

## **ARTICLES OF ASSOCIATION OF VATTENFALL AKTIEBOLAG**

### **§ 1 Name of the Company**

The name of the Company is Vattenfall Aktiebolag. The Company is public (publ).

### **§ 2 Registered Office**

The registered office of the Board of Directors shall be in Stockholm, Sweden.

### **§ 3 Operations**

The Company shall, within the framework of businesslike operations, be the leading company in the transition to an ecologically and economically sustainable Swedish energy supply. The objects of the Company are to, directly or indirectly through subsidiaries and associated companies, carry on energy business activities as well as carry on trading with products and services within branches that are promoting, supporting or supplementing the energy business, mainly within the computer and telecom branches, as well as products and services related to subscription. The Company shall in addition to that carry on contracting and consulting activities mainly within the energy sector. The Company shall furthermore, directly or indirectly through subsidiaries and associated companies, own and administer real estate, shares and other securities associated to the aforesaid business activities. Besides, the Company shall carry on other activities consistent therewith.

### **§ 4 Share Capital**

The Company's share capital shall amount to no less than four thousand million (4,000,000,000) SEK and no more than sixteen thousand million (16,000,000,000) SEK.

### **§ 5 Number of Shares**

The Company shall have no less than 80 million and no more than 320 million shares.

## **§ 6 Board of Directors**

In addition to the Directors and the Deputy Directors that are to be elected pursuant to any law other than the Companies Act, the Board of Directors shall consist of no fewer than five (5) and no more than ten (10) Directors and no Deputy Directors. The Board of Directors are to be elected annually at the Annual General Meeting for the period until the end of the next Annual General Meeting. The quorum at any board meeting shall require the presence of Directors representing at least two thirds of the total number of Directors.

## **§ 7 Auditors**

For the purpose of examining the Company's annual report and financial account and the Consolidated Accounts and the internal relations within the Vattenfall Group and the administration by the Board of Directors and Managing Director, at least one but no more than three Auditors and at least one and no more than three Deputy Auditors are to be elected at the Annual General Meeting. At least one of the Auditors of the Company shall be an authorised auditor. The Deputy Auditor for this authorised Auditor shall also be an authorised auditor. A registered firm of accountants may be elected as an Auditor or Deputy Auditor.

The auditor is elected for a term that shall continue through the close of the Annual General Meeting that is held during the fourth financial year following the election of auditors. In case of a re-election of an auditor who has been elected for a term of four years, the Annual General Meeting may decide to elect the auditor for a term that shall continue through the close of the Annual General Meeting that is held during the third financial year following the election of auditors in stead of through the close of the Annual General Meeting that is held during the fourth financial year.

## **§ 8 Financial Year**

The financial year of the Company shall be the calendar year.

## **§ 9 Time and location of the Annual General Meeting**

The Annual General Meeting shall be held in Stockholm. The Annual General Meeting shall be held within a period of six months following the end of the financial year.

## **§ 10 Notice**

Notice for the General Meeting and Extra General Meeting where an issue regarding a change of the Articles of Association shall be dealt with, shall be sent to shareholders no earlier than six weeks and no later than four weeks prior to the Meeting. Notice for any other Extra General Meeting shall be sent to shareholders no earlier than six weeks and no later than two weeks prior to the Meeting.

A notice for a Meeting shall include a proposed agenda for the Meeting itemising the issues to be dealt with at the Meeting as well as a general outline of the substance of each and every proposal made, unless such proposal is of minor importance. Notice shall be sent by mail to the shareholders and advertised in Svenska Dagbladet, Dagens Nyheter or any other daily paper covering the whole nation as well as in Post- och Inrikes Tidningar.

## **§ 11 Chairman of the General Meeting**

The Chairman of the Board, or in his absence, the Deputy Chairman of the Board, shall serve as Chairman at the General Meeting until a Chairman for the Meeting has been elected.

## **§ 12 The Annual General Meeting**

The following matters shall be dealt with at the Annual General Meeting:

1. election of a Chairman at the Annual General Meeting;
2. election of secretary at the Meeting;
3. election of two persons to check the minutes;
4. approval of the agenda of the Meeting
5. preparation and approval of a voting list;
6. determination whether the Meeting has been properly convened;
7. presentation of the Annual Report and the Auditors' Report and the Consolidated Accounts and the Auditors' Report on the Vattenfall Group;
8. resolutions in respect of
  - a. adoption of the Profit and Loss Statement and the Balance Sheet and the Consolidated Profit and Loss Statement and the Consolidated Balance Sheet.
  - b. appropriation of the Company's profit or loss as shown in the adopted Balance Sheet.
  - c. the discharge of the Board of Directors and the Managing Director from liability.
9. determination of the number of Directors;
10. determination of remuneration to be paid to the Directors;
11. election of Directors and the chairman of the Board of Directors;

12. determination, whenever applicable, of the number of Auditors and Deputy Auditors;
13. determination, whenever applicable, of remuneration to be paid to the Auditors and Deputy Auditors;
14. election, whenever applicable, of Auditors and Deputy Auditors;
15. other matter, which according to the Companies Act or the Company's Articles of Association shall be dealt with at the Meeting.

### **§ 13 Presence at the Annual General Meetings**

Subject to two weeks prior written notice, Members of the Swedish Parliament are entitled to be present at Annual General Meetings and to put forward questions at the Meeting. Notice of the time and place of the Annual General Meeting shall be sent to the Secretariat of the Chamber no earlier than four weeks, and no later than three weeks prior to the Meeting.

In addition, if the Board of Directors finds it appropriate, it may invite other third parties to be present at the Annual General Meeting and/or it may resolve to broadcast the Annual General Meeting live on the Internet or in any other media.

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