

RWE
Aktiengesellschaft
Essen

Position of the Executive Board with respect to the counter-motion relating to the agenda of the Preferred Shareholders Meeting

The counter-motion relating to the agenda of this year's Preferred Shareholders Meeting deals with the conversion of all preferred shares to common shares and the corresponding amendment of the Articles of Association. We would like to take this opportunity to address it briefly as follows:

According to the executive board's opinion the forfeiture of the preferred dividend will be fully made up by the receipt of the voting right. After a successful conversion, the former preferred shareholders, i.e. the new common shareholders, will be entitled to vote in the Annual General Meeting equally with the old common shareholders. The importance of the active participation in the decision making process of the Annual General Meeting associated therewith has increased within the last years from the institutional and private investor's point of view. This is especially reflected by the fact that they increasingly base their investment decision on the fundamental corporate governance principle "one share – one vote".

In addition the German legislator is also of the opinion that a preferred dividend and the voting right rank equally. Accordingly the preclusion of the voting right is only justified by the payment of a preferred dividend.

We are of the opinion that the counter-motion is not substantiated and will supplement our position at the Preferred Shareholders Meeting if necessary.

Essen, April 2019
RWE Aktiengesellschaft
The Executive Board