

Equal Opportunity and Diversity Framework of the E.ON Group

Integrity, openness and mutual respect form part of our corporate culture. We are convinced that a work environment that is characterized by equal opportunities and inclusion is vital for sustaining the motivation of our employees, the attractiveness of E.ON as an employer and service provider, and our efficiency as a company.

We feel that each E.ON employee is obliged to ensure equal opportunities and stand up against and prevent any form of discrimination and harassment in his or her area of responsibility.

We perceive the uniqueness of each human being as a benefit. E.ON is enriched by the diversity of the skills, experiences and opinions of its employees. We want to utilize this diversity to the fullest. The more we take advantage of the diversity of our environment, the better we will be able to cope with the many different challenges that our company faces.

At all E.ON locations, particular attention should be paid to seizing the opportunities provided by diversity and to removing potential barriers in the work environment. We should examine and implement suitable measures that will help promote equal opportunities and inclusion.

This Group-wide Policy is designed to support us in achieving these objectives.

*E.ON's Board of Management
July 18, 2006*

Art. 1 Purpose

(1) The purpose of this Policy is to set out E.ON's fundamental views and to provide a framework for non-discriminatory practices and the promotion of diversity in E.ON's work environment.

(2) In countries in which the local legislation stipulates standards that are lower than those laid down in the present Policy, the provisions of this Policy shall be applied as a minimum standard within E.ON's scope of responsibility. In this way, we want to make our contribution as a company to fostering non-discriminatory practices and promoting diversity in private and professional life worldwide.

(3) In countries in which the local legislation stipulates standards that are higher or more comprehensive than those laid down in the present Policy or local legislation contradicts parts of the Policy, local legislation shall be applied.

Art. 2 Non-discrimination and non-harassment

(1) All E.ON employees shall refrain from subjecting to unfair discrimination or harassment any person that they come in contact with in connection with their work for E.ON, including E.ON employees, customers, suppliers, business associates and job applicants. Proven cases of unlawful or unfair discrimination or harassment shall be dealt with through the Employer's disciplinary framework.

(2) This obligation shall also apply to authorized partners who act on behalf of, or represent, E.ON. Provisions to this effect shall be incorporated into the agreements concluded between E.ON and the relevant partners. Proven cases of unlawful or unfair discrimination or harassment shall be dealt with as a breach of contract as stipulated in contractual agreements.

(3) No one shall be subjected to discrimination or to harassment because they make a complaint under this Policy, or because they refuse to breach this Policy, or because they support someone to make a complaint under this Policy.

Art. 3 Forms of discrimination and harassment

(1) We will not tolerate unlawful or unfair discrimination and harassment in E.ON's work environment at any time, in particular where such discrimination and harassment is based on:

- age,
- a disability,
- ethnic or community background,
- gender,
- race or color
- religion or belief,
- sexual orientation or sexual identity^{*},
- marital or family status.

^{*} UK: Gender re-assignment

(2) **Direct discrimination** shall be taken to occur where one person is treated less favorably than another is in a comparable situation, on any of the grounds mentioned in (1) above.

(3) **Indirect discrimination** shall be taken to occur where an apparently neutral provision, criterion or practice would put persons, on any of the grounds mentioned in (1) above, at a particular disadvantage compared with other persons unless that provision, criterion or practice is objectively justified by a legitimate aim or business reason and the means are appropriate and necessary.

(4) **Harassment** shall be taken to occur when unwanted conduct related to any of the grounds mentioned in (1) above takes place with the purpose or effect of violating the dignity of a person and of creating an intimidating, hostile, degrading, humiliating or offensive environment.

(5) An instruction to discriminate against another person on grounds mentioned in (1) shall be deemed to be discrimination.

(6) A difference of treatment based on a characteristic related to any of the grounds mentioned in (1) may not constitute discrimination if it is permitted by local legislation. This includes so-called “affirmative actions” which are adopted to prevent or compensate for disadvantages linked to any of the grounds mentioned in (1).

Art. 4 Objectives of promoting diversity

(1) Above and beyond preventing unlawful and unfair discrimination and harassment, we want to promote diversity in the work environment.

(2) At all locations we will seek to ensure that our employee base reasonably reflects the diversity of our social and market environment.

(3) We will motivate our employees to make full use of their personal potential by providing equal opportunities for their personal and professional development and by acknowledging and appreciating their personal contributions to the company’s performance.

(4) We seek equality but difference. Within the constraints imposed by the needs of our business, we will seek to recognize and acknowledge, as well as respect and appreciate individuality.

(5) We preserve and improve the employability of our employees by means of continuing education and systematic development. We identify potential successors from all groups within our company, and we also want to attract high potential employees from outside in order to secure diversity of experiences and opinions at all levels.

(6) We strive to create a work environment that is characterized by open-mindedness, fairness and openness to change. We promote an intensive internal exchange of views and job rotation in order to eliminate prejudices, increase mutual understanding, share best practices and, as a result, perform even better by working together effectively.

Art. 5 Implementation

(1) Each E.ON employee shall be responsible for complying with this Policy and any related Market Unit policies or processes in his or her area of responsibility.

(2) All E.ON Market Units shall

- inform all of their employees about the provisions of this Policy and their responsibilities under it;
- draw attention in a suitable manner to zero tolerance for discrimination and harassment and to ensure that discrimination and harassment will not occur; this shall particularly be done through training and development;
- deal with complaints, allegations and occurrences in connection with discrimination and harassment;
- design policies and processes so that they comply with the principles set out in this Policy. Staffing decisions shall be based on the requirements of the position concerned and the personal performance, qualifications and potential of the individual concerned. This shall apply in particular to
 - selection criteria and conditions in recruitment and professional advancement;
 - employment and working conditions including pay and fringe benefits;
 - access to vocational training and professional development opportunities;
 - conditions of dismissals.
- examine and implement suitable measures according to the objectives laid down in the present Policy that will help promote equality, diversity and inclusion;
- designate an individual or individuals to work with the other Market Units in order to exchange experiences and design measures to promote equal opportunities, diversity and inclusion throughout the Group.

(3) Together with the executives in charge of the Market Units, the Board of E.ON AG will monitor compliance with this Policy.