exchange to rise following the anticipated shake-out on the electricity market and the shutdown of the last nuclear power stations in 2022. Thereafter – and this is the reckoning –

there will again be money to be made with cheap electricity produced from coal.

Management has no experience in renewable energy

Just how strongly RWE AG is sticking to its old business model is evidenced by the heads of the group. Peter Terium and Bernhard Günther, experts in conventional power production with next to no experience in renewable energy, will be taking the helm of RWE International SE. Furthermore, the old management has failed to furnish proof that it is capable of prevailing against more agile and innovative companies, for example in the field of IT, in the competitive retail business. This will make it impossible for the new company to get off to a successful start.

Mountaintop removal

RWE's maintenance of its old business model is also evidenced by the company's 10 percent stake in US-based Blackhawk Mining LLC. Blackhawk undertakes large-scale mountain top removal (MTR), a process involving blowing up entire mountaintops, destroying ecosystems, and polluting valleys and rivers with excavation material in order to mine coal. Although RWE has been confronted with the impact of MTR mining for years, it has held a significant stake in Blackhawk via a subsidiary since 2012.

Transparency and corporate responsibility

Little progress can be seen in terms of transparency and corporate responsibility as well. As before, RWE is not willing to rule out coal imported from Colombia by Drummond and Prodeco/Glencore, although according to various sworn witness testimonies, these companies are involved in serious human rights violations in connection with their coal mines.

Rhenish opencast mines

It is doubtful whether the Executive Board is right in expecting that the Garzweiler and Hambach opencast lignite mines can continue to be operated as planned thus far until 2045. In the era of the transformation of the energy system, the incessant destruction of landscapes and forcing entire villages to resettle as well as the severe intervention in the water balance and the destruction of fertile soil are neither necessary nor acceptable.

Fine particulate matter emissions endanger children's health

The fine particulate matter produced by opencast mines and power plants is more dangerous for children than for adults. The smaller respiratory tracts and developing immune systems as well as the hormonal and carcinogenic effects

of fine particulate matter pose a threat especially during childhood. Since 2014, it has been known that pregnant women exposed to fine particulate matter have an above-average ratio of newborns with defects. They have an above-average ratio of small-for-date babies weighing less than 2,500 grammes, the development of the lungs of their newborns is impaired, and there are delays in the babies' psychomotor development. Since RWE emits toxic fine particulate matter, the company is responsible for substantial risks to child health (Section 2, Paragraph 2 of the German Constitution).

BoAplus contravenes the Paris Climate Protection Convention

What is also in line with RWE's dual strategy is that the company still plans to build a new lignite-fired power station at Niederaußem called BoAplus (capacity of 1,100 MW). By building BoAplus, RWE would contravene the Paris Climate Protection Convention of 2015. The 1.5 degree goal of the Paris Convention is necessary in order to prevent millions of people from becoming climate refugees.

Countermotion in respect of item 4 on the Agenda

Approval of the acts of the members of the Supervisory Board for fiscal 2015

The acts of the members of the Supervisory Board of RWE AG shall not be approved.

Rationale:

The members of the Supervisory Board endorsed RWE's erroneous strategic decision regarding the generation of electricity from nuclear fuel and coal-fired power plants.

The municipal representatives on the Supervisory Board accepted the economic fiascos of their municipal and community budgets.

It was known as early as ten years ago that nuclear energy is a highly dangerous business destined to be phased out and that mining and firing lignite is extremely detrimental to the environment and health. It was thus at least negligent not to opt for alternatives.

Particularly deserving of criticism are the municipal representatives on the Supervisory Board, namely the retired Mayor Dagmar Mühlenfeld (Mülheim/Ruhr), Mayor Ulrich Sierau (Dortmund), the retired Chief Administrative Officer Frithjof Kühn (Rhein-Sieg County) and the retired Chief Administrative Officer Roger Graef (Bitburg-Prüm, Eifel County) because, as elected representatives of the people, they have failed to fulfill the important duty to care for the health of the residents of their cities and counties.”