

Translation

VATTENFALL AB
Swedish Corporate Identity
Number 556036-2138

Minutes, recorded at the Annual
General Meeting in Solna on April 28, 2020

PRESENT

Shareholder	Number of shares held
The Swedish State, represented by Maurice Forslund, Deputy Director, as per power of attorney, Appendix 1	131 700 000

Others present

A total of approximately 15 people, consisting of Members of the Board, the Executive Group Management, the Auditor and employees in the Vattenfall Group.

1 §

The Meeting was opened.

2 §

Axel Calissendorff, member of the Swedish Bar Association, was appointed Chairman of the Meeting.

3 §

The above list of present shares and their owner was approved as the voting list for the Meeting.

4 §

The Chairman of the Meeting appointed Anne Gynnerstedt, Secretary to the Board, to record the minutes of the Meeting.

5 §

Maurice Forslund, Deputy Director, and Axel Calissendorff, Chairman of the Meeting, were appointed to check and approve the minutes from the Meeting.

6 §

The sent-out agenda was approved.

7 §

It was approved that the Meeting was webcast over the Internet.

8 §

It was noted that the Meeting had been duly convened.

9 §

The following documents were presented.

- a) the Annual and Sustainability Report, including the Corporate Governance Report and the consolidated accounts, **Appendix 2**, and
- b) the audit report and consolidated audit report (part of **Appendix 2**).

It was noted that the Annual Report for Vattenfall AB, including the Corporate Governance Report, the Sustainability Report and the audit report, and the consolidated accounts and consolidated audit report for the Vattenfall Group for the fiscal year 2019, had been available at the company's web site and that printed copies had been available at the company.

It was noted that the documents were properly presented.

10 §

A recorded statement by Ibrahim Baylan, Minister for Business, Industry and Innovation, was presented.

Lars G Nordström, Chairman of the Board, and Magnus Hall, CEO, provided a statement of the work of the Board during the financial year 2019, moderated by Head of Staff Function Communications Karin Lepasoon. The statement is available on Vattenfall AB's website group.vattenfall.com/se under the headline "Bolagsstyrning"¹.

Staffan Landén, the Company's auditor in charge, reported on the auditing work.

Members of the Swedish Parliament were given the opportunity to put forward questions to the company.

11 §

It was informed that the Board and the CEO had, due to the changed financial situation and the supposedly long-term, uncertain international conditions, at the Board meeting on 21 April, 2020, revised the proposed resolution on distribution of the company's profit presented in the Notice to Attend the Annual General Meeting. The revised proposal and statement pursuant to Ch.18 § 4 of the Swedish Companies Act (2005:551) are attached as **Appendix 3** and the auditor's updated statement on the Board's dividend proposal is attached as **Appendix 4**.

It was resolved

- a) in accordance with the recommendation of the auditor, to adopt the income statement and balance sheet in the Annual Report, for Vattenfall AB and the Vattenfall Group respectively,
- b) to distribute the profit in accordance with the Board's revised proposal, in which profits at the disposal of the Annual General Meeting, a total of 65 172 029 238, to be allocated as follows:
 - To be distributed to shareholder SEK 3 622 500 000
 - To be carried forward SEK 61 549 529 238The dividend will be paid on 5 May, 2020, and
- c) in accordance with the recommendation of the auditor, to discharge the members of the Board and the CEO from liability for the administration of the business in 2019.

12 §

It was informed that detailed information on remuneration and other terms of employment for the Chairman, other Board members, the CEO and other senior executives and the adherence of the guidelines decided by the 2019 Annual General Meeting for remuneration to senior executives, is further described in the Annual and Sustainability Report, note 42 to the consolidated accounts.

The terms of remuneration for Magnus Hall, CEO, were presented, in accordance with the information provided in the Annual and Sustainability Report, note 42 to the consolidated accounts. With regard to remuneration to other senior executives, reference was made to the Corporate Governance Report, as well as to note 42 of the consolidated accounts.

It was reported on the extent to which the guidelines decided by the 2019 Annual General Meeting had been adhered to, with regard to remuneration and other terms of employment for senior executives in Vattenfall AB and its subsidiaries, **Appendix 5**.

Staffan Landén, the Company's auditor in charge, reported on the adherence of previously adopted guidelines for remuneration and other terms of employment for senior executives, and presented the Auditor's statement according to Ch 8 § 54 Swedish Companies Act (2005:551), **Appendix 6**.

13 §

The Board's proposal for guidelines for remuneration for senior executives was presented and resolved. The Board's entire proposal for guidelines appears in the Annual and Sustainability Report, page 86 and 87.

14 §

Maurice Forslund, Deputy Director, presented and motivated the revised proposal with regard to Directors of the Board and Chairman as well as their remuneration.

Information was provided on assignments that those proposed Directors, which are appointed by the Annual General Meeting, have in other companies. It was noted that further information can be found on group.vattenfall.com/se under the headline "Bolagsstyrning"².

15 §

It was resolved, according to the proposal, that the number of Directors to be appointed to the Board by the Annual General Meeting shall be nine (9) with no deputies.

² English translations are available on group.vattenfall.com under "Corporate Governance".

16 §

It was resolved, according to the revised proposal,

that directors' fees for the time until the conclusion of the next Annual General Meeting shall remain unchanged and be payable in the amount of SEK 790 000 for the Chairman of the Board and SEK 370 000 for other AGM-elected director,

that for work on the Audit Committee, a fee of SEK 99 000 shall be payable to the Committee chair and SEK 75 000 be paid to Committee member, for the time until the conclusion of the next Annual General Meeting,

that for work on the Remuneration Committee, a fee of SEK 60 000 shall be payable to the Committee chair and SEK 45 000 be paid to Committee member, for the time until the conclusion of the next Annual General Meeting, and

that no fees are payable to employees of the Swedish Government Offices or to employee representatives.

17 §

It was resolved, according to the proposal, to re-elect the following persons as Directors of the Board, to serve for the time until the conclusion of the next Annual General Meeting.

Viktoria Bergman

Ann Carlsson

Håkan Erixon

Tomas Kåberger

Jenny Lahrin

Lars G Nordström

Fredrik Rystedt

Åsa Söderström Winberg

and new election of Mats Granryd.

Lars G Nordström was re-elected as Chairman of the Board.

Fredrik Arp had declined re-election.

It was noted that the local trade union organisations, in accordance with the Swedish Private Sector Employees (Board Representation) Act had appointed the following Directors to the Board.

For SEKO, the Union of Service and Communication Employees: Robert Lönnqvist as director, Lennart Bengtsson as deputy director.

For Unionen, the Union of White-collar Employees: Jeanette Regin as director, Anders Bohlin as deputy director.

For Akademikerrådet: Rolf Ohlsson as director, with Christer Gustafsson, Ledarna (Swedish Association for Managers), as deputy director.

18 §

It was resolved, according to the proposal, that one (1) chartered accounting firm is elected to serve as auditor.

19 §

It was resolved, according to the proposal, that fees shall be paid for the auditor's work as per approved invoice.

20 §

It was resolved, according to the proposal, to appoint Ernst & Young AB to serve as auditor for the time until the conclusion of the next Annual General Meeting.

It was noted that Ernst & Young AB had appointed Authorised Public Accountant Staffan Landén as auditor-in-charge.

21 §

The Government's principles for corporate governance in state-owned companies, for external reporting in state-owned companies as well as for terms of employment for senior executives in state-owned companies, were decided. The documents are available at the Government's web page, www.regeringen.se.

22 §

On behalf of the Board, Anne Gynnerstedt, Secretary to the Board, expressed her appreciation to Fredrik Arp, who had declined re-election, for worthily having contributed to the work of the Vattenfall Board, including as Chairman of the Audit Committee.

Maurice Forslund, Deputy Director, conveyed the owner's thanks to the Board, the Executive Group Management and company's employees for their fine efforts during the year.

23 §

The Meeting was closed.

Minutes taken by:

Anne Gynnerstedt

Approved by:

Maurice Forslund

Axel Calissendorff



Regeringskansliet

2020-04-27
Bilaga 2 till protokoll 2020-04-27 i
ärende N2019/01871/BSÄ (delvis)

Näringsdepartementet
Statsrådet Baylan

Fullmakt

Med stöd av regeringens bemyndigande den 14 februari 2019 utser jag kanslirådet Maurice Forslund eller, om han har förhinder, kanslirådet Erik Sandstedt att på bolagsstämman den 28 april 2020 i Vattenfall AB företräda och utöva rösträtt för staten som aktieägare i bolaget.

A handwritten signature in black ink, appearing to read 'Ibrahim Baylan'.

Ibrahim Baylan

Proposed distribution of profits

The Annual General Meeting has at its disposal retained profits, including the profit for the year, totalling SEK 65,172,029,238. The Board of Directors and President propose that the profits be distributed as follows:

To be distributed to the shareholder: SEK 3,622,500,000

To be carried forward: SEK 61,549,529,238

The proposed distribution corresponds to a dividend of SEK 27.51 per share. The dividend is proposed for payment on 5 May 2020.

Statement by the Board of Directors pursuant to the Swedish Companies Act, Chapter 18, Section 4

Based on the Parent Company's and Group's financial position, earnings and cash position, the Board of Directors is of the opinion that the proposed distribution of profits will not lead to any material limitation of the Parent Company's or Group's ability to make any necessary investments or to meet their obligations in the short and long term. In view of the above, the Board of Directors finds the proposed dividend, totaling SEK 3,622,500,000 to be carefully considered and justified.

Solna, 21 April, 2020

The Board of Directors



Revisorns yttrande enligt aktiebolagslagen (2005:551) över styrelsens förslag till vinstutdelning vid ordinarie bolagsstämma

Till bolagsstämman i Vattenfall AB, org.nr 556036-2138

Vi har granskat styrelsens förslag till vinstutdelning daterat den 21 april 2020. Förslaget har lämnats efter att bolagets årsredovisning för 2019 avgavs, för vilken vi har lämnat revisionsberättelse med uttalande om däri angivet förslag till vinstdisposition. Förslaget avviker från vinstutdelningsförslaget i årsredovisningen såtillvida att styrelsens föreslag till vinstutdelning har minskats till 3 622 500 000 kronor.

Styrelsens ansvar för förslaget

Det är styrelsen som har ansvaret för att ta fram förslaget enligt aktiebolagslagen och för att det finns en sådan intern kontroll som styrelsen bedömer nödvändig för att kunna ta fram förslaget utan väsentliga felaktigheter, vare sig dessa beror på oegentligheter eller misstag.

Revisorns ansvar

Vår uppgift är att uttala oss om förslaget till utdelningen på grundval av vår granskning. Vi har utfört granskningen med ledning av FARs rekommendation RevR 9 *Revisorns övriga yttranden enligt aktiebolagslagen och aktiebolagsförordningen*. Denna rekommendation kräver att vi planerar och utför granskningen för att uppnå rimlig säkerhet att styrelsens förslag inte innehåller väsentliga felaktigheter. Revisionsföretaget tillämpar ISQC 1 (International Standard on Quality Control) och har därmed ett allsidigt system för kvalitetskontroll vilket innefattar dokumenterade riktlinjer och rutiner avseende efterlevnad av yrkesetiska krav, standarder för yrkesutövningen och tillämpliga krav i lagar och andra författningar.

Vi är oberoende i förhållande till Vattenfall AB enligt god revisorssed i Sverige och har i övrigt fullgjort vårt yrkesetiska ansvar enligt dessa krav.

Granskningen innefattar att genom olika åtgärder inhämta bevis om finansiell och annan information i styrelsens förslag. Revisorn väljer vilka åtgärder som ska utföras, bland annat genom att bedöma riskerna för väsentliga felaktigheter i förslaget, vare sig dessa beror på oegentligheter eller misstag. Vid denna riskbedömning beaktar revisorn de delar av den interna kontrollen som är relevanta för hur styrelsen upprättar förslaget i syfte att utforma granskningsåtgärder som är ändamålsenliga med hänsyn till omständigheterna, men inte i syfte att göra ett uttalande om effektiviteten i den interna kontrollen. Granskningen omfattar också en utvärdering av ändamålsenligheten och rimligheten i styrelsens antaganden. Vi anser att de bevis vi har inhämtat är tillräckliga och ändamålsenliga som grund för vårt uttalande.

Uttalande

Vi tillstyrker att bolagsstämman disponerar vinsten i enlighet med styrelsens förslag.

Stockholm den 27 april 2020

Ernst & Young AB

Staffan Landén

Auktoriserad revisor

Huvudansvarig revisor

Report on variable compensation of senior executives and evaluation of guidelines for compensation of senior executives

In accordance with the Swedish Code of Corporate Governance, the Remuneration Committee has evaluated the guidelines for compensation of senior executives adopted by the 2019 Annual General Meeting. The report to the Board on this evaluation also includes an opinion on the extent to which the actual compensation of senior executives is in compliance with the guidelines.

Vattenfall does not pay any variable compensation to senior executives and is also in other aspects in compliance with the guidelines decided by the AGM. The total remuneration to senior executives is regarded as reasonable and well-considered. The remuneration is not salary level leading in relation to comparable companies. The Board has taken part of market data and a summary of the terms and conditions for each senior executive, to ensure compliance with the guidelines.

Compliance with the adopted guidelines is described in more detail in the Annual Report, Note 42 to the consolidated accounts.

Stockholm, 19 March 2020

The Board of Directors

Auditor's report in accordance with Chapter 8, Section 54 of the Swedish Companies Act (2005:551) on whether the guidelines adopted by the General Meeting regarding remuneration to Group Executive Management have been complied with

To the General Meeting of Vattenfall AB (publ), corporate identity 556036-2138

We have examined whether the Board of Directors and the Managing Director of Vattenfall AB (publ), have, for the year 2019, complied with the guidelines on remuneration to Group Executive Management, adopted at the General Meeting on 25 April 2018 and the General Meeting on 11 April 2019, respectively.

Responsibilities of the Board of Directors and the Managing Director

The Board of Directors and the Managing Director are responsible for compliance with the guidelines and for the internal control the Board of Directors and the Managing Director determine is necessary to ensure compliance with the guidelines.

Auditor's responsibility

Our responsibility is to issue a report, based on our examination, to the General Meeting regarding whether the guidelines have been complied with. The examination has been performed in accordance with FAR's recommendation RevR 8 *Granskning av ersättningar till ledande befattningshavare i aktiemarknadsbolag* (Examination of Remuneration to Group Executive Management in Listed Companies). Those standards require us to comply with the ethical requirements, and also to plan and perform the examination in such a manner that we may obtain reasonable assurance about whether the guidelines on remuneration have been complied with. The firm applies International Standard on Quality Control 1 and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

We are independent of Vattenfall AB in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

The examination has covered the company's organization and documentation of issues concerning remuneration for Group Executive Management, new decisions concerning remuneration, as well as a selection of the financial year's payments to Group Executive Management. The procedures selected depend on the auditor's judgement, including the assessment of the risk that the guidelines have not, in all material respects, been complied with. In making this risk assessment, the auditor considers internal control relevant to the company's compliance with the guidelines in order to design procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.

We believe that our examination provides a reasonable basis for our conclusion.

Conclusion

In our opinion the Board of Directors and the Managing Director of Vattenfall AB (publ) have, during the year 2019, complied with the guidelines on remuneration to Group Executive Management, which were adopted by the General Meeting on 25 April 2018 and 11 April 2019, respectively.

Stockholm, 19 March 2020

Ernst & Young AB

Staffan Landén
Authorized Public Accountant